



21 March 2018

### **Tauranga Energy Consumer Trust ends Consultation Process**

Attached are a market release from Trustpower and a related press release from the Tauranga Energy Consumer Trust (TECT). These releases advise that TECT will not be proceeding further with its previously announced proposal to re-settle TECT and cease to pay the TECT cheque to Trustpower customers in the Tauranga / Western Bay of Plenty region.

Infratil is a 51% shareholder in Trustpower.

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Better together.

21 March 2018

**Trustees of the Tauranga Energy Consumer Trust withdraw proposal to cease payment of TECT cheques**

The trustees of the Tauranga Energy Consumer Trust ("TECT") have announced that, following consultation, they will not be proceeding further with their proposal previously announced on 25 January 2018. Under that proposal, the trustees proposed to move all the assets of TECT into a separate charitable trust (and wind up TECT), and to cease payments of the annual TECT cheque to Trustpower's electricity customers in the Tauranga and Western Bay of Plenty region from 2023 onwards.

The effect of this announcement is that the status quo, and the payment of TECT cheques, will continue.

Trustpower continues to respect the right of the TECT trustees to run consultation processes and is pleased that on this important matter a robust debate has occurred where the TECT trustees have canvassed, heard, and acted on the views of their beneficiaries. It looks forward to maintaining its strong relationship with TECT, and continuing to ensure that the success of Trustpower remains the success of its local customers.

A handwritten signature in black ink that reads "V. P. Hawksworth".

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*Media Release: 5.00pm Wednesday 21st March, 2018*

## **AFTER CONSULTATION TECT TRUSTEES WITHDRAW CHEQUE PROPOSAL**

After a robust consultation process, TECT Trustees have announced they are withdrawing the proposal to evolve TECT into an entirely charitable trust by 2023.

“We maintained throughout this process that the wishes of consumers would remain at the heart of our decision-making and the consumers have clearly spoken,” says TECT Chairman Bill Holland.

“The Trustees acknowledge the efforts of the entire TECT community for their thoughtful engagement in this process.”

The proposal, which was put out as a starting point for discussion, suggested the creation of a transformational fund for the Western Bay development and associated causes, after a \$2,500 sum payout to consumers followed by five years’ worth of \$360 TECT cheques.

Although one-third of written submitters supported the proposal, the majority were opposed with many providing suggestions about other alternatives. The Trustees are unanimous that the representation from consumers is to withdraw the proposal rather than taking it to a referendum.

“The discussions at the four information sessions, as well as the feedback from the 21,000 written submissions and four days of oral hearings from approximately 130 individuals, showed there to be immense passion within the community for the trust,” says Mr Holland.

The Trustees instead intend to work through the feedback and suggestions and will fully analyse the content of submissions to ensure that all the good ideas are captured to benefit the long-term future of the trust.

“This feedback will provide valuable information that will inform TECT’s future planning. We also intend to communicate our findings with consumers once we have had time to work through the large amount of feedback,” said TECT Chairperson Bill Holland.

“The debate became a philosophical one between those who want to keep the status quo, where individuals receive a cheque and those who wanted to take the compensation offered



and see the trust evolve into one that could help Tauranga and Western BOP communities for generations to come. “

“There were a lot of complex questions because this was a complex matter. This was never going to be an easy discussion but we felt it was a discussion the public deserved to have”

The submissions showed several themes starting to emerge which the trustees feel they are now obliged to address.

“This was always intended to be a discussion and that’s what we’ve had. It has been extremely useful for us (and future trustees) to have access to this sort of feedback. That’s our job as trustees.”

TECT Trustees will now release a 2018 distribution plan for consumer comment in the coming weeks which will outline the proposed amount of the TECT cheque distribution for November 2018 and the funds available for community organisations. “Consumers should anticipate a distribution plan that looks very similar to that from 2017,” Mr Holland said.

ENDS

