



MINUTES OF THE SIXTH ANNUAL MEETING OF BENEFICIARIES HELD AT THE ELLERSLIE EVENT CENTRE, 80-100 ASCOT AVENUE, ELLERSLIE ON WEDNESDAY 31 OCTOBER 2007 COMMENCING AT 7PM

Present

Trustees Mr W Kyd (Chairman), Mr M Buczkowski (Deputy Chairman), Mr S Chambers, Miss K A Sherry and Mr J Carmichael
34 beneficiaries registered their attendance at the meeting.

In attendance

Mr M Bogle, Executive Officer, Ms J Stevens (Office Administrator), Mr D Bigio (Legal Adviser)

Apologies

Rt Hon Helen Clark, Hon Dr Cullen, Hon David Parker, Hon David Cunliffe, Hon Judith Tizard, John Key, Vector Directors Messrs Bob Thomson, Peter Bird and Hugh Fletcher.

The Chairman, Mr Kyd, opened the meeting, introduced the Trustees and welcomed everyone including Mr Stiassny (Chairman, Vector Ltd), Mrs Alison Paterson, Mr Tony Carter (Directors), Mr Mackenzie (Acting CEO, Vector Ltd), Mr Gallaher (Acting CFO, Vector Ltd).

Minutes

The minutes of the Fifth Annual Meeting of Beneficiaries held on 19 October 2006 were tabled and received.

The Chairman then handed over to the Executive Officer, Mr Bogle who outlined the requirement to produce consolidated accounts and introduced Mr den Heijer of Staples Rodway.

Financial Statements

Mr den Heijer presented a summary of the Trust accounts for the year ending 30 June 2007.

Copies of the Annual Report including the Consolidated Financial Statements were available at the meeting.

Chairman's Review

The Chairman presented his review for the year, noting that, while the Trust's majority ownership of Vector would ensure that this significant infrastructure business stays in New Zealand hands, the regulatory environment facing Vector has a considerable impact on the profitability of the company.

The Chairman then called on Ross Malcolm, Manager, Overhead Improvement Programme and Special Projects of Vector, to present his report on the Overhead Improvement Programme.

Overhead Improvement Programme

Ross Malcolm outlined the programme achievements for the year including the attainment of targeted investment levels. He outlined the process for assessment and selection of areas for undergrounding, programme values and sustainability. The report would be available on the Trust website.

Appointment of Auditor

On the recommendation of the Trustees it was

Moved : Mr Slater
Seconded : Mr O'Brien

That in accordance with section 158C(1) of the Electricity Act 1992, Grant Thornton be appointed as auditors of the Auckland Energy Consumer Trust for the ensuing year.

Carried

The Chairman noted that, the appointment of auditors for the financial year ending June 2009 would be put out to tender next year.

Fixing of Remuneration of the Auditor

As recommended by the Trustees it was

Moved: Mr Slater

Seconded: Mr Greer

That, in accordance with section 158C(3) of the Electricity Act 1992, the Trust be authorized to fix the fees and expenses of the auditors for the ensuing year.

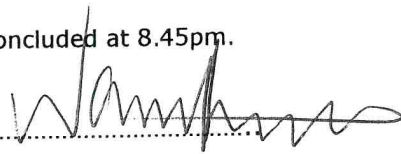
Carried

Mr Kyd then opened the meeting to a forum and invited questions from the floor.

In response to a question on undergrounding Mr Malcolm advised that it would take 4-5 decades to complete the undergrounding programme. Concerning the process followed for the appointment of Vector directors, trustees advised that from an extensive list of nominations and a review of skill sets the current directors were appointed. While the Chairman and Deputy Chairman sit on the Trust's Nominations Panel (together with the Vector Chair) all trustees are entitled to attend Nominations Panel meetings. Dividend distribution, the regulatory environment, climate change and carbon trading were also discussed.

The meeting concluded at 8.45pm.

Confirmed :



Date :

16/11/07