TOAST ELECTRIC

Submission on Improving Consumer Access and Choice

Electricity Authority Issues Paper

A national electricity capability, delivered through trusted local community infrastructure.

Prepared by Toast Electric
A charitable company wholly owned by Sustainability Trust

11 August 2026

Executive summary

Toast Electric welcomes the Electricity Authority's consultation on Improving Consumer Access and Choice. The consultation is directly relevant to Toast as a not-for-profit social electricity retailer focused on improving outcomes for low-income households and people experiencing energy hardship.

Toast is a charitable company wholly owned by Sustainability Trust, a registered charitable trust. Toast is mission locked: any surpluses are returned to its social purpose rather than distributed to shareholders. Surpluses generated through electricity retailing are reinvested in affordability support, home energy advice, energy-efficiency interventions and wider assistance for households experiencing hardship.

Electricity hardship cannot be treated as an isolated retail problem. Electricity is essential, but it is commonly only one part of a household's situation.

Customers may also be experiencing inadequate income, poor-quality housing, debt, health issues, insecure tenancy, disability, digital exclusion or difficulty navigating government and social-support systems. Toast therefore considers the most effective response to energy hardship to be a locally based, integrated model combining affordable electricity with trusted referrals, home energy assessment and wrap-around support.

Toast's current model is strongest in Wellington, Wairarapa, Kāpiti and Horowhenua, where it can draw on Sustainability Trust's healthy-housing delivery and long-standing relationships with local agencies. Toast is developing similar relationships in Christchurch, but the absence of funding for free home energy advice visits limits the ability to reproduce the full model there.

Toast believes this model can be expanded nationally, with electricity retailing available across most networks and local delivery undertaken by Toast or contracted lead agencies, including members of the Community Energy Network. Expansion will require time, careful design and material support—particularly long-term lower-cost hedge access, prudential support, payment-risk protection and funding for local relationship and healthy-homes infrastructure.

Toast recognises the pioneering work of Nau Mai Ra and For Our Good in social retailing, and our collaboration over the years. While our 2 social retailing models have differences we are linked in putting low-income whānau and individuals at the centre of our work. We strongly believe that rather than having a one-size-fits-all approach, a healthy ecosystem requires multiple responses. We look forward to more social retailers joining our work and an expansion in our impact across the Motu.

Toast's principal recommendations

- Enable not-for-profit social retailers to scale through materially lower-cost, long-term hedge arrangements and proportionate prudential support.
- Establish payment-risk insurance, guarantees or a pooled facility so social retailers can accept and retain more households with poor credit and payment histories without increasing prices for other customers.
- Fund a nationally available but locally delivered network of referral, home energy assessment and wrap-around support services.
- Recognise community relationship management, trusted referral systems and home visits as core infrastructure rather than optional charitable add-ons.
- Maintain strong universal obligations on mainstream retailers so social retailing complements, rather than replaces, mainstream responsibility.
- Create an obligation-to-supply or default-provider backstop so no household is left without a practical pathway to electricity.

- Remove metering, tenancy and property barriers through a coordinated, no-cost pathway for low-income households.
- Measure adequate and sustainable energy access—not connection status alone.

About Toast and the integrated local model

Toast's operating model is based on close relationships with a local network of social-service agencies. These agencies provide referrals and support that enables electricity to be considered alongside the other issues affecting a household. This model requires personal relationships, frequent contact, staff time, trusted systems and continual relationship management. It is reasonably costly to establish and maintain, but Toast considers it the gold standard for durable energy-hardship alleviation.

The model includes, or is intended to include:

- affordable electricity and targeted discounts;
- trusted referrals from local community and social-service organisations;
- financial mentoring and benefit support;
- free home energy advice visits;
- heating, insulation and other practical interventions;
- Healthy Homes Standards checks and tenancy support;
- meter upgrades where required;
- ongoing personal engagement and early intervention;
- coordination with health, housing and other social services.

Large national corporate retailers can and should improve support for vulnerable consumers, but they are commercially structured to operate nationally and produce returns for shareholders. They are not primarily constituted to support the most vulnerable. Toast and other mission-locked social retailers are structurally different: their purpose, culture and surplus distribution are explicitly aligned with community outcomes.

As an example, Nau Mai Ra's kaupapa has included establishing The Whanau Fund, a constituted charitable trust that receives funding from Nau Mai Ra's retail operation and other philanthropic sources. Funds are distributed to individual whānau in need as well as providing targeted interventions including home assessments and other household support.

Meridian's healthy-homes programme demonstrates a useful complementary approach. Meridian refers households through its call centre to Community Energy Network members for local home assessments and funds selected interventions. Sustainability Trust provides this service in the Wellington region. This shows how a national retailer can localise support through a recognised community network without needing to recreate local capability internally.

Responses to consultation questions

Q1. Do you agree with the risks identified for consumers with constrained access or limited choice?

Yes. Toast agrees with the identified risks but considers they should be framed more broadly. The most important risk is not simply an inability to obtain an electricity account. It is the inability to obtain and sustain sufficient energy services to support health, warmth, hot water, cooking, refrigeration and participation in everyday life.

Many households remain technically connected while experiencing severe hidden hardship. They may reduce heating, live in one room, delay washing, limit hot-water use, reduce food expenditure or borrow to keep the power on.

Toast recommends that the Authority recognise four dimensions of access:

- the ability to obtain electricity supply;
- the ability to maintain supply;
- the ability to afford enough electricity for health and wellbeing;
- the ability to access wider services needed to address the underlying causes of hardship.

Consultation reference: paragraphs 4.47–4.56 and proposed outcomes in paragraph 6.4.

Q2. What evidence is available on the number of consumers affected and the outcomes they experience?

Toast supports improved data collection but cautions against relying only on retailer refusal, arrears or complaint data. Consumers experiencing severe hardship may use another person's account, remain with an unsuitable retailer because they fear being declined elsewhere, self-ration rather than accumulate arrears, obtain emergency assistance repeatedly, disengage from retailers or rely on whānau and community organisations.

Data should be supplemented by evidence from social retailers, healthy-homes providers, financial mentors, iwi and Māori organisations, Pacific providers, disability organisations, foodbanks, emergency assistance providers, community housing providers and local social-service networks.

Q3. Are particular groups, regions or housing situations more likely to experience these risks?

Yes. Particular attention should be given to renters; households in poorly insulated, damp or difficult-to-heat homes; households with children; Māori and Pacific households; disabled people and people with higher energy needs; older people; recent migrants; people experiencing family violence; people in insecure housing; customers with unsuitable meters; and households outside the operating areas of social retailers or funded healthy-homes services.

A major geographic inequity is that free home energy assessment and intervention services are not consistently funded nationwide. Toast can provide integrated support in Wellington through Sustainability Trust because of existing healthy-housing contracts, including SEEC and the Healthy Homes Initiative. Equivalent support is not consistently available in other regions.

Q4. Do access and choice constraints affect market performance?

Yes. Where consumers with poor credit histories or complex needs are excluded from mainstream retailing, they become concentrated among a small number of social or prepay providers. This may weaken mainstream incentives, concentrate operational costs and create a two-tier market in which innovation and savings flow mainly to financially resilient consumers.

Credit assessment and mainstream access

Q5. Is credit history limiting access?

Yes. Credit history can limit access, including for social retailers operating with finite financial capacity.

Toast currently applies a credit check to households applying through its public website. Applicants who meet Toast's credit standard can proceed through the standard onboarding pathway. Where an applicant does not meet the standard, or appears to present a higher risk of non-payment, Toast provides information about how to contact a local partner agency such as the Salvation Army, City Mission or another trusted social-service organisation.

Where the household engages with that agency, the agency can onboard the household to Toast through Toast's Energy Wellbeing portal. No further credit check is required. The partner agency will generally provide financial mentoring, benefit support, budgeting assistance or other help that enables the household to better understand and manage energy costs.

Toast also retains discretion to waive the partner-agency requirement and connect a household immediately where urgent hardship is identified.

Toast acknowledges that the initial public-application refusal is not ideal, even though an alternative pathway is offered. It creates an additional step for a household already under pressure, and some applicants may not complete the referral process.

Toast would prefer to accept and retain more households with poor credit or payment histories directly. Its ability to do so is constrained by limited capacity to absorb arrears and non-payment. Without external risk sharing, Toast would need to increase prices for its wider customer base, reduce support and discounts, or limit the number of higher-risk households it accepts.

Toast therefore supports bad-debt insurance, government or industry underwriting, a pooled hardship-risk fund, payment guarantees for referred households, time-limited guarantees while payment history is established, and lower-cost hedges that provide greater capacity to absorb arrears.

The objective should not be to eliminate all assessment of payment risk. It should be to prevent legitimate risk management from becoming a dead end for households seeking an essential service.

Q6. What factors influence whether a retailer accepts or declines a customer?

For Toast, the decision reflects both household circumstances and Toast's ability to manage financial risk sustainably. The partner-agency pathway provides an alternative to final refusal, but requires agency capacity, training, referral systems and active support.

The model demonstrates why social retailing is more operationally intensive than conventional retailing. It also illustrates that ownership structure and purpose matter. Toast is required to reinvest surpluses in its mission, whereas commercial retailers must respond to shareholder return requirements.

The Authority should explicitly address where unavoidable non-payment risk sits. It should not be assumed that a small social retailer or community organisation can carry this risk indefinitely.

Q7. What practices are working well for consumers with adverse or limited credit histories?

Toast's partner-referral and supported-onboarding process is an existing practice that works well:

- a household applies through Toast's public website;
- Toast undertakes a credit assessment;
- where the household does not meet the standard, Toast provides a route to an approved local partner agency;
- the agency provides relevant financial mentoring, benefit assistance or budgeting support;
- the agency onboards the household through Toast's Energy Wellbeing portal;
- Toast accepts the customer without a further credit check;
- in emergencies, Toast may waive the referral requirement and connect immediately.

The agency is not merely verifying identity or completing a form. It provides a trusted support relationship and considers electricity alongside income, debt, housing and other needs.

The Authority should support this model through funded mentoring and referral services, standard consent arrangements, payment guarantees or bad-debt cover, funding for systems and staff, and clear urgent-connection pathways.

Q8. What unintended consequences arise when people cannot obtain supply in their own name?

Consequences may include accounts being held in another person's name, unclear debt liability, financial abuse or coercive control, barriers to establishing a credit history, disputes when relationships end, delayed moves into healthier housing and reduced independence.

Metering

Q9. Do legacy and non-communicating meters restrict choice?

Yes. Meter limitations may prevent customers from accessing social retailing, prepay where appropriate, accurate consumption information, innovative pricing, remote support and timely connection or plan changes. Metering should be treated as enabling infrastructure rather than a discretionary consumer upgrade. In Toast's case, we don't standardly accept non-communicating meters unless in an emergency. This is due to costs for connection/disconnection, requirement for manual meter reads and estimates, and potential for shock bills for lower-income households. We know this approach is not ideal, and would welcome a financial mechanism or back up fund to enable meter upgrading – especially where rental properties and landlord resistance to upgrade is encountered.

Q10–13. What are the barriers to meter upgrades, how are costs managed, and are existing arrangements sufficient?

Toast supports a nationally coordinated mechanism for resolving meter barriers. The current structure can create a circular problem: a customer cannot access a retailer without an appropriate meter but cannot arrange the meter upgrade without a retailer.

Toast recommends:

- an access-critical meter-upgrade pathway;
- clearly assigned responsibility between retailer, metering provider, distributor and landlord;
- no-cost upgrades for low-income households where the meter is a barrier to supply;
- funding for necessary wiring and remedial work;
- service standards and timeframes;
- alternative technologies where communications coverage is inadequate;
- support for tenants where landlord consent or property defects cause delay;
- the ability for an approved social retailer or community agency to initiate an upgrade;
- prioritisation of meters that are deemed to be in secondary accommodation (e.g. baches)

With reliable and sufficiently affordable hedge support, Toast would seek to fund legacy meter upgrades for eligible low-income customers as part of its integrated service.

Alternative access pathways

Q14. What happens after a consumer is declined?

This is one of the largest evidence gaps. A consumer may make repeated applications, enter prepay, approach a social retailer, seek help from a budgeting agency, use another person's account, remain disconnected, delay moving into a property or remain with an unsuitable provider.

Retailers should be required to provide a warm referral rather than merely a rejection. A warm referral means identifying an available pathway, obtaining consent, transferring relevant information and confirming that the receiving provider or agency has engaged with the household.

Q15. Are prepay, social retailing and exceptional onboarding sufficient, suitable and sustainable?

No. Each pathway has value, but collectively they are not yet sufficient. Toast's supported onboarding through trusted agencies can work well, but it depends on capable local agencies, mentoring capacity, established relationships, agency training, referral systems, staff time and Toast's capacity to accept the residual financial risk.

The initial refusal from the public pathway also creates a risk that some households will not complete the referral process. A better long-term model would enable more households to be accepted directly, with support brought in around them, backed by payment-risk protection.

Q16. Which consumers face limited or no practical pathway?

The greatest barriers arise where poor credit, limited income, an unsuitable meter, poor-quality rental housing, landlord inaction, health or disability needs, digital exclusion and the absence of local support overlap. The response must therefore be designed around interacting barriers rather than a single issue.

Prepay

Q17–24. How should prepay, innovation, disconnection and debt recovery be addressed?

Toast supports retaining prepay as an option for consumers who actively value it, but it should not become the default destination for households declined from post-pay. Repeated self-disconnection should not automatically be interpreted as budgeting preference; it may be evidence that a household cannot afford adequate energy.

Toast recommends:

- proactive intervention after repeated or extended disconnections;
- simple emergency credit;
- protected periods during severe weather and overnight;
- affordable pathways from prepay to post-pay;
- limits on debt recovery from top-ups where deductions threaten continuity of supply;
- no placement of medically vulnerable households on prepay;
- stronger reporting on duration and household impact;
- home energy advice and local social-service referral after repeated disconnection.

Social retailing

Q25. Should social retailing remain targeted or become a more substantial national pathway?

Toast considers that social retailing should become a substantially larger national pathway while remaining locally delivered and community based. This should not replace strong minimum obligations on mainstream retailers.

Toast's vision is to make its electricity retail service available across the majority of New Zealand networks. Local support could be delivered directly by Toast in selected regions or by contracted lead community agencies responsible for referrals, home checks and wrap-around support. These agencies could be drawn from the Community Energy Network.

National electricity capability, delivered through trusted local community infrastructure.

Expansion should not create a centralised call-centre model that lacks meaningful local relationships. The relationship infrastructure is itself part of the service.

Q26. What are the main barriers to scaling social retailing?

1. Hedge cost and certainty

Toast can generate surpluses under its existing model, but those surpluses are not sufficient to fund support at the scale required. The Pool of Power is an important start, but current pricing does not yet create sufficient margin to fund substantial discounts, winter support, legacy-meter upgrades, minimal-credit-check onboarding, free home visits, housing interventions, local relationship staff and sustainable national expansion.

Toast believes that access to materially lower-priced, long-term hedges—potentially comparable in principle to major industrial pricing arrangements—could generate the surpluses required to build a transformative social-retailing model.

2. Prudential requirements

Prudential arrangements can be a disproportionate barrier for not-for-profit retailers. Toast supports proportionate requirements, guarantees or underwriting, pooled collateral arrangements and staged requirements during expansion.

3. Bad-debt and non-payment risk

Social retailers intentionally serve a higher proportion of customers with adverse credit histories, irregular income and previous payment difficulties. Toast currently manages this through public credit checks, supported referrals, financial mentoring, agency onboarding without a further credit check, early engagement and emergency discretion. This reduces risk but does not remove it.

If Toast is to accept substantially more households with poor credit and payment histories, it will require bad-debt insurance, an industry or government guarantee, a pooled risk facility, temporary payment guarantees, underwriting for approved referrals, lower-cost hedges that create capacity to carry some arrears, or a transparent shared funding mechanism.

Without such arrangements, the cost would have to be socialised through higher retail prices, reducing the affordability benefit for the households the model is intended to support.

4. Cost of local relationship infrastructure

The local referral model requires skilled staff, face-to-face engagement, networking, information-sharing systems, consent processes, referral follow-up, training and continual work to maintain trust. These costs should be recognised as a legitimate component of social retailing.

5. Uneven healthy-homes funding

Toast can provide free home energy advice in Wellington through Sustainability Trust because it holds relevant contracts. Equivalent funding is not universally available, limiting the ability to reproduce the full integrated model in Christchurch and other regions.

6. Metering and operational constraints

Expansion also depends on suitable meters, cost-effective switching, compatible data systems, supported-onboarding systems, local referral capacity and adequate working capital.

Q27. What support would expand social retailing without crowding out existing providers?

Toast recommends a package of enabling interventions rather than a single subsidy.

Long-term hedge access

Provide qualifying mission-locked social retailers with materially discounted, long-term hedges sufficient to generate social-purpose surpluses. Eligibility could be tied to not-for-profit ownership (or an acceptable mission-lock provision/kaupapa), prohibition on shareholder distributions, transparent reinvestment, measurable social outcomes and public reporting.

Prudential support

Introduce industry-backed guarantees, government underwriting, reduced or staged prudential requirements, pooled collateral or a dedicated social-retailer facility.

A social-retailer payment-risk facility

The Authority should investigate a facility covering a defined portion of unrecoverable debt for customers referred by approved agencies, on support or payment plans, meeting hardship criteria, or accepted under a supported-onboarding or obligation-to-supply pathway.

The facility should preserve incentives for responsible engagement through partial cover, an excess retained by the retailer, time limits, caps, independent eligibility criteria, evidence of reasonable support and reporting of consumer outcomes.

Funding for community infrastructure

Provide multi-year funding for local relationship staff, referral coordination, home energy visits, advocacy, case management, data systems and network development.

Healthy-homes coverage and partnership

Ensure nationwide access to funded home energy assessments and practical interventions, using existing community providers and networks rather than establishing parallel structures.

Exceptional onboarding

Q28–31. How should exceptional onboarding, benefit redirection and third-party advocacy operate?

Toast supports transparent and accessible supported-onboarding pathways but does not consider compulsory benefit redirection an appropriate universal condition of access. Benefit redirection may suit some consumers where informed, voluntary and supported, but should not become a proxy credit test.

Third-party advocacy works best where the advocate knows the household, can assist with budgeting or wider support, has a direct relationship with the retailer and remains involved after onboarding. It is unreasonable to rely on NGOs to provide this service without funding.

Proposed outcomes and priorities

Q32. Do you agree with the proposed outcomes, and are additional outcomes required?

Toast broadly supports the proposed outcomes and recommends adding:

- Adequate energy: consumers can afford enough energy to maintain a warm, dry and healthy home.
- Continuity: every household has a timely and sustainable pathway to connection and ongoing supply.
- Integrated support: consumers can access electricity assistance together with housing, health, financial and social support.
- No poverty premium: consumers are not charged more or excluded from savings because they have low income, poor credit or complex needs.

- Community trust: services are delivered through, or in partnership with, trusted local organisations.
- Reinvestment: support that enables social-retailer surplus is demonstrably reinvested in community outcomes.
- Equity: Māori, Pacific peoples, disabled people, renters and other disproportionately affected groups experience measurable improvement.

Q33. What international approaches may be relevant?

International experience shows that the greatest threat to social retailing is not lack of demand or lack of social value; it is exposing small, thinly capitalised mission-driven retailers to risks they cannot efficiently manage. A number of British NFP retailers (set up by local councils) and which Toast management met with in the UK in 2018, subsequently went out of business with significant losses in the early 2020s.

The two major UK NRP retailers that were closed down, Robin Hood Energy and Bristol Energy demonstrate the risk of weak commercial governance and opaque capital discipline. On the other side of the Tasman, another social-good retailer also had to close its doors and provides some salient lessons for NZ. Australia's Enova Energy demonstrated the vulnerability created when a community retailer loses access to effective wholesale hedging in a severe market event.

The Authority should therefore consider the design for a social-retailing framework that provides sustainable pathways to wholesale risk management, proportionate prudential arrangements, explicit funding for higher-cost hardship services, and potentially stress-test governance and operational management. The test of the framework should not be whether a social retailer can enter the market, but whether well-run social retailers can survive, scale and continue serving vulnerable consumers through an adverse wholesale cycle and rapid growth.

Q34. Are the proposed areas for improvement appropriate?

Yes, but Toast recommends an additional area: developing a nationally available, locally delivered energy-hardship support ecosystem. This should explicitly cover social retailing, community referral networks, home energy assessments, healthy-housing interventions, financial mentoring, health and tenancy referrals, iwi and Māori-led delivery, culturally appropriate services and sustained relationship management.

It is of note that Community Energy Network and others have been advocating for an integrated, national-level energy hardship strategy over the past five years. To date, there has been little central government support. Toast, as a social retailer, and Sustainability Trust as an energy hardship support agency, are elements of a response. However, we strongly believe that without a national framework that has buy-in from government, industry, community and research, responses will be piecemeal. We need a energy hardship strategy that involves all elements of the sector and has a clear pathway so we can all contribute meaningfully.

Q35. Which areas should be prioritised?

Toast recommends the following order:

1. Enable social retailers to scale through lower-cost long-term hedges and prudential support.
2. Establish payment-risk protection so social retailers can lower credit thresholds sustainably.
3. Fund nationwide local referral and healthy-homes infrastructure.
4. Strengthen mainstream post-pay access and prohibit dead-end refusals.
5. Establish a backstop obligation-to-supply mechanism.
6. Remove meter barriers for low-income consumers.
7. Improve prepay protections and pathways into post-pay.
8. Improve data and outcome monitoring.

Q36. What practical short-term steps could improve access and choice?

- fund a national expansion pilot for one or more mission-locked social retailers;
- extend supportive hedge arrangements and test materially lower pricing tied to social outcomes;
- establish a social-retailer prudential guarantee and payment-risk facility;
- fund free home energy visits in regions without SEEC or HHI coverage;
- fund local referral coordinators through Community Energy Network members;
- introduce a mandatory warm-referral process following retailer decline;
- create a national directory of supported-onboarding options;
- establish a no-cost legacy-meter upgrade fund;
- create a shared consent and referral protocol;
- require proactive intervention after repeated prepay disconnections;
- create formal pathways for mainstream retailers to commission local CEN members.

Q37. What additional information and monitoring is required?

- unique consumers declined;
- outcomes and time taken after refusal;
- reasons for decline;
- warm referrals made and completed;
- movement between post-pay and prepay;
- repeated and extended prepay disconnection;
- meter-related delays;
- housing tenure and regional support availability;
- referrals to healthy-homes services and interventions completed;
- changes in electricity costs, household warmth, wellbeing and housing stability;
- social-retailer reinvestment of surplus.

Mainstream pathways

Q38. What changes could increase access to mainstream post-pay supply?

Toast recommends proportionate credit assessment, supported onboarding, transparent acceptance criteria, individual review, warm referrals, voluntary benefit redirection, payment guarantees, early engagement, financial mentoring and an obligation-to-supply backstop.

The Authority should distinguish between an unjustified refusal based solely on a credit score and a proportionate risk-management decision by a retailer with limited capacity to absorb non-payment.

Toast's current process illustrates a middle path: households who do not meet the public credit standard can access Toast through an approved partner, receive support and be onboarded without another credit check. However, this still places an additional burden on the household.

A stronger system would combine low or minimal credit thresholds, supported direct onboarding, immediate connection in urgent cases, community referrals, payment guarantees or insurance, and clear responsibility for residual bad-debt costs. An unsupported obligation to accept all customers could undermine social retailers, increase prices or reduce the assistance available to other vulnerable households.

Q39. How could prepay outcomes be improved?

Use prepay only where suitable and chosen; review repeated disconnection automatically; refer customers proactively to local support; provide free home energy assessments; limit debt deductions; provide emergency credit and weather protections; improve access to innovative pricing; and create a clear route to post-pay.

Q40. What role should social retailing and community-based models play?

Social retailing should form a substantial part of New Zealand's future response to energy hardship, provided it is mission locked, community based, integrated with local services, supported by long-term hedge and prudential arrangements, nationally scalable but locally delivered, linked to healthy-housing interventions, and additional to mainstream obligations.

With materially lower hedge pricing and payment-risk support, Toast believes its model could fund significant discounts below market prices, winter discounts, minimal-credit-check access, legacy-meter upgrades, free home checks, heating and insulation interventions, Healthy Homes Standards checks, financial mentoring referrals, local coordination and ongoing personal support.

The key risk is that mainstream retailers may withdraw from responsibility for vulnerable customers. This should be mitigated through strong universal obligations and requirements or incentives for mainstream retailers to contribute to the support ecosystem.

Q41. Are current meter incentives appropriate?

No. Current arrangements do not reliably resolve the hardest cases. Toast recommends a social-purpose upgrade fund, authority for social retailers to initiate access-critical upgrades, landlord obligations, funding for wiring and remedial work, regional reporting, service standards and alternative communications technology where needed.

Q42. What opportunities exist for stronger community and partnership-based responses?

Community Energy Network

Sustainability Trust is a founder member of the Community Energy Network. CEN members include many of the NGOs working in energy efficiency, healthy housing and energy hardship. Members deliver home energy assessments, insulation and heating, SEEC, Warmer Kiwi Homes, Healthy Homes Initiative services, energy education and advocacy.

CEN provides an existing national foundation for expansion of an integrated model combining social electricity retailing, trusted referrals, home energy advice, housing interventions and wider support. The network is strong, but there are funding gaps because free home assessments are not consistently available in every region.

Meridian partnership example

Meridian's healthy-homes programme provides a useful example of how a national commercial retailer can localise support through community partners. Meridian contracts with CEN members to provide home assessments for households referred through its call centre. Sustainability Trust provides this service in Wellington, and Meridian also funds selected interventions.

The model demonstrates that national retailers do not need to build local healthy-homes capability internally; trusted organisations can deliver assessments and interventions; commercial and social retailers can use the same community infrastructure without conflict; and partnership with CEN offers a practical route to nationwide coverage.

Toast recommends a mixed model in which social retailers develop deep community relationships, mainstream retailers contract local CEN organisations, government funds coverage where no commercial or programme funding exists, common referral standards are established, and households receive coordinated rather than fragmented support.

Concluding statement

Toast believes New Zealand has an opportunity to create a world-leading model of social electricity retailing. The central challenge is not simply how to sell cheaper electricity to low-income consumers. It is how to create a sustainable ecosystem in which electricity retailing, community trust, healthy housing, financial mentoring and social support work together.

Toast has demonstrated the essential components of this model in Wellington, Wairarapa, Kāpiti and Horowhenua. It is developing relationships in Christchurch and believes the approach can expand across most of New Zealand. Expansion will require time, careful design, long-term access to substantially lower-cost hedges, proportionate prudential support, payment-risk protection, funding for local relationship infrastructure, nationwide free home energy assessments, practical housing interventions and formal partnerships with the Community Energy Network and other trusted providers.

Toast's experience also demonstrates that wider access cannot be achieved simply by directing retailers to accept more risk. Toast currently provides a supported alternative for applicants who do not meet its public credit standard. Through trusted local agencies, these households can receive financial mentoring and be onboarded without a further credit check. In urgent cases, Toast can connect immediately.

This is a practical and compassionate model, but it depends on both community capacity and Toast's ability to carry residual payment risk. If Toast is to accept and retain substantially more households with poor credit or payment histories, the system will need to provide bad-debt insurance, guarantees, underwriting or another form of risk sharing. Otherwise, those costs will be recovered through higher prices or reduced social support.

The policy question is not whether payment risk exists, but how that risk should be shared across retailers, industry, government and the wider community so that no household is excluded from an essential service.

As a charitable, not-for-profit retailer, Toast is mission locked. Any surplus generated is reinvested in the households and communities it serves. Public, industry or wholesale-market support can therefore be converted directly into consumer outcomes rather than shareholder returns.

The Authority should treat social retailing not as a marginal or temporary response, but as a distinct and scalable part of an inclusive electricity system.

ENDS