

Improving Consumer Access and Choice



New Zealand Council Of
Christian Social Services

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Tirohanga Whānui | Overview

The New Zealand Council of Christian Social Services (NZCCSS) welcomes the opportunity to provide feedback on the Electricity Authority consultation on Improving Access and Choice. We support the kaupapa to address challenges that may impact consumers ability to access the most suitable and affordable power plans. Power costs are one of the major challenges facing New Zealanders today (Liu, 2026). Our member organisations report that the number of households struggling to afford electricity has increased significantly in recent years. Households are avoiding heating their homes in an attempt to reduce costs. Equitable access to the most affordable and reliable power plans available for a household's specific needs is essential to ensure that no households are unable to afford to heat their home regardless of their circumstances.

Our responses to the consultation questions are:

Q1. Do you agree with the risks identified for consumers who may have constrained access to electricity supply or limited retail choice? Please explain why or why not

Yes. We note that the higher electricity costs due to the inability to switch retailers is an ongoing concern, not just due to availability of plans but ongoing difficulty in consumer understanding of which plan will benefit them most. While we acknowledge that recent changes to require power companies to offer better plans to consumers means that people should be less likely to be paying higher prices than they have historically been, this is only plans from the current provider. The options to compare plans with other providers is still challenging, particularly for those who have limited digital access. Our members report that the new government run website, Billy, is not straight forward to use and that it still presents a barrier for people to compare providers.

Q3. Are there particular groups of consumers, regions, housing situations or metering circumstances where these risks are more likely to occur?

Older people in New Zealand may be at additional risk as they are more likely to both be medically dependent on electricity and have limited digital access (Age UK, 2024). Additionally, research indicates that 40% superannuants rely solely on their superannuation with no additional income (Te Ara Ahunga Ora | Retirement Commission, n.d.) and many are reporting reducing the use of electricity because they simply cannot afford it (1News Reporters, 2026; Liu, 2026).

People in rentals may also be at greater risk. In New Zealand 28.4% of people in rentals spend more than 40% of their income on housing costs (Stats NZ, 2025), limiting their remaining income for other essentials like utilities and food. While the Healthy Home Standards introduced a requirement for landlords to provide a heat source in the main living space and insulation in the ceiling and underfloor, many properties still don't meet these standards (Craig, 2026). Additionally, many rental properties remain single glazed and no requirement for curtains in rental properties leaves those in rental properties living in houses which are additionally challenging to keep warm and limited options to

improve their situations. Renters are 3-4 times more likely to experience energy hardship than owner occupiers (MBIE, 2025) putting them at greater risk.

Additionally, children experiencing energy poverty are at significantly increased risk of experiencing respiratory illness which can impact school performance and have lifelong impacts beyond direct effects on health, resulting in reduced earning potential in adulthood and increasing risk of experiencing hardship long-term (Pérez-Peña et al., 2025; Hlasny et al., 2026).

As noted in the consultation document, households who are unable to access smart meters are at a significant disadvantage due to many electricity plans, including time of use plans which offer reduced rates at non-peak hours, being unavailable to these households. This limits households' ability to adjust their consumption to reduce costs and results in higher power costs. Households living rurally are more likely to have no smart meter putting them at additional risk of paying greater power costs.

Credit history and access to post-pay electricity

Q5. Do you agree that consumer credit history or retailer credit-risk assessments may be limiting some consumers' access to electricity services or retail plans? Please explain why or why not.

The high number of credit-related refusals of new customers raised in the consultation document indicates that this approach is limiting access to alternative providers for some consumers. We note that the credit rating document referenced in the consultation paper states that being under 18 years old and/or having no credit rating give you a credit rating of 0 or no score, suggesting that these may be limitations to accessing post-pay services with some providers (Centrix, 2026). Additionally, experiencing hardship increases the likelihood of having a low credit score than may limit access to post-pay services (Centrix, 2026). If consumers are forced to use prepay plans, they may be at risk of paying significantly greater power costs. In 2023 Consumer NZ research indicated that prepay customers were paying roughly 15% more for their power than those on post-pay plans (Consumer, 2023).

Metering capability and access to services

Q9. Do you agree that legacy and noncommunicating smart meters may be limiting some consumers' access to electricity services, retail plans or retail competition? Please explain why or why not.

As legacy and noncommunicating smart meters are needed to access some power plans, like those that offer time of use pricing, there is a risk that those without access to communicating smart meters may be paying greater power costs. Without time of use plans, there is more limited ability for consumers to adjust their usage to reduce costs.

The lack of universal rollout by the government of smart meters (RNZ, 2010) has meant that areas with lower population density as well as rural or isolated regions are less likely to have these meters due to higher installation costs or lack of mobile service in these areas (Electricity Authority, n.d.), meaning these households may be more limited in the plans and pricing they are able to access. While in urban areas legacy and noncommunicating smart meters are estimated to be read every second month, with some power companies reporting that living rurally can reduce manual meter readings resulting in readings taking place every 3-6 months (Meridian, n.d.). Reduced frequency of readings can make it more challenging for consumers to understand and adapt their electricity usage and/or result in catch up bills.

Alternative access pathways

Q15. Are the three main alternative pathways — prepay, social retailing and exceptional onboarding — sufficient, suitable and sustainable?

While we acknowledge that these pathways provide people with low credit scores or who are experiencing hardship alternative options to access power, these are not suitable to all households. Social retailing is currently only available in some regions, with many households who would benefit from access to these options unable to access them.

Barriers also exist for exceptional onboarding for post-pay services, which may be difficult to access for some households. Consumers needing these services benefit from having support to advocate for this pathway with it often inconsistently applied and up to the discretion of the supplier. This places additional burden on advocates and may result in inequitable access to this pathway.

Prepay options provide barriers for consumers who are facing hardship and the frequent disconnections mentioned in the consultation, even if short, are likely to add significant undue stress to consumers. Research indicates that short-duration outages are a public health concern impacting mental health, with these linked to an increase in anxiety and stress and associated with an increased risk of mental health related hospitalisations (Feng et al., 2026). We strongly recommend that post-pay power be accessible to all consumers at a fair price.

Prepay electricity

Q23. Do prepay customers have reduced access to innovation, competition and emerging opportunities to reduce electricity costs? If so, what technical, commercial or regulatory barriers may be preventing retailers from offering more innovative prepay products?

One aspect that should be considered regarding access to post-pay electricity services is that credit history, previous history of not paying bills on time and previous disconnections impact a persons ability to access post-pay services. On pre-pay accounts when credit runs out, power is automatically disconnected. In 2025 more than 10,000 prepay households a month had their power disconnected (Edmunds & O'Dwyer, 2025). For households that have experienced disconnections due to lack of credit this may further hinder their access to post-pay plans in future.

Proposed outcomes and areas for improvement

Q32. Do you agree with the proposed outcomes, and are there additional consumer outcomes the Authority should consider?

Overall, we agree with the proposed outcomes listed. Though we note that while we agree that outcome (f) is important in the current methods to address providing access to power to low credit rating households, we believe that all households should be able to access affordable post-pay electricity plans.

(f) alternative access pathways such as prepay, social retailing and exceptional onboarding are available, suitable, transparent and sustainable over time

Q33. What international examples of approaches to ensuring electricity access for all consumers do you believe would be appropriate for the New Zealand context and why?

People with poor credit ratings are more likely to be low-income households (Ministry of Social Development, 2004). Costs of electricity have risen significantly in recent years (RNZ, 2026), and low-income households are disproportionately experiencing these costs with electricity contributing to a higher percentage of their household income (O'Sullivan et al., 2024). While the system operated by

states and territories in Australia to assign a default local electricity provider has the potential to address access to electricity for those with poor credit ratings, it does not address consumer choice or ensure that people have access to the most affordable electricity. Access to affordable post-pay electricity supply is essential to ensure that consumers do not have electricity disruption and can afford to power their home.

Q38. What changes could support increased access to mainstream post-pay electricity services, and what role could retailers, government agencies, iwi and other support agencies play?

Ensuring that consumers who are experiencing financial hardship have access to government supports to help cover the cost of power would mean that households would be less likely to be prevented from accessing post-pay electricity plans in future.

Q39. How could outcomes for consumers using prepay electricity be improved while preserving any benefits that consumers value?

There are a large number of disconnections for households using prepay electricity and while the majority of these are short-lived, there is still undue stress and disruption to consumers. Electricity disconnections risk households being unable to heat their homes, prepare food or care for dependents and even in situations where these are short-lived this can provide significant disruption. Providing households on prepay electricity with a greater buffer to access further credit before services are halted would reduce this disruption and minimise the impact on mental and physical health.

Q40. What role should social retailing and community-based models play in improving access and choice, and what are the risks of relying on them too heavily?

While these services provide alternative approaches to improve access and choice, these are not available to all consumers who would benefit from them. There are very few providers operating social retailing models, with Toast Electric currently only services the lower North Island, Christchurch and mid-Canterbury (Toast Electric, n.d.) and while Nau Mai Rā are expanding the areas they service there are currently still many regions which are not covered (Nau Mai Rā, n.d.). The same can be seen for Community-based models, with Good Power provided through St Vincent de Paul only servicing Hamilton (Good Power, n.d.).

While expanding these services would allow for a greater number of people to access them, it relies on individuals have the knowledge of these services and the willingness to seek them out. Addressing barriers to access and choice across all providers would ensure that all consumers have access to the most suitable and affordable electricity plans for their households.

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Ko wai tātou | Who we are

NZCCSS has six foundation members; the Anglican Care Network, Baptist Churches of New Zealand, Catholic Social Services, Presbyterian Support and the Methodist and Salvation Army Churches.

Through this membership, NZCCSS represents over 100 organisations providing a range of social support services across Aotearoa. Our mission is to call forth a just and compassionate society for Aotearoa, through our commitment to our faith and Te Tiriti o Waitangi.

Further details on NZCCSS can be found on our website - www.nzccss.org.nz.

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