

ESTABLISHMENT PLAN

This Establishment Plan has been compiled by The Tauranga Electric Power Board (Board) in consultation with the Interim Trustees and the draft Establishment Plan from which it is derived has been subject to the public consultation process pursuant to the Energy Companies Act 1992 ('Act').

The Interim Trustees recommend adoption of this Establishment Plan and have unanimously endorsed the Share Allocation Plan included in it.

The Members of the Board were appointed by the Government in October 1990 for their professional qualifications and business experience.

The Interim Trustees are the previously elected Board Members of the Board.

The Act requires electricity supply authorities to produce a plan to transfer their undertakings into companies incorporated under the Companies Act 1955.

The present Board Members are:

Mr A L Carpenter (Chairman)
Mr F N McMaster (Deputy Chairman)
Mr K C Collings
Mr P E Key
Mr J R McD Rayner

The Interim Trustees are:

Mr N F Pope (Chairman)
Mr B W B Jensen (Deputy Chairman)
Mrs S M Crowley
Mr I F Foote
Mr N H Johnson
Mr N F Mayo
Mr E McG Murray
Mr L A Wahren
Mr R G Wallingford

MAIN POINTS OF THE PLAN

TrustPower Limited

- * The Board proposes to form a new company, TrustPower Limited (TrustPower or Company). This company will have net assets in excess of \$60 million, at book value, and will issue approximately 84 million shares having an asset backing (based on estimated book values as at 31 March 1993) of approximately 71 cents each and having a par value of 50 cents each.
- * The Board owns the shares in an existing registered company containing the name TrustPower. It is proposed that this existing company will be renamed to enable the formation of a new company under the name of TrustPower Limited.
- * The proposed memorandum and articles of association for TrustPower Limited are annexed as Attachment 1 to this section of the submission.
- * The Directors of the Company will be the present members of the Board as named on the preceding page, together with one additional Director to be appointed by the Trustees of the Tauranga Power Trust.
- * The proposed date of incorporation of the Company is forthwith after approval by the Minister of the Establishment Plan, but in any event no later than 1 April 1993 or such later date as may be allowed pursuant to section 32 of the Energy Companies Act 1992.

Basis of Share Allocation to Consumers

- * The Board's consumers will be allocated at no cost approximately 48.8% of the shares of TrustPower on the basis of consumption of electricity during the previous 12 months as follows:

| | | |
|--|----------|--------------|
| 1,000 shares for annual consumption of | Up to | 50,000kWh |
| 2,000 shares for annual consumption of | 50,001- | 250,000kWh |
| 3,000 shares for annual consumption of | 250,001- | 500,000kWh |
| 4,000 shares for annual consumption of | 500,001- | 1,000,000kWh |
| 5,000 shares for annual consumption of more than | | 1,000,000kWh |

- * In short, the above will result in each account holder of each separately metered eligible point of supply receiving not less than 1,000 shares. The following points should be noted with respect to the basis for share allocation:

- * The entitlement of account holders will be calculated on a date (Calculation Date) which shall be not more than one month before the date specified by Order in Council as the date for issue of the shares of the Company (Vesting Date). A very approximate estimate of these dates is that the Calculation Date will be at the end of March 1993 and the Vesting Date one month later. These dates may well be considerably delayed depending on the review and consent procedures of the Minister and the Ministry of Commerce.
- * To be eligible to receive shares, a consumer must be named as the account holder in respect of an Eligible Supply Point on the Calculation Date and must also have been named as an account holder in respect of an Eligible Supply Point for a period (whether continuous or not) of not less than three months during the period of 12 months prior to the Calculation Date.
- * An Eligible Supply Point means a supply point through which an amount of electricity of not less than 1,000kWh has been supplied during the period of 12 months prior to the Calculation Date. 1,000kWh equates to approximately \$100 of electricity purchases.
- * Consumers will not be given the option of receiving cash in lieu of shares in TrustPpower.
- * Eligible Account Holders may nominate the persons to whom the shares to which the Eligible Account Holder is entitled should be issued.

Share Allocation Audit Trust

- * 200,000 shares will be allocated to a Share Allocation Audit Trust which will be responsible for receiving and resolving complaints relating to the allocation of shares to account holders. The Trustees of this Trust will also address any anomalies as to the proposed allocation of shares which are identified prior to the Vesting Date.

Employees

- * 300 shares will be allocated at no cost directly to each eligible employee of the Company.
- * Approximately 1% of the shares will be allocated to an Employee Share Purchase Plan as a means of encouraging staff performance.

Tauranga Power Trust

- * 50% of the shares will be allocated to the Tauranga Power Trust and the following points are noted in respect of that Trust:
 - * The Trust will be a Consumer Trust to provide benefits for the consumers.
 - * The income and the capital of the Trust are to be used to provide benefits to the consumers.
 - * The Trust is not a charitable trust and accordingly may not continue for more than 80 years. On the winding up of the Trust, the assets of the Trust which remain will be distributed for the benefit of consumers.
 - * The Interim Trustees will be the first Trustees of the Trust. The number of Trustees will reduce from the present nine to six in 1994 and at that time and every two years thereafter three of the Trustees will retire and the consumers will elect three Trustees. Retiring Trustees will be eligible for nomination for re-election.
 - * The remuneration of the Trustees is provided for under the Trust Deed which establishes the Trust. It provides that the Trustees shall be entitled to such remuneration as may be reasonable having regard to their duties and responsibilities as Trustees, but such remuneration is not to exceed the maximum meeting allowance payable from time to time in accordance with Part IVc of the Local Government Act 1974 to members of community boards with a community population exceeding 50,000 and otherwise to be subject to the same conditions that are imposed pursuant to Part IVc of the Local Government Act 1974 in respect of the payment of meeting allowances to such members of community boards.

Relationship of the Trust and the Company

- * The Tauranga Power Trust will be allocated 50% of the initial shares allocated (approximately 42 million shares).
- * The shares will be allocated upon the following terms and conditions (which are embodied in the Articles of Association of the Company and in the Deed of Trust):
 - * The Trustees may not dispose of any of their shares without:

- (a) the Trustees having first undertaken a consumer consultative procedure (as set out in the Deed of Trust) with respect to that proposed sale; and
- (b) the Company approving the proposed purchaser.

* The Trustees will not vote their shareholding so as to oppose:

- (a) a cash issue pro rata to all existing shareholders; or
- (b) a share placement to a person or associated person of that person where the Directors believe that the person will provide either a source of capital or expertise to the Company, or will otherwise act as a long term, stable, shareholder.

* On any resolution proposed at any meeting of shareholders of the Company, the Trustees will only exercise such number of votes as is equal to the number of votes cast by all other shareholders on that resolution.

* The Trustees shall be entitled to appoint such proportion of the maximum number of Directors of the Company in accordance with their level of shareholding in the Company, as set out below:

| <u>Percentage of the Issued Share Capital of the Company Held by the Trustees</u> | <u>Proportion of the Number of Directors the Trustees May Appoint</u> (Rounded to the nearest whole number) |
|---|--|
| Equal to or greater than 45% | 50% |
| Equal to or greater than 30% but less than 45% | 33-1/3% |
| Greater than 15% but less than 30% | 20% |
| 15% or less the Trust reverts to normal shareholder voting rights. | |

Tradeability of Shares

- * No shareholder of the Company may sell or transfer any interest in any shares to any person at any time prior to the earlier of:
 - (a) the date 12 months after the vesting date, or
 - (b) the date the shares are quoted on a Stock Exchange.

Notwithstanding the above, shares may be transferred by a member to a consumer of the Company to be held beneficially by that consumer, and

may also be transferred by a member to any relative. In addition shares may be transmitted to personal representatives in the event of any member becoming mentally disordered, deceased or bankrupt.

20% Cap on Shareholding

- * The draft Articles of Association of the Company (attached as Attachment 1) provide that no person (other than the Tauranga Power Trust) may have a relevant interest (as defined in the Articles) in more than 20% of the issued capital of the Company. The 20% figure is determined by including any interest held by any related or associated person of that person.
- * This restriction will not apply, however, should the Company issue shares to any person so as to merge with, take over, or acquire the electricity undertaking of, another power company. This exemption will permit the Company to issue shares to a single person (or group of related or associated persons) in excess of the 20% limit so as to facilitate the merger with or acquisition of another power company or its electricity undertaking.
- * The 20% limitation set out in the Articles can be waived in any specific instance or can be removed in its entirety by a special resolution of shareholders (that is, a resolution passed by 75% of the votes cast on that resolution).

Sale of Main Undertaking

- * The draft Articles of Association of the Company provide that the Directors shall not sell, exchange or otherwise dispose of (otherwise than by way of charge) the main undertaking of the Company either absolutely or conditionally without the sanction of the Company in general meeting.

Listing on Stock Exchange

- * It is the Board's intention to seek listing of the Company's shares on a registered Stock Exchange in New Zealand. This will be subject to the acceptability to the Company of any requirement of such Stock Exchange for listing. It should be noted, for example, that the proposed shareholding limit of 20% may not be acceptable to the New Zealand Stock Exchange. Should this be the case and the Directors believe it is appropriate for the Company to seek listing on that Stock Exchange the restriction will only be removed if shareholders vote by way of a special resolution to remove that restriction.
- * It should be noted that listing may be available on the New Zealand Futures & Options Exchange.

Equity & Debt Securities

- * There are no plans for the issue by the Company of any equity securities (other than voting equity securities pursuant to the Share Allocation Plan) or debt securities to any person consequent upon the vesting in the Company of the energy undertaking of the Board. The debt securities of the Board will be assumed by the Company pursuant to sections 47 and 50 of the Act.
- * No new debt securities will be offered prior to or as part of the corporatisation process.
- * The two major debt security holders, the Bank of New Zealand and the National Bank of New Zealand Limited have both been notified of the impending change and invited to comment. No comment has been received from either Bank.

Time for Vesting of Undertaking

- * The Board proposes that its undertaking be vested in the Company within a period of one month after the date of the Order in Council made pursuant to section 47 of the Act.

SHARE ALLOCATION PLAN

It is intended that the Company will issue approximately 84 million shares. The asset backing based on book values as at 31 March 1992 is 69 cents per share. The par value of each share will be 50 cents. Shares will be allocated in the manner set out below. Definitions of Terms used in the Plan are set out on page 12.

Account Holders

Approximately 48.8% of the shares will be allocated to Eligible Account Holders as recorded by the Board at 4.00 p.m. on the Calculation Date or to nominees of such Eligible Account Holders. Eligible Account Holders (or their nominees) will be entitled free of charge to the Specified Number of Shares.

The Board will, prior to the Vesting Date, ensure that the Eligible Account Holders will be given the opportunity of specifying the name or names of the persons in whom the shares are to be vested. Shares may be vested in one or more persons jointly or the number of shares to be vested may be divided up amongst named persons provided that each parcel of shares shall be not less than 200 shares.

Tauranga Power Trust

The Tauranga Power Trust will be allocated 50% of the initial shares allocated (approximately 42 million shares).

The shares will be allocated upon the following terms and conditions (which will be embodied in the Deed of Trust and in the Articles of Association of the Company):

- * The Trustees may not dispose of any of their shares without:
 - (a) the Trustees having first undertaken a consumer consultative procedure (as set out in the Deed of Trust) with respect to that proposed sale; and
 - (b) the Company approving the proposed purchaser.
- * The Trustees will not vote their shareholding so as to oppose:
 - (a) a cash issue pro rata to all existing shareholders; or
 - (b) a share placement to a person or associated person of that person where the Directors believe that the person will provide either a source of capital or expertise to the Company, or will otherwise act as a long term, stable, shareholder.

- * On any resolution proposed at any meeting of shareholders of the Company, the Trustees will only exercise such number of votes as is equal to the number of votes cast by all other shareholders on that resolution.
- * The Trustees shall be entitled to appoint such proportion of the maximum number of Directors of the Company in accordance with their level of shareholding in the Company, as set out below:

| <u>Percentage of the Issued Share Capital of the Company Held by the Trustees</u> | <u>Proportion of the Number of Directors the Trustees May Appoint</u> <small>(Rounded to the nearest whole number)</small> |
|---|---|
| Equal to or greater than 45% | 50% |
| Equal to or greater than 30% but less than 45% | 33-1/3% |
| Greater than 15% but less than 30% | 20% |
| 15% or less the Trust reverts to ordinary shareholder voting rights. | |

A draft copy of the Trust Deed is attached as Attachment 2.

Other

A total of 1,000,000 of the shares will be allocated between:

- (a) a Share Allocation Audit Trust (as to 200,000 shares);
- (b) directly to the Eligible Employees of the Company (as to 300 shares each); and
- (c) to an Employee Share Ownership Plan (as to the balance of these shares).

Upon completion of the activities of the Share Allocation Audit Trust the balance of the shares of this Trust (if any) would be distributed to the Employee Share Ownership Plan to be held pursuant to the terms of that Plan.

(a) Share Allocation Audit Trust

200,000 shares will be allocated to a Share Allocation Audit Trust. The Allocation Trustees will have the responsibility of receiving and resolving complaints relating to the allocation of shares to the account holders.

Prior to the Vesting Date the Allocation Trustees will have the right to recommend to the Directors of the Company that the Directors alter the list of account holders who will be allocated shares, so as to address any

anomalies as to the proposed allocation of shares which are identified prior to the Vesting Date. Subsequent to the Vesting Date the Allocation Trustees will be empowered, under the Trust, to distribute shares at their discretion to address such anomalies. An example of an anomaly which the Allocation Trustees may address is where a person is named as an account holder on the Calculation Date and has been residing at the premises supplied through an Eligible Supply Point for not less than three months during the period of 12 months prior to the Calculation Date, but has not been named as the account holder for the three month period. Such a person will not be entitled to be allocated shares as an Eligible Account Holder but the Allocation Trustees may elect that such person should receive shares if they have been responsible for paying for electricity consumed notwithstanding that they have not been named as the account holder for that period of time.

Any shares left over will be distributed to the Employee Share Ownership Plan discussed below.

The Allocation Trustees will be the General Manager of the Company and three persons from the Western Bay area who are independent, of good repute and with commercial experience, to be selected by the Board and the Interim Trustees.

A draft copy of the Share Allocation Audit Trust is attached as Attachment 3.

(b) **Employees**

Each Eligible Employee of the Company will be allocated 300 shares free of charge pursuant to the Order in Council. The total of such shares allocated will be approximately 45,000 shares.

(c) **Employee Share Ownership Plan**

The Trustees of an Employee Share Ownership Plan will be allocated the balance of the 1,000,000 initial shares referred to above, to be held pursuant to the terms of that Plan. The Plan Trustees will have power to allocate these shares to employees of the Company so as to act as an incentive for them. Allocations will be at a price to be determined by the Plan Trustees from time to time, with all employees being entitled to participate upon the same terms both as to number of shares and price.

The Company will not fund the Employee Share Ownership Plan nor any purchases of shares in the capital of the Company made by the Plan Trustees.

The Plan Trustees will be the General Manager of the Company, an employee elected by the employees of the Company, and one of the Directors of the Company.

A draft of the Employee Share Ownership Plan is attached as Attachment 4.

DEFINITIONS

For the purposes of the Share Allocation Plan the following terms shall have the following meanings (unless the context otherwise requires):

"Act" means the Energy Companies Act 1992 as amended from time to time;

"Allocation Trustees" means the Trustees of the Share Allocation Audit Trust;

"Board" means The Tauranga Electric Power Board;

"Calculation Date" means such date as the Board shall determine to be the calculation date being a date not more than one month before the Vesting Date, such calculation date to be publicly advertised by the Board not less than five business days before the Calculation Date;

"Company" means the Board's successor company in whom the Board's undertaking is to be vested pursuant to an Order in Council made pursuant to section 47 of the Energy Companies Act 1992;

"Eligible Account Holder" means a person who:

- (a) is named on the Calculation Date as the account holder with the Board in respect of an Eligible Supply Point; and
- (b) was named as an account holder with the Board in respect of an Eligible Supply Point for a period (whether continuous or not and whether or not the same Eligible Supply Point) of not less than three months during the period of 12 months prior to the Calculation Date;

"Eligible Supply Point" means a supply point which is separately metered and separately accounted for through which an amount of electricity of not less than 1,000 kWh has been supplied during the period of 12 months prior to the Calculation Date, or, in the case of a new supply point connected to the Board's electricity network during such period, a proportion of such amount of electricity calculated by reference to the number of days in such period during which the supply point was connected;

"Eligible Employee" means an employee who is contracted to work not less than 30 hours per week on a permanent basis and who at the date of the relevant issue or allocation of shares has completed six months service;

"Interim Trustees" means the Interim Trustees of the Board pursuant to the Act;

"Order in Council" means the Order in Council in relation to the Board and the Company pursuant to sections 47 and 48 of the Act;

"Plan Trustees" means the Trustees of the Employee Share Ownership Plan;

"Share Recipients" means the persons in whom shares in the Company are vested pursuant to the Order in Council;

"Specified Number of Shares" means the number of shares to which each Eligible Account Holder will be entitled based on consumption of electricity through each relevant Eligible Supply Point in the name of that Holder on the Calculation Date, being consumption during that part of the period of 12 months prior to the Calculation Date during which such Eligible Supply Point was in the name of that Holder, in accordance with the following table:

| <u>Number of Shares for Each Eligible Supply Point</u> | <u>Consumption through Each Eligible Supply Point</u> (As set out above) |
|--|---|
| 1,000 | Up to 50,000 kWh |
| 2,000 | 50,001 - 250,000kWh |
| 3,000 | 250,001 - 500,000kWh |
| 4,000 | 500,001 - 1,000,000kWh |
| 5,000 | More than 1,000,000kWh |

"Vesting Date" means the date specified in the Order in Council pursuant to sections 47 and 48 of the Energy Companies Act, under which shares in the Company are issued to Share Recipients.

References to the singular include the plural, references to one gender include the others, and references to a person include a company, corporation, firm, trust, central or local government authority or department, and any other group association or entity whether corporate or not.



REPORT OF THE AUDIT OFFICE

TO THE READERS OF THE FINANCIAL STATEMENTS OF THE TAURANGA ELECTRIC POWER BOARD

The Audit Office having been appointed in terms of section 75 of the Electric Power Boards Act 1925, has audited the financial statements of the Tauranga Electric Power Board.

We conducted our audit in accordance with generally accepted auditing standards and practices, with the objective of obtaining reasonable assurance that the financial statements are free from significant errors or omissions. In our audit we reviewed the evidence to support the amounts and disclosures in the statements. We also assessed the accounting practices used.

In our opinion, the financial statements of the Tauranga Electric Power Board fairly reflect:

- * The financial results and cashflows for the year ended 31 March 1992; and
- * The financial position as at 31 March 1992.

A handwritten signature in cursive script, appearing to read 'L B Kemble'.

L B Kemble

for Controller and Auditor-General

12 October 1992

TAURANGA ELECTRIC POWER BOARD

INCOME & EXPENDITURE ACCOUNT

For Year Ended 31 March 1992

| | <u>1992</u> | <u>1991</u> |
|---|---------------------|---------------------|
| | \$ | \$ |
| INCOME | | |
| Sales of Electricity | 40 772 226 | 38 956 442 |
| Cash Discounts Allowed | (1 276 489) | (1 373 409) |
| RERC Subsidy | 100 898 | 21 035 |
| Interest & Sundries | 612 259 | 659 140 |
| Net Profit/(Loss) from PACC | 126 759 | (113 315) |
| Capital Gain on Disposal of Assets | 88 847 | 166 380 |
| | ----- | ----- |
| | \$40 424 500 | \$38 316 273 |
| | ===== | ===== |
| EXPENDITURE | | |
| Electricity Purchases | 25 704 610 | 23 474 414 |
| Maintenance & Operation : Distribution System | 5 467 974 | 6 711 493 |
| Administration Costs & General Expenses | 3 196 822 | 3 117 314 |
| RERC Levy | 19 798 | 42 752 |
| Interest on Loans | 363 823 | 369 799 |
| Depreciation | 2 582 132 | 2 454 417 |
| Abnormal Items | 1 120 052 | 0 |
| | ----- | ----- |
| Total Expenditure | \$38 455 211 | \$36 170 189 |
| | ===== | ===== |
| Net Profit/(Loss) before Taxation | 1 969 289 | 2 146 084 |
| Less Taxation Expense | 1 241 880 | 621 564 |
| | ----- | ----- |
| Profit/(Loss) transferred to Appropriation Account | \$ 727 409 | \$1 524 520 |
| | ===== | ===== |

**TAURANGA ELECTRIC POWER BOARD
BALANCE SHEET
As At 31 March 1992**

| | <u>1992</u> | <u>1991</u> |
|--|---------------------|---------------------|
| | \$ | \$ |
| ASSETS | | |
| Current Assets | | |
| Cash at Bank - Power Fund Account | 0 | 68 030 |
| - Power Fund Investments | 7 095 000 | 5 420 000 |
| Accounts Receivable | 5 758 646 | 6 557 173 |
| Work in Progress | 74 007 | 101 172 |
| Inventories General | 1 283 373 | 1 680 391 |
| | ----- | ----- |
| Total Current Assets | \$14 211 026 | \$13 826 766 |
| | ----- | ----- |
| INVESTMENTS | | |
| Staff Housing Loans | 10 701 | 35 584 |
| Power Authorities Computer Consortium | 169 770 | 43 011 |
| Ownership of Kaimai Hydropower | 28 703 614 | 28 703 614 |
| | ----- | ----- |
| Total Investments | \$28 884 085 | \$28 782 209 |
| | ----- | ----- |
| DEFERRED INCOME TAX BENEFIT | 21 402 | 0 |
| | ----- | ----- |
| FIXED ASSETS | \$39 815 659 | \$38 807 357 |
| | ----- | ----- |
| TOTAL ASSETS | \$82 932 172 | \$81 416 332 |
| | ===== | ===== |
| LIABILITIES | | |
| Current Liabilities | | |
| Cash at Bank - Power Fund Account | 896 397 | 0 |
| Accounts Payable | 5 022 357 | 6 063 159 |
| Taxation Liability | 137 906 | (843 160) |
| Current Portion of Term Loans | 3 225 190 | 8 048 230 |
| | ----- | ----- |
| Total Current Liabilities | \$9 281 850 | \$13 268 229 |
| | ===== | ===== |
| Term Liabilities | | |
| Generation Loans | 15 500 000 | 9 075 000 |
| Reticulation Loans | 375 000 | 2 025 190 |
| | ----- | ----- |
| Total Term Liabilities | \$15 875 000 | \$11 100 190 |
| | ===== | ===== |
| TOTAL LIABILITIES | \$25 156 850 | \$24 368 419 |
| | ===== | ===== |
| CORPORATE OWNERSHIP: | | |
| Capital Reserve | 37 790 469 | 36 733 937 |
| Revenue Reserve | 11 809 085 | 11 707 209 |
| Appropriation Account | 8 175 768 | 8 606 767 |
| | ----- | ----- |
| NET WORTH | \$57 775 322 | \$57 047 913 |
| | ----- | ----- |
| TOTAL LIABILITIES & NET WORTH | \$82 932 172 | \$81 416 332 |
| | ===== | ===== |

**K C Collings
CHAIRMAN**

**VALUATION
OF THE
TAURANGA ELECTRIC POWER BOARD UNDERTAKING**

Book Value - 31 March 1992

The current book value is based on the audited Statement of Accounts of the Tauranga Electric Power Board as at 31 March 1992. Since that date there have been no material adverse events in relation to the undertaking.

The Balance Sheet summarised as at 31 March 1992 is:

| | |
|---|------------------|
| Current Assets | \$14,232,428 |
| Investments including Kaimai Hydropower | \$28,884,085 |
| Fixed Assets | \$39,815,659 |
| Total Assets | \$82,932,172 |
| Current Liabilities | \$9,281,850 |
| Loan Liabilities | \$15,875,000 |
| Total Liabilities | \$25,156,850 |
| Net Corporate Worth | \$57,775,322 |

**IDENTIFICATION OF THE TAURANGA ELECTRIC POWER
BOARD UNDERTAKING**

THE TAURANGA ELECTRIC POWER BOARD AREA OF SUPPLY

The right to distribute and supply electricity is granted by The Tauranga Electric Power Board Supply Licence 1985 within the area contained therein.

THE TAURANGA ELECTRIC POWER BOARD ELECTRICITY ASSETS

Network The Board's electricity distribution network at 31/3/92 comprised:

| | |
|-----------|---------------------------|
| 1755km | of overhead lines |
| 740km | of underground cables |
| 4269 | distribution transformers |
| 317854kVA | of installed capacity |
| 45503 | metered installations |

Generation The Board's interests and rights in the Tauranga Joint Generation Committee as defined by the Deed between The Tauranga Electric Power Board and Tauranga District Council dated 17 November 1965, including the right to receive a distribution of electricity generated by the Scheme, and an interest as tenant in common in equal shares in the land, buildings, lines, licences and other property comprising the Scheme.

Network Land & Buildings Owned at 31/3/92

A) Substation Sites (developed and undeveloped)

| | |
|---------------|---------------------------------------|
| Aongatete | Pt Lot 34 B1 Aongatete |
| Greerton | Sec 44, 45 Blk III Te Tumu SD |
| Kauri Point | All 186 S.O. 53990 |
| Matapihi | Pt DP 2602 |
| Matua | Lot 2 DP 14434 |
| Omokoroa | All 380 Te Puna Blk 8 |
| Otumoetai | Lot 2 DPS 13002 |
| Papamoa | Gaz 70 P2479 Lot 3 |
| Pongakawa | Lot 1 DPS 12556 Blk II Waihi South SD |
| Te Puke | DP 27157 |
| Triton Avenue | Lot 48, DP 18318 |
| Welcome Bay | Pt Kaitemako B Blk XIV Tauranga SD |

(B) Depots

Katikati

Lot 3 DP 55313

Te Maunga

Pt 2, Sec 9A, Papamoa DP 3222

(C) Board Head Office

Tauranga

Pt Lot 1 DPS 3680 Lot 1 DPS 6528

Pt Lot 96 of Sec 1 Tauranga Town

Lot 1 DPS 5516 Lot 95 of Sec 1

Pt Allot 72 DP 10669

(D) Board Residential Properties

Te Maunga - 2 houses

Pt 2 Sec 9A Papamoa DP 3222

Te Puke - 2 houses

DP 27157

Leased as at 31/3/92

Tauranga Substation, Cameron Road, Tauranga;

Bayfair Office, Bayfair Shopping Complex, Mt Maunganui;

Te Puke Office, Palmer Court, Te Puke;

Sulphur Point Depot Lot 1, 2, 4DP 12876

Vehicle Fleet

As at 31 March 1992, the Board's vehicle fleet consisted of:

51 cars, vans and utility vehicles

17 trucks

It also owns sundry mobile plant.

Various

In addition the Board owns workshop equipment, communications and load control equipment, office equipment and computers.

**Intellectual
Property**

The Board holds no intellectual property.

Contracts

All contracts for the supply of electricity between the Board and its consumers are to vest in TrustPower.

**Term
Liability**

The following loans were outstanding at 31/3/92

| | <u>Date of Loan</u> | <u>Amount</u> | <u>Maturity</u> |
|---------------------------------------|-------------------------|---------------|-----------------|
| Electrical Extension Loan | 1987 | \$1,575,000 | 1/4/92 |
| Electrical Extension Loan | 1980 | \$53,380 | 1/7/92 |
| Electrical Loan | 1980 | \$21,810 | 1/1/93 |
| Electrical Extension Loan | 1980 | \$75,000 | 1/7/94 |
| Electrical Extension Loan | 1976 | \$300,000 | 1/5/98 |
| | | | |
| Ruahihi Redemption Loan | 1987 | \$1,500,000 | 1/4/92 |
| Redemption Loan | 1987 | \$1,875,000 | 1/4/92 |
| Ruahihi Redemption Loan | 1987 | \$1,000,000 | 1/5/92 |
| Ruahihi Redemption Loan | 1987 | \$1,000,000 | 1/7/92 |
| Lower Mangapapa Hydro Renewal Loan | 1988 | \$1,200,000 | 1/8/92 |
| Ruahihi Redemption Loan | 1987 | \$2,500,000 | 15/3/94 |
| Generation Redemption Loan | 1992 | \$8,000,000 | 24/2/95 |
| | | | |
| Total | | \$19,100,190 | |

**Contingent
Liabilities**

No significant contingent liabilities existed at 31/3/92.

**Human
Resources**

At 31/3/92 the following staff were employed by the Board:

| | |
|--|-------|
| Management, Administration & Clerical | 68 |
| Operations, Maintenance & Construction | 69 |
| | ----- |
| | 137 |
| | === |

**THE TAURANGA ELECTRIC POWER BOARD
AREA OF SUPPLY**

All that area in the South Auckland Land District bounded by a line commencing at a point on the sea coast in line with the western boundary of part Lot 1 DPS 19141 in Block VII Waihi South S.D. and proceeding southerly along a right line to and along the aforementioned boundary to the southwestern corner of said part Lot 1; thence southerly along a right line to the northernmost point of part Tahunaroa 3A Block; thence along the eastern boundary of said 3A Block to the northeastern corner of part Section 6 Block VI Waihi South S.D.; thence southerly along a right line in the direction of the northwestern corner of part Section 15 Block XI, Rotoma S.D. to a point due east of northwestern corner of part Section 1A Block X Waihi South S.D.; thence westerly to the aforementioned northwestern corner and along the western boundary of said part Section 1A, the northwestern boundary of Section 1A Block II Rotoma S.D. and the western boundaries of Sections 2, 3, 4 and 5 Block II Rotoma S.D. to the northwestern corner of Section 6 Block VI Rotoma S.D.; thence westerly along the southern boundary of Block II Rotoma S.D. and that boundary produced across two public roads, Lots 9, 8 and 5 and 1A to the southern boundary of Block I Rotoma S.D.; thence along the southern boundary of said Block I, the eastern boundary of Block IV Rotoiti S.D. and the northern boundaries of Rotoiti 5B1 Block, Tokerau A4 Block, crossing the intervening Kaikokopu Road and Tokerau A1 to Maniatutu Road; thence along a right line across said road to and along the northern boundaries of Tokerau A1B Block, Rotoiti 3V2A Block, the northern end of Lichensteins Road and the northern boundary of part Rotoiti 3V Block and the last mentioned boundary produced to the middle of the Pokopoko Stream; thence northerly along the middle of that stream to a point in line with the northern boundary of part Waipapa 1D Block; thence westerly to and along that boundary and that boundary produced to the middle of State Highway No 33; thence northerly along the middle of said highway to a point in line with the northeastern boundary of part Okere 1E Block; thence northwesterly to and along that boundary and that boundary produced to the middle of the Kaituna River; thence northerly along the middle of that river to a point in line with the northern boundary of Ngatipahiko BIB Block; thence westerly to and along that boundary and the northern boundaries of Blocks II and I Rotoiti S.D. to the middle of the Mangaorewa River; thence generally westerly along the middle of that river and the Ohaupara Stream to a point in line with the northwestern boundary of Section 13 Block III Rotorua S.D. thence southwesterly to and along that boundary to and along the southwestern boundary of Section 3 Block II Rotorua S.D. to its intersection with a right line between the westernmost corner of Lot 1 DPS 9825 in Block V Horohoro S.D. and Trig Station 27 (Puwhenua) Block VII Tapapa East S.D.; thence northeasterly along said right line to said Trig Station 27; thence northwesterly along a right line to Trig Station 146 (Te Weraiti) Block IV Opoutihi S.D. and northeasterly along another right line to Trig Station 909 (Waianuanu) Block II Opoutihi S.D.; thence northwesterly along the

southwestern boundary of Whakamarama No 2 Block to and along the southeastern and eastern boundaries of Maurihoro A Block, the western boundaries of Blocks VII, IV and I Aongatete S.D. the eastern side of a public road and the eastern boundary of Lot 5 DP 25781 to the northern most point of the aforementioned northeastern boundary; thence northwesterly along a right line to the northeastern corner of part Section 79 Block XII Aroha S.D. and the production northwesterly of the said right line to the northwestern boundary of the Katikati Survey District; thence westerly along the said northwestern boundary to Trig Station Te Aroha No 2; thence northeasterly along a right line to the westernmost corner of Section 3 Block VII Aroha S.D.; thence along the southwestern boundaries of said Section 3, Lot 1 DPS 15504 and Section 1 Block XII Katikati S.D. and the southwestern boundary of Section 36 Block IV Katikati S.D. and that boundary produced to the western boundary of Lot 1 DP 23590; thence along the western and northern boundaries of said Lot 1 to a public road; thence along a right line across said road to and along the northern boundaries of Lots 2 and part 3 DP 23590 and Lot 1 DP 30035 the eastern boundaries of Section 27 Block IV Katikati S.D. and Section 2 Block XII Katikati S.D. and the northwestern boundary of Section 12 Block I Katikati S.D. to the southwestern side of State Highway No 2; thence northwesterly along that side to a point in line with the northwestern boundary of Section 3 Block I Katikati North S.D.; thence northeasterly to and along that boundary to and along the southwestern and northwestern boundaries of Lot 1 DP 32351 the northwestern boundaries of Ohinemuri part 17A2B and 17A2A1 Blocks and part Section 8 Block I Katikati North S.D. and the southwestern and northern boundaries of Lot 1 DP 22631 and the last mentioned boundary produced to the sea coast thence southeasterly along the sea coast, crossing the mouths of all harbours and rivers to the point of commencement.

Excluding therein the area of supply of the Tauranga City Council as described in the schedule to the Councils Electric Supply Licence in NZ Gazette dated 21 March 1985 No 47 Page 1242.

