14 August 2026

consumer.mobility@ea.govt.nz

Utilities Disputes | Tautohetohe Whaipainga is New Zealand's leading provider of independent dispute resolution services for consumers and providers in utilities. In our role of operating the mandated Energy Complaints Scheme (ECS),[1] we have a unique and broad view of the electricity market from a consumer perspective, as we hear, investigate and resolve the individual complaints New Zealand consumers make about retailers and distributors. Consumers made 12,505 complaints to Utilities Disputes in the last reporting year and contacted us with 12,413 queries. These numbers are expected to be exceeded in the present year based on current volumes.[2]

Utilities Disputes operates as a not-for-profit and there is no charge for a consumer to make a complaint.

- **Disconnection Complaints**

Resolving disconnection complaints is one of the most important parts of our service. Disconnection complaints are prioritised, and our aim is to get both parties working together as quickly as possible to explore how the customer can be reconnected. For disconnection cases, we have specialised lines of communication with retailers in addition to our standard communication channels.

Once the customer has been reconnected, we work with both the retailer and the customer to identify and resolve the underlying issues that led to the complaint. This involves considering the obligations of both parties, as well as any relevant rules and contractual terms. Our help often includes:

- working out a payment plan;
- bringing to the attention of the retailer there is a Medically Dependent Customer (MDC) or vulnerable consumer at the residence, who has not previously been identified;
- identifying any misunderstandings between retailer and customer;

[1] For electricity see 95 & sch 4 cl 1 of the Electricity Industry Act 2010.
[2] We deliver dispute resolution schemes covering electricity, gas, water, and telecommunications. In telecommunications we offer the government mandated scheme for considering complaints about the laying of fibre on shared property and a voluntary telecommunications scheme which is not an industry dispute resolution scheme under part 7 of the Telecommunications Act 2001. We also offer a voluntary water complaints scheme.

- assisting the consumer sign up with another retailer; and
- as a final resort, helping the customer take up prepay.

- **Improving Consumer Access and Choice**

We are pleased to comment on the Electricity Authority's (EA) issues paper, *Improving Consumer Access and Choice* (*Improving Consumer Access*). The paper illustrates the complexity of electricity supply issues for some consumers, particularly where prepay appears to be the only available option. The recent Consumer report *Power at What Cost?* emphasises many of these same issues.[3]

As *Improving Consumer Access* is an issues paper, we thought our contribution at this early stage of policy development would be to provide some statistical analysis supported by case studies, with some commentary.[4] We can provide further clarification to the EA as needed. These are the core points arising from our analysis:

i. **Consumer access problems are interconnected:** Difficulties accessing electricity rarely arise from a single issue. They often reflect a combination of financial vulnerability, poor credit history, debt, metering constraints, change of residence, health needs, and limited retailer choice.

ii. **Disconnection is a family issue:** Anecdotal evidence from staff confirms many of the complaints we receive involve households with children. It is therefore artificial to treat prepay or disconnection issues as affecting only the account holder.

iii. **MDCs:** Utilities Disputes often receives complaints where a retailer is not aware that a MDC lives at the premises. This highlights the importance of the industry engaging in community outreach to inform consumers about the MDC process. Given that a disconnection can affect an entire household, consideration should also be given to whether the Consumer Care Obligations (CCOs) should recognise a broader category of vulnerable consumers who are protected from disconnection.

iv. **Moving House:** When customers move house this can often disrupt settled prepay arrangements as the new residence does not have a smart meter supporting prepay. When the customer has a poor credit history this can in turn lead to an immediate crisis as retailers can be reluctant to place the consumer on post-pay. The customer, in these circumstances is therefore disconnected by default.

[3] Consumer*, Power at What Cost?* July 2026, pgs. 14-15.

[4] We note Dr Kimberly O'Sullivan has highlighted the difficulties in obtaining good data in electricity, see for example. Dr Kimberley O'Sullivan, Senior Research Fellow, on behalf of He Kāinga Oranga/ Housing and Health Research Programme, Department of Public Health Wellington, University of Otago, *Improving Retail Market Monitoring: Clause 2.16 information Notice*. 29 February 2024, pg 3,Link.

v. **Smart meters:** Smart meters are an advance on legacy metering, but they also give rise to issues and complaints. Meter type, meter faults, registry errors, poor telecommunications coverage, and automated processes can prevent consumers from connecting, accessing prepay, using time-of-use plans, or receiving accurate bills.

vi. **Electricity is both a commercial and a social good:** Electricity regulation must balance encouragement of an efficient and competitive market with appropriate protections for consumers whose health, safety, and wellbeing depend on reliable access to electricity. Utilities Disputes therefore supports the EA's review of the regulatory settings canvassed in *Improving Consumer Access*.

vii. **Retailer Response:** Many retailers when contacted by Utilities Disputes offer vulnerable consumers bespoke plans. This is welcome, but such solutions do not address prepay issues in a whole-of-industry approach and raise issues of fairness for industry participants and consumers who may feel unable to speak with Utilities Disputes or their retailer about their circumstances.

viii. **Disconnections, a momentary contact:** Utilities Disputes' experience is that, once electricity is restored, complainants sometimes do not wish to engage further with the complaints process. This can make it difficult to identify and address the underlying causes of the disconnection and may mean that broader systemic issues remain unresolved.

ix. **Prepay is problematic but currently is an important safety net:** Prepay consumers are often vulnerable but prepay may be the only practical means of restoring electricity. Restricting or removing prepay without strengthening alternative protections could therefore leave some consumers worse off. Any changes will need to be approached with caution and informed by the input of retailers, consumers, and the agencies that work directly with consumers, particularly those experiencing hardship. Utilities Disputes is also available to share its insights.

x. **Post-pay disconnections also raise significant issues:** Utilities Disputes received 1,066 complaints involving pending or completed post-pay disconnections in the last reporting year, representing 9.3% of all complaints. Errors and debt were the dominant issues. Transferring prepay customers to post-pay plans will not on its own resolve the underlying issues identified in *Improving Consumer Access*.

- ## Communication: The Consumer Voice

  Mary's smart meter was working incorrectly, resulting in repeated visits by a technician to the property to investigate and rectify the problem. Mary had to repeat details of entry with the retailer, and reconciling the bill was difficult. When the meter was replaced Mary reached a resolution with her retailer and received a 20% reduction in her bill.[5]

Mary's complaint highlights the difficulties that can arise when a smart meter is not functioning correctly. It also demonstrates the importance of effective communication and complaint management in resolving consumer issues. A successful resolution was only reached once the retailer appointed a single point of contact to review and address the problems. However, Mary was sufficiently dissatisfied with how her complaint had been handled that she switched to another retailer.

Mary's complaint highlights the importance of effective communication in building consumer trust across the electricity sector. Different groups may respond to different forms of engagement, so a range of approaches may be needed. Utilities Disputes' experience is that sustained relationship-building and targeted community engagement are often the most effective ways to hear from consumers who may be less likely to respond to traditional surveys or questionnaires.

In the same way a nimble regulator will hear from industry participants but also seek to listen to the consumer voice unfiltered. We are pleased then the EA is engaging a research partner to speak directly with consumers about the issues canvassed in *Improving Consumer Access*.[6] Utilities Disputes encourages this type of outreach as the EA performs its additional statutory objective of protecting the interests of domestic and small business consumers.[7]

- ## A Commercial/Social Good

  James said his home was without power. He had children at home and a partner with a medical issue. James and his partner had poor credit, causing them to not meet the credit criteria for a post-pay connection. James had tried to sign up for a prepay account without success. A provider became aware of James' circumstances and agreed to reconnect his power.

James's complaint illustrates both the importance of consumer outreach,[8] and that the disconnection CCOs may need to be revised to include a wider group of vulnerable people,

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[5] All examples in the submission are based on real complaints, personal details have been amended to protect the identification of the complainant (eg name & in some cases gender), and some other facts are omitted for brevity and to protect against identification. Not all examples are from the past year.
[6] See *Improving Consumer Access*, pg 3.
[7] See s 15 Electricity Industry Act 2010; see for example, Utilities Disputes, *Improving Price Plan Options,* 26 March 2025, pg 9-10, Link, & *Improving Product and Consumption Information Exchange*, 23 June 2026, pg 3 Link & *Improving Electricity Billing in New Zealand*, 12 November 2025, pg 2, Link.
[8] CCO 11 alone appears insufficient.

such as where children are in the home. James's complaint also brings into focus the tension that can arise from electricity being both a commercial and social good.

For electricity to be treated as an essential service, it requires specialised regulation and a consumer protection framework. However, the industry operates on business principles to enable efficient service and distribution. It is important the right balance is struck between regulation, consumer protection, and the operation of the market.[9] For example, we have drawn attention to the EA that there are gaps in the enforcement of the CCOs in solar retailing and the downstream consequences for consumers and providers.

At Utilities Disputes this tension between the business and social aspects of retailing is seen in the differing exchanges we have with complainants and industry participants. Complainants are often surprised at the limitations on the network which they are asked to accept.[10] Industry participants sometimes express concern that a resolution, if universally applied, may affect their costs and the supply of electricity despite the fact we are applying accepted standards of service.

Utilities Disputes listens to both views to help the parties reach a fair and reasonable resolution, taking into account legal precedent, industry standards, and the provider-customer interactions.[11] We do this on a case-by-case basis, while feeding decisions and systematic issues to the EA, the Commerce Commission, and the Ministry of Business, Innovation & Employment.

Providers (prepay and post-pay) also offer differing services to vulnerable and at-risk consumers, with some providers seemingly more open to providing what the paper defines as exceptional onboarding, where standard processes are relaxed.[12]

Such welcome but bespoke solutions raise issues of industry fairness for customers and industry participants. *Improving Consumer Access* marks an opportunity to review policy settings in how the industry treats customers who are on prepay and appear locked out of more generous plans. We therefore support the EA in this review and its acknowledgment of the social and business aspects to electricity supply:

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[9] Water is adopting a similar model, which aims in part to ensure capital expenditure and management decisions incorporate the consumer voice. However, water unlike electricity may only be restricted, not disconnected. See Local Government (Water Services) Act 2025, ss 3, 17, 232 & 243 &Water Services Act 2021, s 25(7). See also UDL, *Economic Regulation of Water Services – Information Disclosure*, 20 October 2025, [Link.]

[10] The courts have highlighted New Zealanders must accept certain limitations of the network, so that electricity can be provided in a cost-effective manner to all Kiwis: "The reasonable consumer is taken to know the general characteristics of electricity distribution in New Zealand, such as: supply through overhead lines; the need for planned outages for maintenance; unplanned outages or fluctuations from wear and tear, environmental hazards such as birds, possums, trees, storms, or excessive consumer loads; as well as instability after outages; and possible third party damage." *Contact v Moreau* CIV 2017-485-962 [2018] NZHC 2884, para 52.

[11] Energy Scheme Rule, rule 24.

[12] See for example but not limited to *Improving Consumer Access*, 5.6-5.8.

Electricity plays a fundamental role in the lives of New Zealanders. It supports heating, cooling, lighting, food storage, communications, education, employment, transport and access to digital services. Reliable access to electricity enables households and businesses to participate fully in modern economic and social life.

For some consumers, electricity is particularly important for health, safety and wellbeing. This includes medically dependent consumers who rely on electrically powered medical equipment or require electricity for medical treatments. For these consumers, loss of electricity supply can create immediate and serious risks.[13]

- **Prepay Plans**

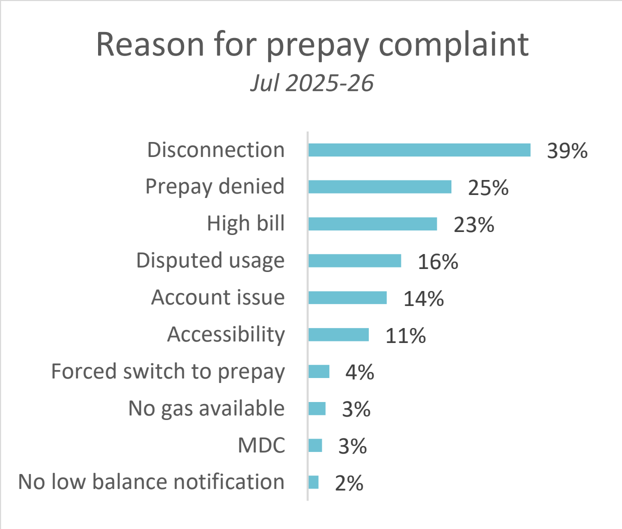
Peter had been issued a disconnection notice due to an overdue balance. Peter had children in the house. He said WINZ would not help, as they had previously provided assistance. The provider said it was unable to offer a further payment plan because a previous arrangement had been unsuccessful. Peter, after being unable to find a post-pay plan signed up for a prepay account.

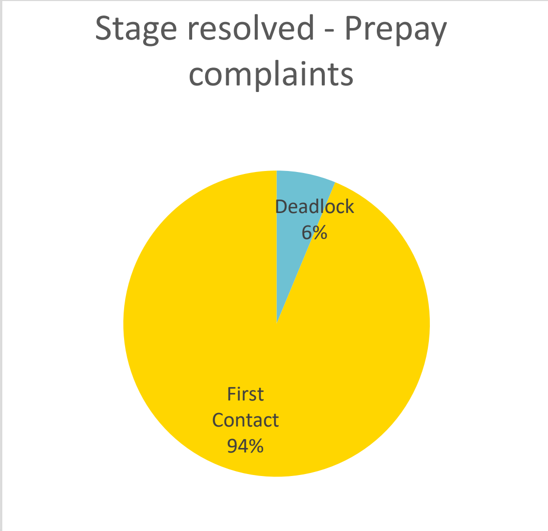
Peter's complaint illustrates how prepay is sometimes the only resolution to achieve an immediate reconnection. The availability of prepay offerings is narrow.[14] If this option were to disappear without a change in regulatory settings and the CCOs, it would make life difficult for consumers like Peter and his family.

In the past 12 months (July 2025-206) we received 161 complaints connected with prepay plans, around 1% of our ECS complaint volume. The reasons for these complaints are presented below, with disconnection being the most common issue. We provide further commentary on the reasons for disconnections in the next sections.

We also note once reconnection is achieved, the complainant often ends contact, despite our trying to make repeated contact (we return and expand on this point below). Therefore 94% of pre-pay complaints are resolved within our First Contact team.[15]

[13] *Improving Consumer Access*, paras 3.4-3.5. See also commentary such as paras 4.47-4.65.
[14] See Improving *Consumer Access*, paras 5.15-5.16. Contact is the only provider accepting new prepay customers.
[15] Utilities Disputes' process has three stages: *First Contact*, where Utilities Disputes receives a complaint prepares a complaint summary, and allows the provider to respond to the complaint*; Early Resolution*, where Utilities Disputes helps the provider and complainant resolve the complaint if it reaches "deadlock". Deadlock means the parties have been unable to resolve the complaint within twenty working days; and *Conciliation & Investigation*, where the complaint is formerly accepted, and Utilities Disputes will investigate the complaint. If the parties cannot resolve the complaint during the investigation the Commissioner will recommend a resolution. With disconnections the Early Resolution team immediately makes contact with the provider, through a specialised contact. If there appear difficulties Utilities Disputes will continue helping the parties negotiate or find an alternative retailer. In cases where the provider may not respond the complaint would be escalated to the Conciliation and Investigation team. Our first concern is always to help reconnect customer and then consider the issues of the complaint.





- **Prepay Disconnections**

  Lucy said her power had been disconnected. She had been attempting to top-up her prepay balance, however the app was not working. Lucy said the provider told her there was nothing wrong and suggested re-installing the app. Lucy had a young child at home.

  Lucy said she was told her power would be reconnected while she tried to sort out the app, but this did not occur. Utilities Disputes contacted the provider who confirmed that Lucy was reconnected, and Lucy could top up her account.

Post-pay consumers are warned about a disconnection and have an opportunity to clarify any misunderstandings. For Lucy, as with many prepay customers, disconnection was immediate, and she had to clear up any misunderstandings to be reconnected.

Disconnection complaints like Lucy's are regularly received and resolved by Utilities Disputes. However, compared to post-pay connections, these numbers are low. Twenty thousand prepay disconnections occur each month.[16] Yet in the past 12 months, we only received 62 prepay disconnection complaints. By comparison, we hear from approximately 8% of post-pay customers experiencing a disconnection.

Several factors may explain this discrepancy. Because prepay is designed to stop when credit runs out, some customers may view intermittent disconnection as an expected feature of the plan rather than a complaint issue.[17] Lower engagement may also reflect the greater vulnerability of many prepay customers, where the disconnection is one issue among many, and once resolved is no longer a focus. Lack of trust in institutions and complaint fatigue may also be relevant.[18] Utilities Disputes therefore continues to work with community

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[16] See https://www.ea.govt.nz/data-and-insights/charts-and-dashboards/disconnections-for-non-payment/
[17] See also *Improving Consumer Access*, para 5.29.
[18] See discussion *Improving Consumer Access*, para 4.16. Academic research may also drill down into reasons, see footnote 4.

organisations to build trust, improve awareness of our service, and strengthen our relationships with vulnerable households.

Of the prepay disconnection complaints we did receive, 8% involved customers who said they were disconnected despite topping up their account, and 23% involved delays in reconnection. CCO 45 requires reconnection within 30 minutes of the customer completing a purchase of new credit, unless certain exceptions apply. Although Utilities Disputes has received complaints about reconnection taking longer than 30 minutes, we are often unable to obtain enough detail to determine whether the delay was justified by one of those exceptions.

Prepay: Denials

> **Blaise was moving into a new residence. He contacted a number of providers, post-pay and a prepay, but each rejected him due to his poor credit history. One retailer said there was gas at the property, and this meant he could not sign up. Upon review it was found there was a registry error. When the error was corrected a prepay provider, who Blaise had contacted earlier, agreed to a sign up.**

Blaise's complaint in addition to credit history also raises several other factors that can affect connection denials, such as registry errors, and the presence of gas at the property. Metering issues are another common factor seen in this type of complaint.

In the past 12 months, we considered 40 complaints about prepay plans being inaccessible. Half of these complaints raised concerns about limited retailer prepay offerings. More than a third involved meter incompatibility that prevented access to prepay. Four complainants said they were told they had lived at the property too long to qualify for prepay because this would create back-billing issues. Five complaints involved prepay electricity being incompatible with the consumer's gas setup. In such cases this can prevent sign-up or, if sign up occurs, means the customer must seek another provider to supply gas to their home.

Prepay: MDCs

> **Marama, a prepay customer, rang Utilities Disputes as her power had been disconnected. A member of the household required electricity for a medical condition. The provider was unaware this was the case, and power was restored promptly. Marama was advised of the process for registering as an MDC.**

Marama's complaint highlights how prepay is not really suitable for MDCs and the importance of community outreach about these issues and sign-up.[19] Where a medical need is temporary or newly identified customers may also not realise they can register as an MDC.

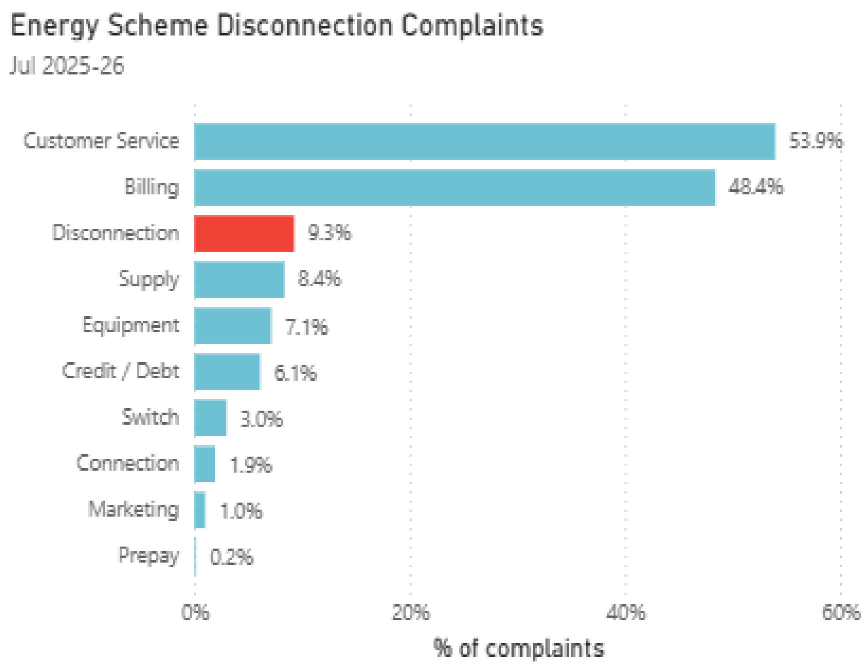
[19] See CCO 59.

Utilities Disputes received 4 complaints in the past 12 months from prepay customers who reported being medically dependent on electricity. None of these customers were registered MDCs and all were assisted in registering or were advised of the process.

- **Post-pay Disconnections**

Improving Consumer Access begins a policy discussion about how prepay consumers can best be supported. A possible result may be to transition customers to post-pay arrangements. A key challenge will be to avoid simply transferring existing consumer issues from prepay to post-pay without improving outcomes. In particular, moving customers to post-pay arrangements may create unintended consequences in relation to debt management. New technology may help manage this risk through measures such as alerts, periodic reviews, and real-time customer access to consumption data and predictive information about monthly bills.[20] Against this background, we provide some general data on post-pay disconnections.

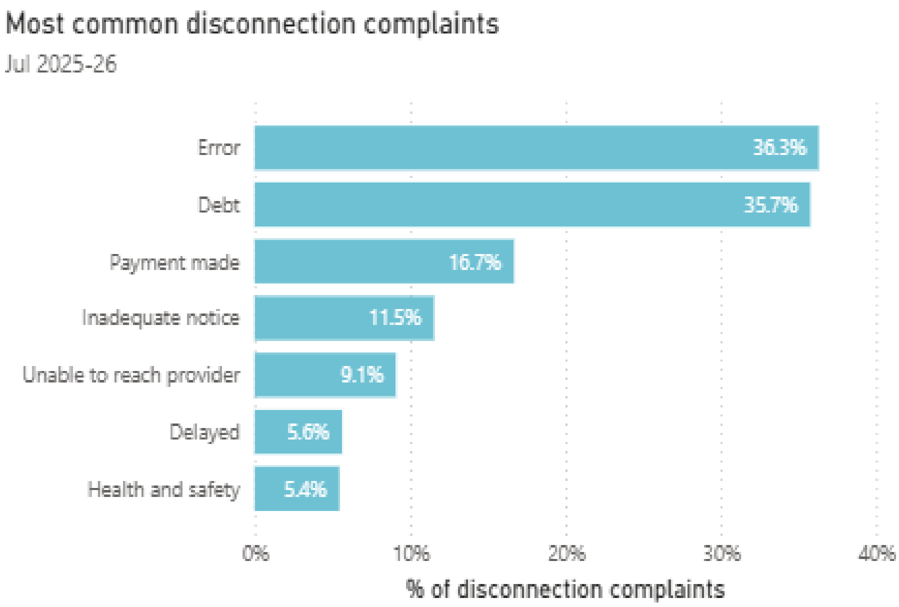
In the past 12 months (July 2025-26), Utilities Disputes received 1,066 complaints about post-pay disconnections, which included both pending and completed disconnections. This accounted for 9.3% of complaints received, making it the third most common complaint.



The proportion of disconnection complaints we receive has remained stable, but disconnection complaints have increased proportionally with our increasing numbers. In 2022-23 we considered 511 disconnection complaints, while in 2025-26 we considered

[20] We note that retailers are already required to monitor the usage of prepay customers, see CCO 27–28.

1,048 complaints. Disconnections done in error and due to debt are the two most common disconnection issues.



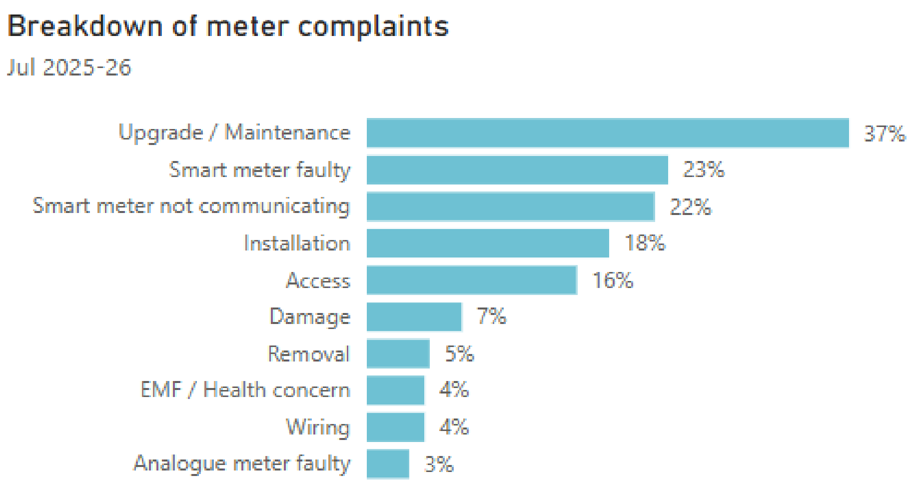
- **Meters**

  Aisha and her family had been without power for several days at their new property. A fault with the smart meter meant that it was registered as disabled. Even if the meter had been replaced, it appeared that the existing meter type was not suitable for prepay. The meter was fixed, and it appears Aisha was placed on a post-pay plan. Aisha had to stay with friends while this issue was resolved.

Aisha's complaint highlights several issues, including that the process of moving to a new property is not always straightforward, the vulnerability of customers who are unable to transfer their prepay arrangement because of a different meter, and the difficulties customers can experience in getting connected, particularly where more than one retailer is involved.

In the 12 months to July 2026, we received 834 meter complaints, which is 7% of Energy Scheme complaints.[21] Half of meter complaints have a high bill component because a high bill may indicate a meter fault.

[21] Chart includes smart and legacy meters.



Smart meters

> **Robert's meter was upgraded to a smart meter, but despite being inspected twice, it still failed to communicate. Robert said the provider told him he would be charged an additional fee to read the meter, although it is unclear whether this was due to a miscommunication. Several months passed between Robert first raising the issue and the meter being replaced.**

Robert's complaint illustrates the most common smart meter issue raised with Utilities Disputes, errors in meter communication. Such faults can lead to back-billing and customer-service complaints, particularly where customers face repeated estimates or declined manual readings. Customers, especially in rural areas, can struggle repeatedly with non-communicating smart meters. Retailers often allow customers to provide manual meter readings to avoid estimated bills. However, in the past 12 months, we received eight complaints from customers whose manual readings were declined by their retailer, leaving them reliant on estimated readings for extended periods.

We received 34 complaints in the past year from people who had health concerns around smart meters. The resolution of these complaints varies by retailer. Some are willing to disable the smart meter communications function and schedule manual meter reads. There may be conditions on this option such as providing a medical certificate. Other retailers insist on a functioning smart meter or advise the consumer they can go to another provider.

Legacy meters

While most consumers now have a smart meter, there are still some barriers to uptake. Some would like a new meter, but access or safety reasons prevent installation. For example, we received 4 complaints in the past year about asbestos meter boards preventing installation of a new meter. Customers typically need to remediate the board at their own expense, which can be an additional financial burden.

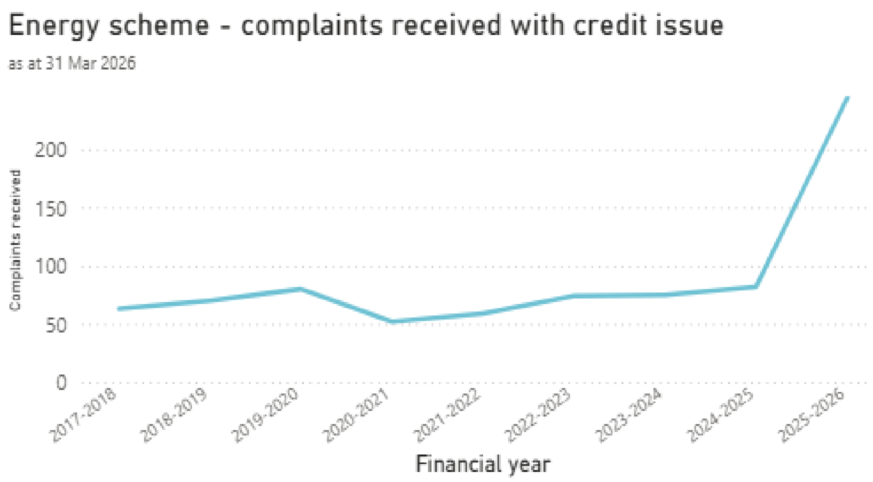
The most common reason for complaints about analogue meters is billing based on estimates due to infrequent meter readings. This can be due to access issues for the meter reader such as location, locks, pets, and actions of the customer. Customers also raise the issues about the limited choice of plans they have with a legacy meter. We note legacy meters are incompatible with prepay and solar plans.

- **Credit history**

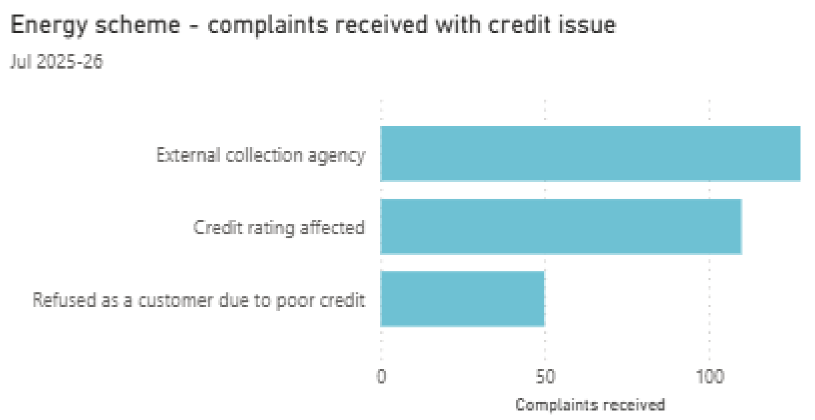
  Hannah had a young child and after moving into a new property said she had been without power for some days. The new property had a meter that was not compatible with prepay, and no provider would accept her as a customer due to a poor credit history. Utilities Disputes helped Hannah find a provider that was willing to open a post-pay account.

Hannah's complaint shows how credit history can affect a consumer's access to electricity. In Hannah's case the issue became critical when the meter at her new residence was not suitable for prepay. In this case a provider once they became aware of Hannah's circumstances, offered a post-pay plan.

Hannah is not alone in having her access to electricity limited by credit history. In the past 12 months, Utilities Disputes received 261 complaints involving this issue, representing around 2% of ECS complaints. Recently there has been a sharp increase in the number of these complaints.



Below are the subcategories of complaints about credit ratings for the last 12 months (note a complaint may have more than one issue):

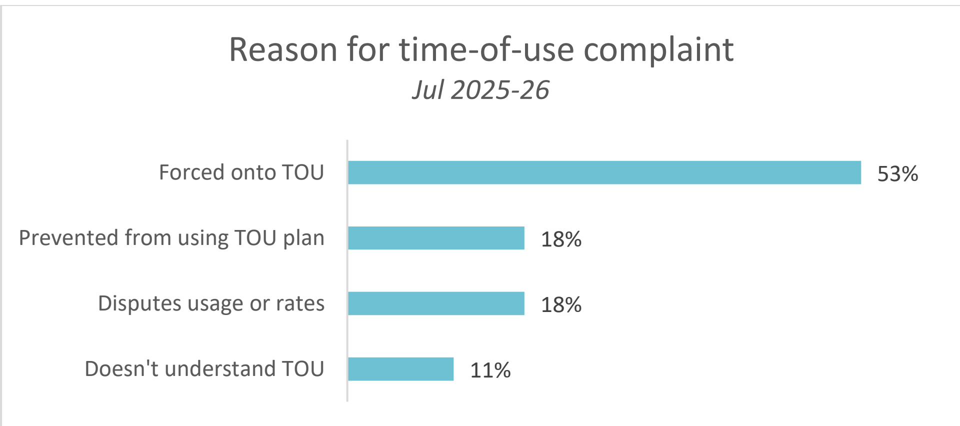


- **Time-of-use**

  Andrew said his smart meter had stopped communicating, resulting in him being moved to a basic plan. The provider explained that the decommissioning of the 2G cellular network had weakened coverage in some areas, affecting smart meter communications. Because the meter was no longer communicating, Andrew could not be moved back to a time-of-use plan. The provider made a customer service payment in recognition of the inconvenience caused.

Time-of-use plans can benefit consumers such as Andrew who are able to adjust their electricity use to take advantage of lower-priced periods. However, not all consumers are able to change their usage patterns in this way. In Andrew's case, changes to telecommunications infrastructure meant that a time-of-use plan was no longer available.

Time-of-use plans can also add complexity to billing. In the past year, we received 55 complaints about time-of-use plans, around half of which related to solar plans. The most common issue was that customers believed they had been switched to a time-of-use plan without their permission and/or were not achieving the savings they had expected. A smaller number of complainants wanted to move to a time-of-use plan but were unable to do so, usually because of meter limitations. Other complainants had attempted to analyse their own time-of-use data and either disagreed with how they had been billed or were confused about how the plan operated.



Conclusion

The complaints received by Utilities Disputes provide a unique consumer perspective on barriers to accessing and maintaining essential energy services. While many of the issues discussed in this paper affect only a small proportion of consumers, they often have a disproportionate impact on people already experiencing financial hardship, health challenges, housing instability, or other forms of vulnerability.

By monitoring complaint trends and engaging directly with affected consumers, Utilities Disputes is well placed to identify emerging issues and contribute evidence to discussions about consumer protection and market access. Continued attention to these issues will help ensure that all consumers, particularly those most at risk of harm, are able to access reliable and affordable energy services. We are available to the EA to discuss these issues further. If you have any questions, please at the first instance contact me at: paulb@udl.co.nz

Paul Byers
Legal and Policy Officer | Pou Ture Me Nga Kaupapahere