

Who is The Power Company Limited?

One of the south's major success stories, The Power Company Ltd (TPCL) has amassed significant wealth for the people of Southland and West Otago.

If you live or work in wider Southland or West Otago, then it's likely you're one of TPCL's 35,600 plus customers and therefore, indirectly, one of its owners.

TPCL is owned by its customers through the Southland Electric Power Supply Consumer Trust (Southland Power Trust). The Trust represents customers as shareholders and appoints directors to TPCL's board. The board oversees TPCL's operations, while PowerNet manages and maintains its electricity network assets.

The company's electricity assets (including power lines, poles and substations) supply power to the Southland and West Otago area, excluding most of Invercargill City and Bluff.

With 8,876km of lines, TPCL's network is the largest in the lower South Island. Each year around 751 gigawatt hours (GWh) of energy are delivered to customers. Around two-thirds of TPCL's customers are residential—the remainder are industrial and commercial.

Money off your Power Bill

If you are one of our 35,600 plus customers in rural Southland* or West Otago, every year we share our success with you.

Since 2001, we've put over \$92 million (including GST) back to households and businesses through our annual customer discount.

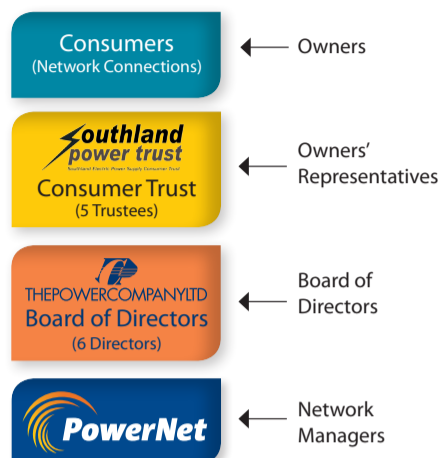
This year the discount totals \$8 million (including GST).

It's our way of giving back to local communities and saying a big thank you for your loyal support. So enjoy that little bit extra off your power bill.

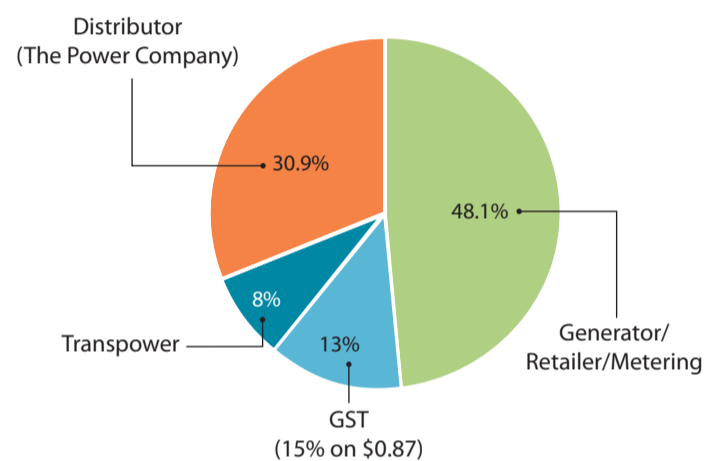
*Excluding Invercargill City and Bluff, streetlights, unmetered and single phase connections. To qualify you had to be connected to the network on 31/8/17.

The Power Company Ltd Structure

TPCL statistics at 31 March 2017	
Connected customers - total	35,608
Residential	26,243
Industrial	202
Commercial	9,163
Network length	8,876 km
Consumer density	4.0 customers/km
Number of distribution transformers	11,101
Maximum demand	135MW
Total energy conveyed	751GWh
Regulatory value	\$328 million



Here's a Breakdown of Your Electricity Dollar



The Grand Electrification of the South

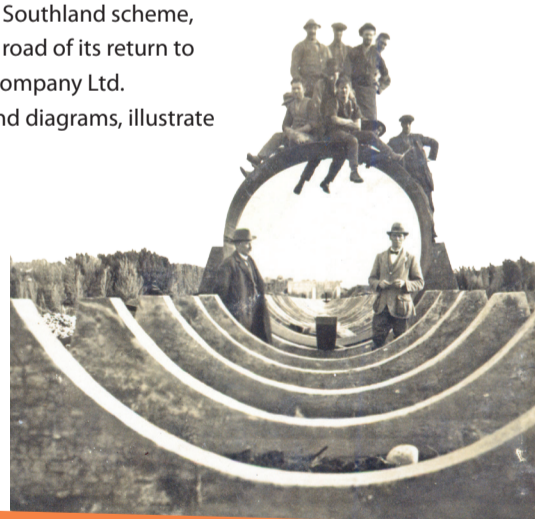
In 1914, in the deep south of New Zealand, a revolutionary idea took root: Southlanders decided to build their own hydro-electric power station and supply electricity to the entire province, returning all profits to the people of Southland.

The Grand Electrification of the South traces the origins of the Southland scheme, its transition to government ownership, and the convoluted road of its return to the people of Southland within the structure of The Power Company Ltd. Personal anecdotes and over 100 photos (many historical) and diagrams, illustrate the carefully researched narrative.

The book is written by Gay Buckingham

The book retails for \$20 and is available from The Power Company, 251 Racecourse Road, Invercargill Phone 03 211 1899 or email enquiries@powernet.co.nz.

The proceeds from book sales are donated to St John's local branch.



Will you get the discount?

It's easy. Check your electricity account.

Every property has a reference called an ICP number and it's written on your electricity account. **If your ICP number includes the letters 'TP', then you're on our network.**

You need to have been connected with us at midnight on 31 August 2017 to receive the discount. All residential customers will receive a discount of 1.78 cents per kilowatt hour (including GST) based on the power consumption recorded for the property. The discount will show on your power bill from your retailer in September or October. Discounts vary according to how much power you use. As an example, an average household using 6000kWh a year receives \$106.80. If you do not receive your discount by 31 October 2017, please contact your electricity retailer.

ELECTRICITY	
Supply address: A HOUSE SUBURB TOWN	Supply type: Electricity For the period ended 31 August 2017 Meter Number: 122181732:1
ICP number: 000056782 TP -A9C	

↑ Your ICP number

Chair's Message

It's one of the best kept secrets that The Power Company Ltd (TPCL) is one of Southland's most significant benefactors.

Since 2001, we've put \$92 million back into rural Southland and West Otago communities, through the annual discount our customers receive on their electricity account.

This year, the discount totals \$8 million (including GST). This is a large amount of money returning to our communities and the most significant community grant distributed in the south.

TPCL passes on many other benefits to our customers. We work hard to improve the reliability and safety of your power supply and to maintain competitive line charges.

Our Oreti Valley Project represents a major upgrade of capacity and reliability in electricity supply, as we install new substations and 66kV lines. This will benefit many Southland homes and businesses into the future.

Together with the Southland Power Trust—the consumer trust that represents our customers—our directors are committed to operating a strong, forward-thinking business.

We've been strategically investing and diversifying into areas such as wind and hydro-electric generation. As we strengthen our company value and ownership stake through investment and diversification, we're delivering even better results that contribute to funding our annual customer discount.

I am proud to have been appointed as TPCL chair in September this year. Former chair, Alan Harper, has for decades led TPCL to the strong position it is in today. The board thanks him for his significant contribution.

I would like to welcome new directors Wayne Mackey and Peter Moynihan who joined the board in September.



As TPCL's new chair, I look forward to leading TPCL as it continues to build on a long, proud history of providing safe, efficient and reliable electricity to the people of the south.

Doug Fraser, Chair
The Power Company Ltd

Mobile Substation Brings Flexibility

Southland's first mobile substation was commissioned in March after nearly three years of planning and construction. The 15.66m long and 2.5m wide trailer mounted substation comprises a 5MVA transformer, 66kV and 22kV circuit breakers, control room and other auxiliaries.

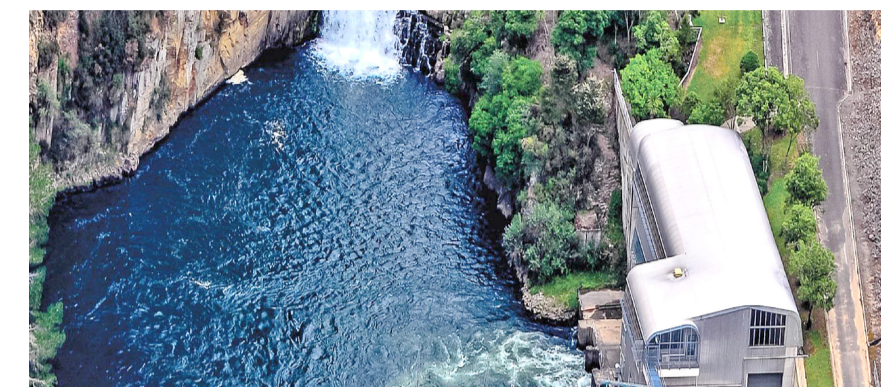
Owned by TPCL, the substation was designed by Mitton ElectroNet in Christchurch and constructed by ElectroNet Services in Greymouth. It can operate on four voltage configurations: 66/22kV, 66/11kV, 33/22kV and 33/11kV.

PowerNet project manager, Vikas Sharma said the \$2.5 million substation offers great flexibility. "It allows us to more promptly reinstate power to our communities in the event of major failure of the main substation. It can also be used at transformer sites, temporary building sites, in paddocks, on the side of the road, and will significantly help support unplanned outages and planned shutdowns," he said.



Southern Generation Ltd Partnership

In 2015, The Power Company invested in the Southern Generation Ltd Partnership. The partnership focuses on renewable generation with two wind farms, Mt Stuart in Otago and Flat Hill in Southland as well as the Aniwhenua hydro-electric power station in the Bay of Plenty. This investment has been an important factor in continuing to grow the value of the business.



The generation output of the two wind generation sites and the Aniwhenua hydro-electric power station is assessed at 174GWh. Wind and hydro generation are clean, green, renewable energies that fit with TPCL's wider strategies, including the transition from fossil fuels to renewables where possible. The total output from SGLP generation sites is equivalent to the amount needed to power 20,000 homes.

Power Issues?

We're always working to improve the reliability of TPCL's network. This means far fewer power outages – but occasionally they still happen.

Call **PowerNet** on
0800 808 587

www.powernet.co.nz

Check out our website at www.powernet.co.nz to view or report outages. Alternatively you can phone our System Control team on 0800 808 587.

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 Utilities Disputes on 0800 22 33 40 (www.utilitiesdisputes.co.nz).

