

Who is The Power Company?

If you live in the wider Southland or West Otago regions, then it's likely you are one of The Power Company's 34,000-plus consumers.

The Power Company Limited (TPC) was formed in 1991 and owns the electricity network assets (such as power lines, poles and substations) in the Southland/West Otago area, excluding Invercargill City and Bluff.

TPC has approximately 34,600 consumers connected to its electricity network.

The company is owned by its consumers through the Southland Electric Power Supply Consumer Trust (Southland Power Trust). Five elected Trustees represent consumers.

The Board



Alan Harper - Chair



Duncan Fea



Doug Fraser



Maryann Macpherson

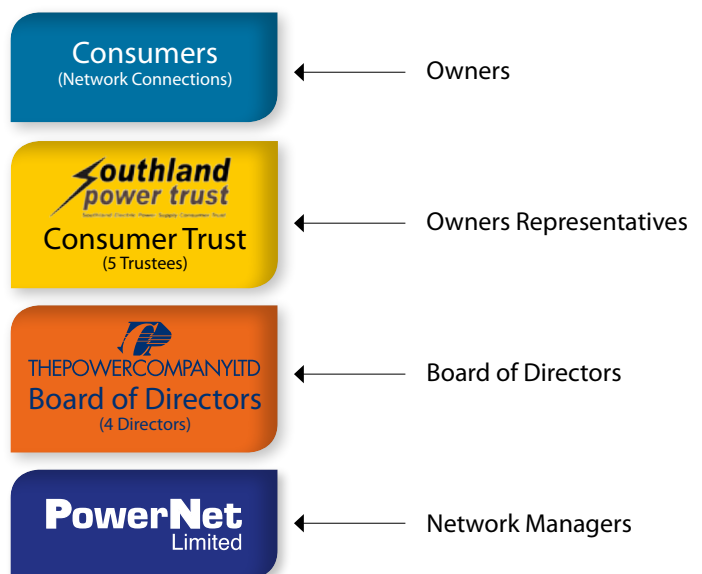
The TPC Board has four Directors appointed by the Southland Power Trust.

Directors' responsibilities are mainly governed by the Company's Constitution and the Companies Act 1993. Their role includes determining policies, preparing a Statement of Intent, a Business Plan and an Asset Management Plan, monitoring PowerNet's performance, reporting to the shareholder, the Southland Power Trust and publishing an Annual Report.

PowerNet Limited is contracted to manage TPC's network and metering assets. TPC's main source of revenue comes from the use charge for PowerNet's lease and use of TPC assets.

Other TPC revenue comes from the connection of new installations to the network and profits from investments in OtagoNet Joint Venture, Otago Power Services Limited and Electricity Southland Limited.

PowerNet is the main point of contact for all consumer queries other than electricity retailing matters.



New Southland Power Trust Trustees

The Southland Electric Power Supply Consumer Trust, which represents the interests of consumers on the TPC network, has two new trustees following the elections in August last year. They are David Rose and Carl Findlater.



David Rose

David farms at Northope with his wife Helen and their two teenage sons. He is a member of Federated Farmers NZ (FFNZ) Southland executive. He has been Southland Provincial President and served seven years on FFNZ National Council. During this time he was elected a National FFNZ Board member and was national spokesman for adverse events, ACC, rural security, employment, Ag Health and Safety, education and local government. David has also served on the Southern Institute of Technology (SIT) Council, chaired his local Lochiel School Board of Trustees, Environment Southland's Oreti Catchment Liaison Committee and been a Trustee of the Southland Life Education Trust. His interests are a passion to serve his community, his family, farming and politics.



Carl Findlater

Carl is married to Yvonne and they have a son Callum who is at high school. Carl's career has spanned marine steam engineering and design, education, compliance and sawmilling. He is presently involved in his family's sawmilling enterprise. He is a past Board member of the Forest Industry Training and Education Council and for many years a committee member and chair of the Solid Wood Training Association. He is a Trustee of the Waimea Plains Railway, a member of the Vintage Car Club and a committee member of the Invercargill Cultural and Welfare Society. His recreational interests include family, vintage motorcycles, politics and reading.

Smart Meters

"Over 76,000 electricity meters will be replaced in your homes, businesses and farms over three years as TPC switches to smart meters," PowerNet chief executive Jason Franklin says.

"Across the TPC network, this \$18 million project is going to ensure we, as network managers, have a better ability to manage security and reliability of supply," he says.

The smart meters, which use a radio frequency mesh network to communicate with a central control centre, will start to be installed from April 2014.

"The connectivity gives us the ability to manage the network in real time. We will be able to see exactly where faults are occurring, instead of having to work via a process of elimination. We can also measure energy loss between substations and consumers, manage peak loads, and of course the data provided to retailers will enable them to work with their customers to change the way they use electricity in the future," Mr Franklin says.

TPC is part of the SmartCo consortium, which is installing smart meters across 10 networks in New Zealand.

Mr Franklin says the smart meters will replace all other meters, reducing the number of meters across the local network from 76,000 to 44,000.

"PowerNet is managing the project on behalf of TPC, as that company invests for the future," he says.

TPC's adjacent network, Electricity Invercargill Limited, is also having smart meters installed at the same time.



The current meters (left) will be replaced with the new smart meters (right)

Company changes to build for the future

From December 2013, TPC's network manager PowerNet, electrical contracting company Power Services Ltd and Lakes District contracting company Peak Power Services have been integrated into one new organisation.

PowerNet chief executive Jason Franklin praised the professionalism and ideas from staff as the amalgamation and integration of PowerNet, Power Services and Peak Power Services was worked through.

The decision to proceed with operationally integrating PowerNet, Power Services and Peak Power Services into a single structure has been enhanced through staff consultation and input.

"It makes sense for us to work under the same management structure, to consolidate our planning and implementation on major capital works and maintenance, and it also allows us to plan for the future as we see opportunities for growth in the areas we cover," Mr Franklin says.

"Customers should see no difference in their day-to-day dealings with us. For us, it means improved co-ordination across the organisation and better process management."

The same number of roles have been retained in the new organisation, with changes made to reduce the management structure and having teams able to work more closely together.



Major Network Investment Stage three commences on Mossburn to Athol upgrade

A new 66kV line from Mossburn is being installed as stage three of the Mossburn to Athol upgrade reaches a conclusion. The project commenced in early December and is being undertaken by infrastructure specialists Delta Utilities.

Project engineer Dave Dunlop said the final stage of the project was 18km long and construction was expected to be completed by the end of March.

Sitting alongside State Highway 6, the Athol site was a hive of activity in late 2013 as staff from contractors DECOM and Power Services prepared for the commissioning of the new substation so that the new incoming 66kV line from Mossburn can be connected and livened.

"The new supply will provide the region with an improved quality of electricity supply and will complete a year-long, \$5 million-plus project," Mr Dunlop said.

When stage three is complete, the new Athol substation will be ready to supply the growing demand and projected future needs of the surrounding area.



Consumer Discount

TPC is owned by the Southland Power Trust. The company returns a portion of the profits every year back to its consumers as a discount.

The directors of TPC and the trustees of the Southland Power Trust are committed to the continued improvement of the electricity network while maintaining competitive line charges. The Southland Power Trust works for consumers to ensure TPC's focus is on operating a successful business and keeping line charges as low as possible to help Southland and West Otago grow.

In 2013 the increased demand for electricity meant a collective discount of \$8 million (including GST) was shared among all consumers who were connected to the TPC electricity network at midnight on Saturday, 31 August 2013.



Two-way communication a winner for all

In 2013 TPC hosted a function for commercial customers. TPC Board Chair Alan Harper said the purpose of the function was to get feedback from customers on what they valued from their electricity network service and also their suggestions for potential improvements.

"We have held similar functions with customers in the other electricity networks we manage. The more relaxed surroundings seem to work and we get plenty of comments and suggestions," PowerNet chief executive Jason Franklin says. "It is important for us to work with business and industry to ensure we have a very good understanding of their requirements in order for us to ensure we plan and manage the network accordingly."

During the evening Alan Harper, on behalf of TPC, presented a CPR and Defibrillator manikin to the Winton community.

Winton Volunteer Fire Brigade Chief officer, Brian Sommerville, said the manikin was a valuable donation to the Winton community and that the full-bodied adult 'Resucci Anne' would allow on-going CPR and defibrillator training for their volunteers.

"Having the manikin now means we can have regular, realistic training which will not only benefit our members but ultimately the whole community, which could mean the difference between life or death when we are called upon," Mr Sommerville said.

The Winton Volunteer Fire Brigade will make the manikin available to St John in Winton for training of local groups and companies that have a Heartstart Defibrillator.



Alan Harper (TPC Chair) with Brian Sommerville and Steve Milne (Winton Fire Brigade) and Jason Franklin (CEO PowerNet)

Electricity distribution explained

ELECTRICITY FLOW



Generation



Transmission



Distribution
The Power Company Limited
Your local electricity lines company



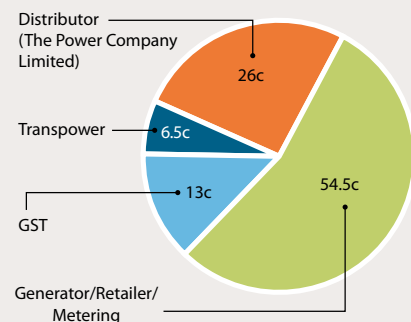
Consumer



TPC statistics as at 31 March 2013

Consumers Connected	34,602
Residential	25,060
Industrial	166
Commercial	9,376
Network Length	8,691 km
Consumer Density	4.0 consumers/km
Number of Distribution Transformers	10,897
Maximum Demand	134MW
Total Energy Conveyed	755GWh
Regulatory Value	\$308 million

BREAKDOWN OF YOUR ELECTRICITY DOLLAR



Southland Warm Homes Trust

The Southland Power Trust as owners of TPC, together with Electricity Invercargill Limited, formed the Southland Warm Homes Trust (SWHT) in 2008. The SWHT receives funding from the Energy Efficiency and Conservation Authority (EECA) and from a range of Southland Councils and organisations, of which TPC is the largest funder.

The work of SWHT is to continue after funding from the EECA was approved last year.

The SWHT, in conjunction with EECA, has carried out insulation and heating retrofits in over 6,000 Southland and West Otago homes since 2008.

The latest round of funding under EECA's Healthy Homes Programme is targeted at those who stand to benefit most from having their homes insulated being low income households with high health needs, including families with children and the elderly. Landlords with eligible tenants are also included but will be required to make a contribution.

To be eligible, homes must have been built prior to 1 January 2000. Occupants also must have a Community Services Card and those with high health needs must be referred through an approved referral service.

In addition to the continued EECA/SWHT programme, SWHT and Awarua Synergy are also offering a subsidy of up to \$2,000 to middle income families to undertake insulation and heating retrofits. To find out if you meet the qualifying criteria, phone 0800 927 676.

The SWHT is very pleased to be able to carry on the work begun in 2008 and assist the more vulnerable members of our community.

For more details, contact the SWHT on 0800 WARM SOUTH or 0800 927 676.

Funding for	Insulation Contribution		
	EECA	SWHT	Home Owner
Residential dwelling built prior to 1 January 2000, and Community Services Card (CSC) holders with one or more occupants under 17 years or over 65 years or who have a medical referral	60%	40%	*FREE*
Landlords with CSC holding tenants with one or more occupants under 17 years or over 65 years or who have a medical referral	60%	15%	25%
		SWHT	Awarua Synergy
Qualifying middle income families		\$800	\$1,200

Keeping safe both inside and outside

your home or crib

Everyone has heard the old adage that 'safety begins at home'.

An incident occurred recently at a residential property where an unknown issue with the power supply inside the house was causing flickering lights. The customer went to the meter box to investigate the problem and received an electric shock - as wiring was loose inside the box and had made it 'live'. Luckily, the customer was uninjured and the problem was quickly rectified by an electrician.

Here is a list of simple things you can do to ensure your own and your family's safety in the home

- Appliance repairs: always use a qualified tradesman to fix any electrical appliances that are not working
- Regularly check electrical appliances, including electric blankets
- Turn power off when water-blasting or painting around your power line/service main
- If doing alterations, removing walls and rewiring often requires the assistance of a qualified electrician
- If you notice any plugs or light switches are damaged or loose, or if you notice any flickering lights, please call your qualified electrician to check that your electricity supply is safe to use

Even seemingly simple tasks such as changing plugs on electrical cords needs to be treated with care to ensure no shocks afterwards.

And, if you do feel the need to get that stuck bit of toast from the toaster with a bread knife, please make sure the toaster is unplugged first...



Farmers – What’s up above?

Look out for live lines on your property



If you are working in the vicinity of overhead lines you must always be careful.

Sometimes, something as simple as being focused on the road or paddock and not noticing what is above can result in potentially fatal incidents. Privately owned low voltage lines on a property are not always considered when farming activity is occurring.

Common dangers include:

- Diggers hitting wires
- Round bales on a loader obscuring your vision
- Tip trucks – the tilted deck can be higher than the power lines
- High loads on trucks such as silage, bales or a stock crate
- Post hole rammers hitting wires
- Trimming vegetation too close to power lines



Farmers should also be careful when pulling up electric fences near power lines on rolling terrain.

These incidents are a nuisance to a lot of people, because our protection systems often turn the power off over a wide area, however the real concern is the danger to you or your workers. The simple message is, be aware of your surroundings at all times.



There's a danger to you, your equipment and others around you when you make contact with overhead lines.

If you are in a vehicle that makes contact with power lines, or you come across a vehicle that has brought lines down – do not touch the wires, or any metal that is in contact with the wires as you will become part of the circuit and will risk electrocution.

Stay in the vehicle where you are relatively safe and call for emergency services.

If you make contact with an overhead line, call our faults number immediately

In Southland 0800 808 587

In Otago 0800 753 951

The 4 metre rule for electricity - Stay at least 4 metres away from overhead power lines. If you need to get closer, you must obtain a permit from PowerNet's System Control.

In Southland call 0800 808 587 or Otago 0800 753 951

Before U Dig

It is vital to be aware of what's down below when you start digging.



TPC is part of a "one stop shop" which helps people and contractors identify underground services before they start excavating.

Before U Dig (www.beforeudig.co.nz or 0800 248 344) is a service that allows you to provide details of planned works on a particular site. The Before U Dig team contacts any member suppliers in the area who then supply information about the location of underground infrastructure to the contractors before they start work.

Customer survey results

A survey of TPC customers by PowerNet shows the vast majority are happy with the service we offer.

Four hundred residential customers and eight commercial customers were surveyed and overall, the networks received an 8.3 out of 10 favourable ranking for key areas such as reliability of supply, supply quality, outage communication and rapid response to any outage.

Our annual surveys are important to our business and provide valuable data. The feedback we get from these surveys is important to us in planning for the future and ensuring we are meeting customer needs wherever possible.

If you have any concerns about our service please call us on 03 211 1899 and we will be pleased to help – we have a free internal complaints process. If we are unable to resolve your concern you can contact the free and independent Electricity and Gas Complaints Commissioner on 0800 22 33 40, www.egcomplaints.co.nz