



# CHAIRMANS REPORT

For the year ended 31 March 2001

It is with pleasure that I present the 7<sup>th</sup> Annual Report for the Eastern Bay Energy Trust. This is the first Annual Report since the Trust changed its name on 1 October 2000 and I thank those consumers who were present at last years Annual Meeting for their input into this change.

The Trust has come a long way since August 1994 when it was first set up. Last year a tax paid profit of \$2.7m was achieved, of which \$2.2m was paid out for projects benefiting the consumers.

Some of the larger projects we have approved this year are:-

|  |             |
|--|-------------|
| Energy Save Energy Safe (The Retrofit Project)   | \$1,125,000 |
| Whakatane Aquatic Centre                         | \$ 400,000  |
| Ohope Golf Club – water pumping and reticulation | \$ 165,000  |
| Edgecumbe College swimming pool solar heating    | \$ 111,992  |

The Trust approved 25 projects during the year, all with an “Energy Related” focus. These can be summarised into six main categories.

| Category                          | Number | Amount      |
|-----------------------------------|--------|-------------|
| Energy efficiency and safety      | 5      | \$1,213,252 |
| Recreational and community groups | 7      | \$ 291,234  |
| Community infrastructure          | 2      | \$ 460,000  |
| Marae & cultural development      | 3      | \$ 71,108   |
| Elderly                           | 1      | \$ 19,709   |
| Youth                             | 7      | \$ 219,299  |

The Trust is extremely proud of the positive impact it is now able to have on the lives of its consumer beneficiaries, and the national recognition being received for its work in housing insulation.

The Honourable Pete Hodgson, Minister of Energy, recently presented the Eastern Bay Energy Trust with a plaque in recognition of the leadership role the Trust has taken in retrofitting houses. For the same project the Trust was awarded Highly Commended at the “2001 Energy Wise Awards” in the Domestic Housing Category. The input of Opotiki Trade Training, and in particular their project manager Jo Hunt into this project has been commendable.

In the future our project funding may be subject to an annual planning process to ensure a fair and equitable distribution of trust funds.

The Trust continues to hold 77.3% of the shares in Horizon Energy Distribution Limited. The current share price, together with the reported financial results of the company validate the acquisition we made in December 1999. During the year we repaid a further \$800,000 of the debt remaining from the acquisition of shares from UnitedNetworks Limited in December 1999.

The disciplines imposed on both the Company and the Trust, by the Company being listed on the stock exchange, mean that the Company performance is significantly more commercial than many 100% trust-owned, non-listed companies.

The Trustees are continuing to work with the Trust's legal advisors and the Directors of Horizon to determine appropriate changes to the Trust Deed, which reflect changes to the Electricity Industry since the Trust was formed. Until this review is completed, Trustee elections will continue as they have in the past.

Last year I was re-elected unopposed to the Whakatane ward, and Jim Towersey to the Opotiki ward after a vigorous campaign period. Voter turnout in Opotiki was 40.9% which, although down on the 46% turnout in 1998, is still considered by our returning officer to be good. The fact that there was an election together with the level of turnout is a result of the growing awareness of the existence of the Trust, and its role in the District.

I wish to thank my team of Trustees for the work they do. Malcolm Law, Brian Ponting, Jim Towersey and Colin Hammond all put in many hours of work, both with beneficiaries ensuring that they are aware of the funds which are available to them, and for the greater benefit of the Trust. Their support has enabled me to take on the additional role, as a member of the executive of Energy Trusts of New Zealand.

During the year we have worked closely with other Trusts, with similar views to our own, to put forward a submission to the Electricity Bill. This Bill, without change, will have a significant impact on the way in which Energy Trusts are managed. Such is the interest in Energy Trusts by Central Government, that they have commissioned research to look at the role Trusts could have in funding regional economic development in New Zealand.

I once again congratulate those community groups and organisations, which have so passionately shown us their vision, drive and commitment to making the Eastern Bay of Plenty such a great place to live, work and play. Our partnership with you is unique and together we can make things happen in our region.

Thank you  
Toni Owen  
Chairman  
31 May 2001

**EASTERN BAY ENERGY TRUST  
GRANT PAYMENTS 2000 / 2001**

Grants Awarded Prior to 31 March 2000

| Recipient                  | Amount<br>Granted<br>\$ | Purpose of Grant                    | Paid<br>99/00<br>\$ | Paid<br>00/01<br>\$ | Owing<br>\$       |
|----------------------------|-------------------------|-------------------------------------|---------------------|---------------------|-------------------|
| Edgecumbe Squash Club      | 50,000                  | Tennis & squash court lighting      | 3,712               | 6,288               | 40,000            |
| Awakeri Community Complex  | 250,000                 | Hall electrical components          | 35,438              | 178,121             | 36,441            |
| Whakatane Squash Club      | 27,500                  | Court lighting & club upgrade       |                     | 8,210               | 19,290            |
| Order of St John           | 38,366                  | New complex                         | 17,802              | 20,564              | -                 |
| Opotiki Trade Training     | 711,587                 | Energy Save / Energy Safe project   | 371,372             | 340,215             | -                 |
| Whakatane District Council | 100,000                 | Under verandah lighting             |                     | 100,000             | -                 |
| Taneatua Rugby Club        | 80,000                  | Field lighting                      |                     | 80,000              | -                 |
| EECA                       | 51,530                  | Energy Save/ Energy Safe            | 35,780              | 15,750              | -                 |
| Port Ohope Yacht Club      | 49,950                  | Electrical upgrading                | 46,359              | 3,591               | -                 |
| Opotiki Kindergarten       | 30,000                  | Electrical upgrading                | 14,594              | 9,861               | 5,545             |
| Murupara Rugby Club        | 20,000                  | Electrical upgrading                | 12,831              | 7,169               | -                 |
| Patutaatahi Te Kohanga Reo | 17,305                  | Electrical equipment and appliances |                     | 17,305              | -                 |
| Te Akoranga Kindergarten   | 10,000                  | Installation of solatubes           |                     | 10,000              | -                 |
| Whakatane Plunket          | 7,750                   | Electrical upgrading                |                     | 7,750               | -                 |
| Whakatane District Council | -                       | Electrical upgrading                |                     | 12,916              | -                 |
|                            | <u>\$ 1,431,072</u>     |                                     | <u>\$ 537,888</u>   | <u>\$ 791,908</u>   | <u>\$ 101,276</u> |

Grants Awarded 1 April 2000 to 31 March 2001

| Recipient                       | Amount<br>Granted<br>\$ | Purpose of Grant                        | Paid<br>99/00<br>\$ | Paid<br>00/01<br>\$ | Owing<br>\$    |
|---------------------------------|-------------------------|---|---------------------|---------------------|----------------|
| Betta Electrical                | 1,835                   | Electric blanket testing                |                     | 1,835               | -              |
| Opotiki Drama Club              | 28,752                  | Lighting equipment                      |                     | 28,752              | -              |
| Apanui School                   | 5,440                   | Whiteware                               |                     | 5,440               | -              |
| St Peter Chanel Parish          | 19,628                  | Heating & airconditioning               |                     | 19,628              | -              |
| Opotiki Trade Training          | 500,000                 | Energy Save / Energy Safe project       |                     | 500,000             | -              |
| Eastern Bay Achievement Trust   | 4,000                   | Lunch bar extensions                    |                     |                     | 4,000          |
| Kawerau Judo Club               | 11,860                  | Wiring & heating                        | 11,860              |                     | -              |
| Nga Tama Tu Trust               | 20,480                  | Wiring                                  | 20,480              |                     | -              |
| Whakatane District Council      | 400,000                 | New aquatic centre                      |                     |                     | 400,000        |
| NZ Country Womens Institute     | 4,100                   | Heating & refrigeration                 | 4,100               |                     | -              |
| Edgecumbe College               | 111,992                 | Solar heating for swimming pool         | 111,992             |                     | -              |
| Trident High School             | 9,040                   | Gymnasium ablation block                | 9,040               |                     | -              |
| Strathmore Kindergarten         | 13,327                  | Heating, insulation, lighting           | 8,216               |                     | 5,111          |
| Kawerau District Council        | 60,000                  | Lighting for CBD redevelopment          |                     |                     | 60,000         |
| Opotiki Trade Training          | 625,000                 | Energy Save / Energy Safe Project       | 500,000             |                     | 125,000        |
| SK8 Opotiki Club                | 15,500                  | Skatepark floodlighting                 |                     |                     | 15,500         |
| Eastern Bay REAP                | 30,000                  | Electrical Safety Road Show             |                     |                     | 30,000         |
| Order of St John Opotiki        | 4,930                   | Ambulance Station reconstruction        | 4,930               |                     | -              |
| Ngati Rangitihui Marae          | 31,000                  | Marae upgrade                           | 31,000              |                     | -              |
| Whakatane Golf Club             | 48,000                  | Irrigation / lighting/ air conditioning |                     |                     | 48,000         |
| Kawerau Cosmopolitan Club       | 28,592                  | Air conditioning & heating              | 28,592              |                     | -              |
| Ohope Golf Club                 | 165,000                 | Water pumping & irrigation              | 73,327              |                     | 91,673         |
| Kawerau Social Services Trust   | 19,709                  | Mountain View Rest Home upgrade         |                     |                     | 19,709         |
| Sun FM                          | 250                     | Christmas in the Park lighting          | 250                 |                     | -              |
| Rangitaiki Independent School   | 60,000                  | School building                         | 3,355               |                     | 56,645         |
| Horizon Energy Distribution Ltd | 56,167                  | Undergrounding power lines              | 56,167              |                     | -              |
|                                 | <b>2,274,602</b>        |   |                     | <b>1,418,964</b>    | <b>855,638</b> |

TOTAL GRANTS PAID 2000/2001

2,210,872