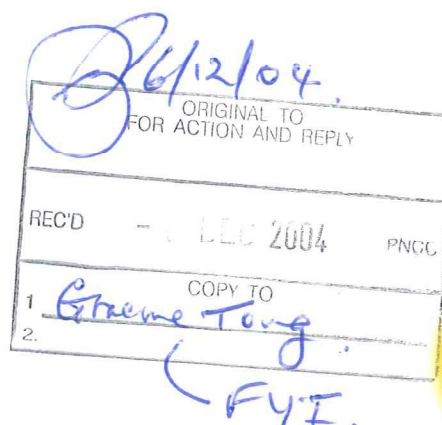


File: AN 53 03 [517]  
25 November 2004

Steve Paterson  
Corporate Treasurer  
Palmerston North City Council  
Private Bag 11034  
**PALMERSTON NORTH**

**CORPORATE OFFICE**

84 Liardet Street  
Private Bag 2061  
New Plymouth  
T +64 6 759 6200  
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# POWERCO

Dear Mr Paterson

## CERTIFICATE OF COMPLIANCE: UNDERGROUND CONVERSION IN PALMERSTON NORTH

In Compliance with clause 9.2 of the merger agreement between the Palmerston North City Council and the former CentralPower Limited, Powerco certifies that as at 25 November 2004 the status of the underground conversion work commenced since the 31 December 1996 is as scheduled below.

I have updated the list with progress to date and how we think the programme should progress into the future. Giving consideration to the present co-ordination requirements with other services it looks like it will take till part way through the 2008/09 year to complete all the streets. Some of the streets labeled as completed in 2004 are in progress as at the date of this letter, but are scheduled for completion this financial year.

We noticed there were two streets (Ronberg and Opie) in the Electropower network area that were left off the original list. These have been added to the list. In addition there were three streets (Norwich Pl, Kettle Ave and Pioneer Highway at the Maxwells Line end) in the Centralpower network area which had been included when they should not have been. These have been removed from the list.

**WESTERN REGION**

Junction Street  
Private Bag 2061  
New Plymouth  
T 0800 769 372  
F +64 6 757 5730

**CENTRAL REGION**

204 Taupo Quay  
Private Bag 3021  
Wanganui  
T 0800 769 372  
F +64 6 349 0330

**SOUTHERN REGION**

50 Mihaere Drive  
PO Box 5024  
Palmerston North  
T 0800 769 372  
F +64 6 351 0603

Street	Year Scheduled	Year Completed
Highbury Ave - to Botanical Road <sup>1</sup>	1996/97	1997
Botanical Road - Rewa to Glaxo <sup>1</sup>	1996/97	1997
Chelwood Street	1996/97	1997
Highbury Ave, G289 to Coventry	1996/97	1997
College Street <sup>1</sup>	1996/97	1997
Church Street	1997/98	1998
Ferguson Street, Botanical to Cook	1997/98	1998
Highbury Avenue, G289 to Coventry	1997/98	1998
Sandiland Street, Feilding	1997/98	1998
Cuba Street, Pascal to Lyndhurst	1998/99	1999

<sup>1</sup> This is work carried forward from Electropower's 96/97 budget (30 June year end)

Street	Year Scheduled	Year Completed
Ferguson Street, Albert to Fitzroy	1998/99	1999
Keeling & Ngaio(HV only)	1998/99	1999
Rangiora Avenue, Vogel to Weston & Moheke	1998/99	1999
Tingey Place	1998/99	1999
Bolton Place	1999/00	1999
Carlton Avenue	1999/00	1999
Crewe Crescent	1999/00	1999
Durham Crescent	1999/00	1999
Iona Street	1999/00	1999
Langston Avenue	1999/00	1999
Rongopai Street - HV	1999/00	1999
Ross Place	1999/00	1999
Rugby Street, Wakefield End (part), P N	1999/00	1999
Selby Place	1999/00	1999
Stanley Avenue	1999/00	1999
Tyndall Street	1999/00	1999
Antrim Place	2000/01	2000
Ashford Avenue	2000/01	2000
Ayr Place	2000/01	2000
Dahlia Street	2000/01	2000
Montgomery Terrace	2000/01	2000
Rawhiti Street	2000/01	2000
Tern Place	2000/01	2000
Tilbury Avenue	2000/01	2000
Cook Street LV (conjunction with 33kV)	2000/01	2001
Galway Avenue	2000/01	2001
St Albans Avenue	2000/01	2001
Church Street - West to Cook (LV)	2001/02	2001
Edgeware Road/ Ivanhoe Terrace	2001/02	2001
Lombard Street	2001/02	2001
Puriri Terrace	2001/02	2001
Alton Place	2000/01	2001
Harrow Place	2000/01	2001
Lincoln Terrace	2000/01	2001
Wellesbourne Street	2006/07	2001
Kauri Street	2001/02	2002
Bourke Street	2002/03	2002
Oxford Street - PN	2002/03	2002
Thomson Street, Moore & Douglas St's	2002/03	2002
West Street	2002/03	2002
Willis and Domain Street	2002/03	2002
Keeling Street	2002/03	2002
Hendon Place	2002/03	2002
Ngaio Street	2002/03	2002
Karina Terrace	2002/03	2002
Ferguson St (Morris-Victoria)	2002/03	2002
Ada Street	2003/04	2003
Rangitane Street	2003/04	2003
Margaret Street	2003/04	2003
Morris Street	2005/06	2003

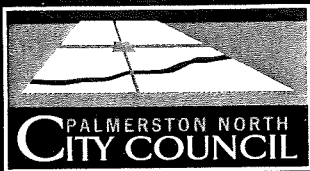
Street	Year Scheduled	Year Completed
Milverton Avenue	2008/09	2003
Moheke Avenue	2008/09	2003
Weston Avenue	2003/04	2004
Ngarimu Street	2009/10	2003
Rainforth Street	2009/10	2003
Moheke Avenue South	2010/11	2003
Colombo Street	2004/05	2004
Coventry Street	2003/04	2004
Hull Place	2003/04	2004
Farnham Avenue	2003/04	2004
Croyden Avenue	2004/05	2004
McGiffert Street	2004/05	2004
Cleland Street	2005/06	2004
Snelson Street	2005/06	2004
Newhaven Place	2004/05	2004
Terrace Street	2003/04	2004
Joseph Street	2004/05	2004
Salisbury Avenue	2004/05	2004
Hereford Street	2004/05	2004
Upham Terrace	2005/06	
Hinton Place	2005/06	
Devon Place	2005/06	
Worcester Street	2005/06	
Moerangi Street	2005/06	
Stewart Crescent	2005/06	
Brentwood Avenue	2005/06	
Burns Avenue	2005/06	
South Street	2005/06	
Haversham Street	2006/07	
Koromiki Avenue	2006/07	
Rangiora Avenue	2006/07	
Plymouth Street	2006/07	
Wharenuai Terrace	2006/07	
Kingswood Street	2006/07	
Rewa Street	2006/07	
Shamrock Street	2006/07	
Stirling Crescent	2007/08	
Lyndhurst Street Featherston to Chelwood	2007/08	
Lyndhurst Street Chelwood to Main	2007/08	
Bryant Street	2007/08	
Andrew Avenue	2007/08	
Hulme Street	2007/08	
Titoki Street	2007/08	
Lowestoft Place	2007/08	
Piper Place	2008/09	
Brighton Crescent & Renfrew Place	2008/09	
Ronberg Street & Opie Place	2008/09	
Dorset Crescent	2008/09	
Donnington St	2008/09	

Powerco remains committed to completing the underground conversion of the former Electro Power's distribution network.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'R Krogh', with a large, sweeping flourish extending from the end.

Richard Krogh  
**General Manager – Network Assets**  
**Powerco Limited**



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Palmerston North  
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Working with  
our Community  
to Build  
a Better City

[paterson@pncc.govt.nz](mailto:paterson@pncc.govt.nz)

4 November 2004

Steven Bolton  
Chief Executive  
PowerCo Ltd  
Private Bag 2061  
NEW PLYMOUTH

Dear Sir

### **Underground Conversion in Palmerston North – Certificate of Compliance**

As you will be aware the Palmerston North City Council and CentralPower Ltd entered a Merger agreement on 16 December 1996. The effect of the agreement was to merge the Council's then subsidiary, Electro Power Ltd, with CentralPower.

As part of the agreement, CentralPower made a number of covenants (clause 9). Most of these covenants are no longer relevant due to changed circumstances or because they have been completed. However a key commitment was "to complete the underground conversion of Electro Power's distribution network as at the date of the agreement within 10 years of Completion". (Completion was the date of the sale and purchase of the shares ie 31 December 1996).

Clause 9.2 of the agreement requires:

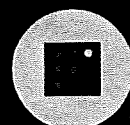
"Certificate of Compliance: Following the end of each financial year and at the time that it provides accounts to its shareholders, CentralPower will provide to the Council a certificate signed by one or more directors on behalf of the Board of CentralPower and reporting on whether it is complying with the requirements of clause 9.1." (ie the covenants)

Having enquired of Council's Rooding Manager I understand that you are proceeding with the undergrounding in accordance with the commitments made in the merger agreement. However it would be appreciated if you could, as in previous years, outline for us what stage you are at in completing the programme.

Thank you in anticipation.

Yours faithfully

**Steve Paterson**



YOUNG HEART  
EASY LIVING  
MANAWATU