



## SHORT TERM RELIEF PACKAGE

### TE APONGA UIRA RESPONSE TO COVID-19

Te Aponga Uira (TAU) acknowledges the difficult time ahead for the people and business community of the Cook Islands due to the global pandemic of COVID-19. This is an unprecedented time for our country and the situation is changing constantly.

We view the economic impacts on families and businesses as immediate, potentially severe and prolonged, at least over the forthcoming months.

Electricity is a vital service to our community and it is essential that this service can be sustainable over the long term. TAU's statutory objectives are

1. To provide energy to all consumers in a reliable and economical manner
2. To operate its facilities in an efficient and profitable manner having due regard to the interest of the community

TAU and our Shareholder, the Cook Islands Investment Corporation, do not take these objectives lightly, especially at a time where we expect significant economic hardship for our community. We are fully aware the cashflow ability of our customers is and will be the biggest issue during this time.

That being said, TAU with its Shareholder has reviewed its ability to provide relief for its customers during this trying time over the short term (April – June 2020).

For the next three months from Thursday 19<sup>th</sup> of March 2020 our Short-Term Relief Package will be in effect for all current and active customers of TAU.

The Short-Term Relief Package is as follows for the following Tariff Groups of Te Aponga Uira:

Tariff Groups	Short Term Relief Package
Current Active <b>Domestic</b> Customers	100% relief of all tariffs, fees and user charges. This replaces any existing discount facilities.
Current Active <b>Dual</b> Customers	100% relief of all tariffs, fees and user charges. This replaces any existing discount facilities.
Current Active <b>Commercial</b> Customers	60% relief of all tariffs, fees and user charges. This replaces any existing discount facilities.
Current Active <b>Demand</b> Customers	60% relief of all tariffs, fees and user charges. This replaces any existing discount facilities.

***\*TAU expects to apply this facility on the premise of existing consumption levels by customers. This will be included in the monthly review.***

We want to assure all our valued customers that as the key electricity provider to Rarotonga our business is expected to withstand and be resilient under this Short-Term Relief Package.

Given its scale, TAU has built up a strong balance sheet of reserves and has also gained a relative profit in this financial year to date. With the full support of our Shareholder, this will be drawn down on to buffer TAU's business over this Short-Term Relief Package. We believe as one of the largest commercial businesses in the Cook Islands, we are better slated to weather this economic downturn more than most others however only for a short period of time.

As we must be fluid and flexible whilst also protecting the core and ongoing nature of our business this Short-Term Relief Program will be reviewed monthly to accommodate changes to the economic landscape, TAU's business; and more frequently as more data comes to hand.

We understand there will be many questions around this package. The team at TAU are working through this package and embedding it into our systems. We do ask that you please bear with us while we get our systems in place to put this Short-Term Relief Package into effect. More information will be released as these become available.

We hope that this Short-Term Relief Package determined by TAU and our Shareholder helps business keep people employed and helps households weather these difficult times.

Apii Timoti  
Chief Executive Officer

**END**