



**TECT Community Trust
Draft Distribution Plan 2025/2026
Community Consultation Feedback**



David Riley

The TECT Community Trust is planning to distribute more than \$18M this year to the Western Bay of Plenty communities. At the same time the TECT Consumer Trust rebate policy will result in more than twice as much being charged by the retail electricity companies in overcharges. There remains a failure of competition in the local retail electricity market, all retailers continue to charge more here than they do elsewhere, not just Mercury Energy the immediate beneficiary of the TECT rebate policy. The full impact of the April 2025 price increases has not yet been revealed but significant increases have been signaled.

The retail electricity market failure is demonstrated with;

- elevated electricity energy component prices here (see MBIE QSDEP reports)
- dominant market share is still held by Mercury and will be for years to come
- trader switching rates remain low, lowest of all main centers
- HHI remains the highest in NZ indicating market concentration
- local retailer numbers have fallen to just 8 (was 15 in 2019)

Using prices as of March 2025 and despite having lower Lines Charges than Auckland, the electricity account for an 8000 kWh/y household averages around \$400 more than in Auckland. Local prices are higher here for all retail offerings. It is not yet clear what the pricing picture is post 1 April 2025 but significant increases have been signaled. A family moving here from Auckland currently faces a 22% increase in total electricity costs. There is no rational explanation for these prices apart from failure of retail market competition in Tauranga/Western Bay of Plenty. The finger points directly at the inaction of TECT Trustees.

We live in difficult times, I have said this before but things are worse now. For the second year in a row national Child Poverty statistics show a worsening in the situation after several years of improvement. One in seven children now lives in material deprivation, the situation for Maori, Pasific and households with disabled members is much worse. We are talking about cold and hungry children!

What must be done.

- Urgently the TECT Trustees should loudly condemn Mercury Energy for using the TECT rebate to elevate local electricity prices. Other retailers should also be condemned for following the unfair pricing set by Mercury.
- Challenge all retailers to offer electricity energy component pricing to local consumers at the same price they offer in Auckland. Lines charges are not the problem.

- Acknowledge the harm done by the current TECT rebate policy. Acknowledge that the TECT rebate came to be seen as part of Trustpower and now Mercury Energy's offering by the Commerce Commission and this must change.
- Announce that TECT will start serious community consultations to change the TECT Consumer Trust Deed to offer a reduced TECT rebate to all local consumers if fair pricing is not offered urgently. All consumers will be better off, even current TECT Consumer Trust beneficiaries. The true problem of the TECT rebate needs to be made clear to the community for the first time.

Mary Dillon

Thanks as always. Looks pretty good to me. Regards Mary.

Ray Anderson

While the Trustees purport that the "Rebate" payments have been protected, they are no longer funded by Dividend & Bonus Payment Income, derived from the Ownership of the Assets which still belong to Qualifying Consumer Beneficiaries. This is a clearly deceptive arrangement

There is evidence in the Minutes of the AGM that Don Brash and at least one other Trustee do not meet the Qualification Criteria to be members of TECT Consumer Trust, and therefore cannot vote on matters pertaining to the Consumer Trust (as was the case at the AGM

In my opinion the Wind-up date of the Consumer Trust should be brought forward to 2025, with an equitable payout of \$20,000 made to each Beneficiary.

Julian Fitter

I have used my Mercury Account # as Trustpower no longer exists.

I am fully supportive of your five Strategic Focus areas, however I am concerned at the rather low priority that you appear to give to the Natural Environment.

20% of your funding is earmarked for Priority Communities and Natural Environment while 80% is allocated to the Built Environment and Community Wellbeing. This suggests that as little as 10% may go to the Natural Environment.

While I would not dispute that these latter two are important, I would suggest that our Natural Environment is in fact THE most important area as it contributes to all the other focus areas, while they tend to impinge upon it.

A healthy natural environment is well known to help personal wellbeing and health and all of our primary industries depend to a greater or lesser extent on the natural environment.

In addition, working in the natural environment is one of the most rewarding experiences where you can actually observe the difference you have made.

We in Aotearoa New Zealand have a most amazing natural biodiversity. Some 80% of our native wildlife is found only here, nowhere else on earth. Its wellbeing is being seriously threatened but a huge range of invasive species, and holding the tide, let alone rolling it back is a hugely expensive operation. At the same time the employment outcomes from funding environmental

work, and the benefit to the whole community resulting from this can be hugely beneficial and will help you achieve more in your support for your other focus areas.

We also know that the Department of Conservation, charged with looking after some 30% of the country, is seriously underfunded, receiving around 0.44% of the national budget. It is clearly imperative for the private sector and the philanthropic sector, to step up and help to preserve the unique native biodiversity of Aotearoa New Zealand

Of particular value is environmental and educational training, this can enable people who are often left out of the mainstream workforce, to obtain meaningful and valuable employment, which is itself of value to the wider community. This is particularly relevant to the less well-off sections of our rather unequal society. The environment, and supporting it, can play an important role in supporting your other community initiatives and objectives

For these reasons I believe that a minimum of 20-30% of your distributions should be focussed in this area

I do have another event that I am required to attend on April 3rd, so I hope we can find a mutually convenient time for me to present.