



PO Box 209  
Te Kūiti 3941  
E. info@wesct.org.nz  
P. 027 PH WESCT (027 74 93728)

8 March 2021

Dear WESCT Customer

### [WESCT Customer poll for your approval to sell the hydroelectricity generation assets owned by TLC](#)

On behalf of its shareholder, the Waitomo Energy Services Customer Trust ("WESCT"), the Directors of The Lines Company ("TLC") are continually looking at ways of improving the performance of the Company.

In recent months this has involved considering the future of three small hydro generation plants at Te Anga, Mangapēhi (both of which are in the Waitomo district), and at Matawai near Gisborne. The work carried out is now at the stage where, subject to WESCT Customers' approval, TLC can sell these plants.

The WESCT Trust Deed requires that the Trustees poll the WESCT Customers for any sale to be considered. Please make use of the information included, which is also online at [www.wesct.org.nz](http://www.wesct.org.nz). **You can cast your vote either online or by post.**

### [Why do we need to have a poll?](#)

Simply because the Trust Deed requires a poll. The Trust Deed was formed in the early 1990s when the Trust's Company had several large hydro generation plants, including Wairere and Mokauiti. The plants were key legacy assets at the formation time of WESCT, and the community wanted to protect their ownership. However, government regulation changes during the 1990s meant the Company owned by WESCT could not continue to hold those assets.

TLC subsequently purchased the existing and smaller hydro plants at Mangapēhi, Te Anga and Matawai in the early 2000s. The Trust Deed was never updated to reflect this change; therefore, these are not the original generation assets the community wanted to protect ownership of, and a poll regarding their potential sale is still required.

### [What is the recommendation of the WESCT Trustees?](#)

**The Trustees believe the sale of these TLC generation assets will be good for the Company, ultimately benefiting the WESCT Customers.**

The Trustees believe the Company is performing well. The sale is one action taken by the Board that will result in longer-term benefits to the WESCT Customers. Please be assured this sale will not be a precursor to the sale of other assets or the Company.

### [Why is it a good idea for TLC to sell?](#)

The enclosed document provided by the TLC Board covers these points.

### [Conclusion:](#)

The WESCT Trustees endorse the sale. Please take your opportunity to vote as soon as possible - the returning officer must receive your vote by Tuesday, 30 March 2021.

Yours sincerely,

A handwritten signature in blue ink that reads 'Peter Keeling'.

Peter Keeling  
WESCT Chair