



**Marlborough
Lines**

Connections

The Newsletter of Marlborough Lines Limited AUTUMN 2007

\$4.87 Million Paid in Consumer Discounts

Marlborough Lines has paid a total of \$4.87 million in consumer discounts for the year ended March 31st 2007 taking the total in dividends and discounts paid by the company to \$44.9m from 1999. As in previous years the discount is paid for each installation (e.g. a dwelling or business premises) connected to our network at a specific cut-off date in March and it is based on the electricity consumption at that installation over the 12 month period to 31 January 2007. Marlborough Lines pays the consumer discount to the various electricity retailers who supply our end-consumers, and those retailers then credit individual customers' accounts.

The specific amount of discount paid per installation varies depending upon the geographic location and the electricity consumption at that installation. The minimum discount for an installation that has been connected for the full twelve-month period is \$52, while a typical domestic consumer (as defined by the Ministry of Economic Development) will receive a discount of \$160.

Payment of the annual discount enables Marlborough Lines to pass on maximum benefit (i.e. without incurring tax) to our electricity consumers and the discount policy continues to be endorsed by the trustees of the company. The timing of the discount payment coincides with our annual 31 March balance date. It is at this time, when the year's financial results are known, that we are best positioned to determine the overall level of funding that can be allocated to the consumer discount.

Our website www.marlboroughlines.co.nz features a comprehensive list of answers to commonly asked questions about the consumer discount. If you have any further questions our Consumer Services personnel will be happy to assist and can be contacted on (03) 577 7007.

Annual Customer Satisfaction Survey

We have recently completed our annual survey of consumer satisfaction with the performance of the company and wish to thank all those who participated in the interview process.

The survey is conducted by way of telephone interview with randomly selected residential and commercial consumers from across the region. The performance ratings and comments provided by survey respondents help us to measure and monitor Marlborough Lines' performance and provide valuable feedback to assist us to achieve a high level of customer service at all times.

Continued Electricity Network Growth



The growth in Marlborough Lines electricity network is continuing to meet customer demand. In both urban and rural areas we are constructing new lines and installing transformers both to increase capacity and improve reliability.

New 33/11kV substations have been constructed at Picton, Redwoodtown, Waihopai Valley, Seddon and a new substation is currently being constructed at Springlands. The next substation to be upgraded will be in Nelson Street.

Unfortunately major substations are expensive but necessary items to ensure reliability of supply. Even though the equipment and services associated with the substations are provided on a competitive basis, major substation costs in Picton and Blenheim are in the vicinity of \$2 million.

Overhead to Underground Conversion

From time to time we continue to receive requests for overhead lines to be replaced with underground cables. Typically people would like to see the lines along their particular road or street replaced with underground cables.

We would be the first to agree underground cables are less visually obtrusive but unfortunately the cost is in the order of four to nine times that of the overhead equivalent, depending upon location and electrical requirements.

From our perspective, all such expenditure must be funded from tax paid income and the company is currently disadvantaged by the regulatory requirements of the Commerce Commission, which preclude the actual cost of the work being included in the company's asset base.

As long as this situation prevails any further new overhead to underground conversion will be unlikely except where there are specific reasons, such as safety or where the costs are met by customers.

www.marlboroughlines.co.nz

Sponsorship Review

Marlborough Lines has a strong commitment to the community we serve and accordingly the company contributes to a variety of youth, education and community events and facilities that have wide public appeal through sponsorship.

In recent months Marlborough Lines has provided sponsorship support for the Marlborough Wine Festival, Blues Brews & BBQ's and Classic Fighters Air Show events. In each instance we have been responsible for collating all power requirements for the events and implementing the temporary power supply to the highest possible standards of public safety.

At the close of last year we awarded our annual tertiary study awards to students from Rai Valley Area School, Queen Charlotte College, Marlborough Girls College and Marlborough Boys College. These awards are financial grants given to outstanding students in their final year of secondary schooling to assist with their chosen studies at a tertiary institution. And recently we have started the initial preparation for this year's Marlborough Schools Science and Technology Fair, a long-standing sponsorship partnership with Blenheim Lions that recognises scientific achievement and endeavour amongst primary and secondary school students throughout the region.

Over the summer as in recent years we have provided illumination of the Pollard Park gardens.

The company's latest community support venture is sponsorship of the stadium; now Marlborough Lines Stadium 2000. This partnership between the stadium and Marlborough Lines will help ensure the ongoing success and development of an excellent facility that is used extensively by individuals and groups from the Marlborough community.



Classic Fighters Air Show



Annual Tertiary Study Award Recipients



Marlborough Lines Stadium 2000

Keeping Trees Away From Lines is Everyone's Responsibility



For public safety and to protect your power supply, trees need to be kept at a safe distance from power lines. Trees can become a dangerous hazard and can interrupt your power supply when they grow too close to power lines. They have the potential to cause power surges and appliance damage, power failure, fire, electric shock or electrocution.

New regulations about the safety of trees relative to power lines became effective from July 2005. The Electricity (Hazards from Trees) Regulations 2003 set down rules for tree owners and electricity network companies with regard to cutting or trimming trees that grow too close to electricity Network lines.

If you have trees on your property it is very important that you are familiar with your responsibilities – in respect of both Network power lines and Service lines.

The legislation requires minimum clearances of 3.5 metres for 33kV lines, 2.6 metres for 11kV lines and 1.5 metres for those of lower voltage.

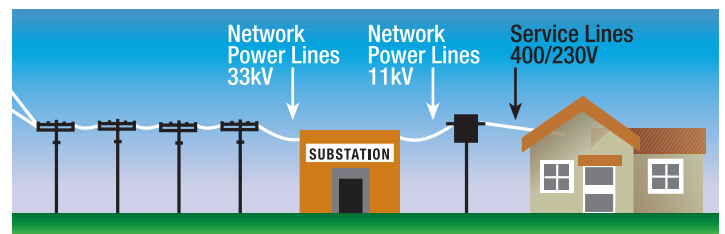
This is called the "notice zone". Once vegetation encroaches within these distances a "cut and trim" notice will be served on the tree owner. For this reason, greater cut distances than the "notice zone" are required to achieve a reasonable return time.

For detailed information about the Hazards from Trees regulations, including penalties for non-compliance and dispensation / dispute procedures, please refer to our website: www.marbloroughlines.co.nz

Do not trim trees near Network lines yourself as this is very dangerous. The regulations require that the work be undertaken only by professional arborists approved by the electricity network company. In Marlborough tree trimming can be undertaken by Marlborough Lines Contracting or other approved arborists.

Marlborough Lines Contracting can also trim trees around your Service lines. For a quote and to book a crew to trim trees near your Service line call 577 7007. Unless you are using someone qualified to work around live lines, always have your power supply temporarily disconnected before working near Service lines. To arrange a temporary disconnection phone us on 577 7007.

Even if you don't have trees on your property we ask you to assist by letting us know if there are any trees in close proximity to lines and may pose a risk to supply in the event of high winds. Marlborough Lines has an on-going tree inspection programme on our Network lines however if you are aware of a tree or branches in close proximity to a line please call us. Through acting together we can eliminate danger and maximize the security of your power supply.



Feedback, Comments & Queries

If you have any queries or concerns regarding the reliability of your electricity supply we encourage you to contact us directly : **Telephone (03) 577 7007.**

Our consumer services personnel also welcome your feedback and general enquiries. If you wish to send us an email you can use the Contact Us form on our website www.marbloroughlines.co.nz or send us a letter to the postal address provided below.