

December 2021

ACROSS the LINES

Where has 2021 gone?

It's now time to reflect on the previous 12 months and look forward to a well-earned summer break.

We've all contributed to PowerNet's performance for 2021. Thank you for the great work you've done and for how you've responded to the business challenges and opportunities we've faced.

We were well-prepared for the further challenges COVID-19 presented us in 2021. We swung into our priorities and teamwork in a way that reflected a business as usual approach, with appropriate health & safety controls - very quickly we all picked up what we needed to do.



L/R: Hamish Prentice and Marlon McLean using the Risk Mentor system on site.

Looking further forward, over the next 30 years electricity use is expected to increase by 60%. PowerNet is well-positioned for the colossal change de-carbonisation and electrification is set to bring for our businesses and communities, and especially for our network owners and customers.

Meeting the demand to decarbonise and the subsequent need to boost electrical infrastructure will bring challenges and opportunities. Both are increasingly critical to New Zealand industry as the country drives towards a low emissions economy. Mataura Valley Milk and the Alliance Group are already on this journey as we work with them to electrify process heat and replace their coal-fired boilers. PowerNet is upgrading the electricity network and infrastructure to deliver the additional electricity capacity these two businesses will need. There will be many more to follow.



Jason Franklin.

There were some significant areas of real improvements in 2021. An area we should all be particularly proud of has been our performance in workplace safety.

This is an area we've put in a concerted effort over many years. The implementation of the Critical Control Framework project this year has been a huge step-change in how we manage workplace safety. At its heart is the use of critical controls to manage safety across operational tasks. This tool is key to our success in keeping our teams and communities safe whatever the circumstances.

These critical controls are housed on Risk Mentor, the digital platform now used by all our operational teams and leaders. There's no doubt it's bringing superior benefits in delivering consistency and reliability to workplace safety. Thanks to all of you who use it and realise the very real safety gains it provides.

I believe the targeted implementation of fit-for-purpose systems like the Critical Control Framework and Risk Mentor, combined with the ongoing focus around our organisational culture and leadership, have been integral in delivering our very good workplace safety performance.



The 13MW electrode boiler at Open Country Dairy in Awarua.

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On another tack, we're making very good progress as we implement International Standards Organisation (ISO) certification across the business. Achieving ISO certification strengthens our reliability, consistency, performance, quality, sustainability, innovation and safety. We're also on the pathway to achieve asset management certification and environmental certification and have completed this in quality management, health and safety management, and public safety management. This is important to enable PowerNet to continue providing safe, efficient and reliable power to our communities.

PowerNet has had a very good year and achieved a lot. This could not have been achieved without your contributions. So do enjoy this special time with friends and family, and have a safe happy and relaxing holiday break.

Jason Franklin
Chief Executive



BI-2105 ISO 9001 QMS Project team celebrating their contribution to achieving ISO 9001 Certification.
L/R: Anton Booyzen, Maree Fyffe, Eric Sng, Deanna Turner, Rachael Watt (on Zoom), Analise Petas, Tracey Hutchison, Rachel Saunders and Riaan Swanepoel.
Absent: Rangi Solomon, Sally Mcleod, and Holly Rouse.

Chairman's Christmas Message



Don Nicolson.

"Another one bites the dust" the Freddy Mercury and Queen anthem declares, and while that line wasn't about counting a year passing by, we all know it has!

For PowerNet, each year has its challenges, its highlights and occasionally some lowlights, but the main thing we all have in common is a desire to keep the electrons flowing, day and night, in wind, rain or shine, all the while keeping not only our frontline field team safe, but also the public.

On that score, it's to the credit of the field team's safety always ethic that they went almost 15 months without a lost time injury. Moreover, another COVID-19 threat lockdown was handled like 'old hands' too.

Complacency is not our friend and I know the Board respects the effort of everyone to stay in front of serious risk elements of our business. Further, the momentum for continuous improvement sees PowerNet moving toward ISO quality management systems and integrated standards. "Business as usual but better" seems a good target.

At Board level, it was with regret, firstly PowerNet deputy chair Joe O'Connell and then more recently Tom Campbell retired. Their wise and rigorous counsel will be missed.

Soon, I too retire as chair and take this opportunity to thank the boards of The Power Company Ltd and Electricity Invercargill Ltd for giving me that privilege. I will be replaced by Bob Taylor as from 1 January 2022, and wish him well for his tenure.

The Board acknowledges how chief executive Jason and his senior leadership team make PowerNet a great place to work.

So as always, a big shout out to everyone at 'Team PowerNet' for a job well done in 2021.

In the lead up to Christmas and in 2022 may you and those close to you, be happy, healthy and safe.

Regards

Don Nicolson

