Code amendment omnibus #7: Improving undercharging requirements and clarifying retail tariff plans

Decision paper

28 September 2026

ELECTRICITY AUTHORITY
TE MANA HIKO

Executive summary

The Electricity Authority Te Mana Hiko (Authority) proposed targeted changes to the Electricity Industry Participation Code (Code) in our *Code amendment omnibus #7* consultation. These proposals primarily related to retailers' consumer-facing obligations in parts 11 and 11A of the Code, as well as a proposed requirement for annual director certification by participants with automatic under-frequency load shedding (AUFLS) obligations under Part 8 of the Code. We also invited feedback on two minor technical and non-controversial Code changes.

This decision paper sets out our decisions relating to the following proposals:

- operational improvements to new billing obligations relating to undercharged amounts
- clarifying the definition of generally available retail tariff plan
- technical and non-controversial Code amendments.

We have progressed these proposals ahead of the remaining omnibus proposals because they relate to upcoming Code amendments. We intend to progress the remaining omnibus proposals later this year.

Operational improvements to new billing obligations

The Electricity Industry Participation Code (Improving Electricity Billing) Amendment 2026 will introduce stronger protections for domestic and small business consumers who receive unexpected back bills. In developing implementation guidance for retailers, we identified two workability issues with the original design.

First, the additional advice and support requirements would apply every time a retailer seeks to recover an undercharge, including any small adjustments arising through minor billing corrections. Consultation confirmed that this would impose unnecessary process and system costs without a corresponding consumer benefit and would poorly target protections intended for cases where an unexpected historical liability may create bill shock or payment difficulty.

Second, requiring retailers to maintain a separate balance and separate due date for an undercharge in customers' bills would require significant changes across interconnected billing, payment, credit-management and collections systems, when the intended consumer protection can be delivered more directly.

After considering submissions, we have decided to:

- allow retailers to apply either a threshold of 25% of the customer's average invoiced amount over the previous 12 months or a fixed $50 GST-inclusive threshold before the additional advice and support requirements apply, and
- replace the prescribed separate-balance and separate-due-date requirements with an outcomes-focused approach based on clear disclosure of the undercharged amount and, where the threshold is met, a required offer of a payment plan.

Together, these changes better target the additional consumer protections while reducing unnecessary implementation complexity.

Section 4 addresses our decision on operational improvements to new billing obligations.

Definition of generally available retail tariff plan

We also proposed clarifying the definition of ‘generally available retail tariff plan’ to explicitly include plans that require specific equipment, end-uses, or load profiles (for example, electric vehicle or solar plans).

The policy intent and current market practice have long been to include these plans in the definition. However, a strict reading of the current definition could exclude them on the basis that they are not generally available.

After considering submissions, where all submitters supported the amendment, we have decided to implement the proposal without change. The amendment aligns the Code with its intended interpretation and existing industry practice, and benefits consumers by clarifying the scope of generally available retail tariffs for participants applying upcoming Code requirements, particularly those relating to product information provided to consumers and third-party agents.

Section 5 addresses our decision on clarifying the definition of ‘generally available retail tariff’.

Technical and non-controversial Code amendments

We also proposed corrections to the Code for minor errors in an upcoming Code amendment. These amendments are technical and non-controversial and do not change the meaning or intent of the Code. We received minor feedback from one submitter.

After considering submissions, we have decided to implement the proposal without change.

Section 6 addresses our decision on technical and non-controversial Code amendments.

Contents

1. Purpose of this decision paper

1.1. The Electricity Authority Te Mana Hiko (Authority) has decided to amend several provisions in the Electricity Industry Participation Code 2010 (Code).

Code amendment omnibus #7

1.2. On 15 July 2026, we published a consultation paper: *Code amendment omnibus #7: clarification to consumer care and billing refinements and director certification for AUFLS and other amendments* (consultation paper). We consulted on discrete proposals to amend the Code to:

- Clarify upcoming retailer obligations relating to recovery of undercharged amounts and standardised bill information.
- Clarify the definition of 'generally available retail tariff plans' to explicitly include plans that require specific equipment, end uses, or load profiles (for example, electric vehicles or solar plans).
- Improve the definition of 'business days' for Part 11A.
- Clarify the application of record retention obligations for Part 11A.
- Require annual director certification of compliance with automatic under frequency load shedding (AUFLS) Code requirements.
- Resolve technical and non-controversial issues around prescribed forms for consumption information.

We have decided to prioritise delivery of decisions relating to upcoming Code amendments

1.3. This paper sets out the Authority's decisions on proposals relating to the recovery of undercharged amounts from domestic and small business consumers, the definition of generally available retail tariff plans, and technical and non-controversial changes to prescribed forms for consumption information.

1.4. These proposals all relate to upcoming Code amendments.[1] We have decided to prioritise these decisions ahead of the other omnibus proposals, so participants receive timely clarity on the upcoming requirements.

1.5. We intend to retain the omnibus framework to deliver our decisions on the remaining Omnibus #7 proposals not included in this paper later this year, subject to Board decisions.

[1] The Electricity Industry Participation Code (Improving Access to Product Information) Amendment 2026 comes into force on 30 October 2026 and Electricity Industry Participation Code (Improving Electricity Billing) Amendment 2026 comes into force on 1 April 2027.

Table 1: Decisions included in this paper

Topic
Clarify upcoming retailer obligations relating to recovery of undercharged amounts and standardised bill information.
Clarify the definition of 'generally available retail tariff plans' to explicitly include plans that require specific equipment, end uses, or load profiles (e.g., electric vehicles or solar plans).
Resolve technical and non-controversial issues around prescribed forms for consumption information.

Table 2: Decisions not included in this paper

Topic
Improve the definition of 'business days' for Part 11A.
Clarify the application of record retention obligations for Part 11A.
Require annual director certification of compliance with automatic under frequency load shedding (AUFLS) Code requirements.

2. Submissions on Code amendment omnibus #7

2.1. We received 17 submissions on the consultation paper from the parties listed in Table 3.[2] The sections that follow summarise the feedback relevant to the decisions in this paper and explain how we have taken that feedback into account.

Table 3: List of submitters

Submitter	Role	Proposal(s) addressed*
2degrees	Retailer	Billing, tariffs and consumer care
Buller Electricity Limited	Distributor	All
Contact Energy	Retailer	Billing and consumer care
Electric Kiwi	Retailer	Billing
ERGANZ	Industry Association	All
Genesis	Retailer	Billing, tariffs, consumer care, technical amendments
Mercury	Retailer	Billing, tariffs, consumer care, technical amendments
Meridian	Retailer	Billing, tariffs and consumer care
MEUG	Industry Association	AUFLS
New Zealand Steel	Connected Asset Owner	AUFLS
Orion NZ Ltd	Distributor	AUFLS
Simply Energy	AUFLS provider	AUFLS
Transpower	Grid Owner	AUFLS
Transpower	System Operator	AUFLS
Utilities Disputes Limited	Disputes resolution scheme	Billing, tariffs and consumer care
Vector Energy	Distributor	AUFLS
Wellington Electricity	Distributor	AUFLS

* **labels:** Billing = operational improvements to undercharge obligations, tariffs = generally available retail tariff definition; consumer care = Part 11A consumer care clarifications; AUFLS = annual director certification; technical amendments = prescribed consumption information forms.

[2] Submissions are available on our website at: https://www.ea.govt.nz/projects/all/code-amendment-omnibus/consultation/code-amendment-omnibus-7/

3. The amendments promote our statutory objectives and are consistent with regulatory requirements

3.1. The Authority's main statutory objective is to promote competition in, reliable supply by, and the efficient operation of, the electricity industry for the long-term benefit of consumers.

3.2. The Authority's additional objective is to protect the interests of domestic and small business consumers in relation to the supply of electricity to those consumers. The additional objective applies only to the Authority's activities in relation to the dealings of industry participants with domestic consumers and small business consumers.

The amendments are consistent with the Authority's statutory objectives and with regulatory requirements

3.3. After considering submissions on the consultation paper, the Authority considers the Code amendments in this paper are consistent with its statutory objectives and with the requirements of section 32(1) of the Electricity Industry Act. The amendments are also consistent with the Authority's Code amendment principles.

The benefits of the amendments outweigh their costs

3.4. The Authority has assessed the benefits and costs of the Code amendments and considers each of them delivers a net benefit. Submissions did not materially alter our view on the costs and benefits, although submissions on the billing proposals provided further corroborating evidence in support of the proposals. Our assessment of costs and benefits is set out in the consultation paper, and submission feedback and the Authority's response is set out in the section on each proposal below.

How the amended Code wording is displayed in this decision paper

3.5. Code amendments in this decision paper are displayed as:

- text or formatting is black underlined where the consultation paper proposed adding to the Code
- text or formatting is ~~black strikethrough~~ where the consultation paper proposed deleting from the Code
- text or formatting is red underlined where drafting changes have been made following consultation
- deleted text is ~~red strikethrough~~ where drafting changes have been made following consultation

4. Operational improvements to new billing obligations

4.1. We consulted on two targeted changes to the new billing requirements being introduced, from 1 April 2027,[3] in the Electricity Industry Participation Code (Improving Electricity Billing) Amendment 2026 (Billing Amendment):

- Proposal 1: introduce a threshold for advice and support for undercharged amounts.
- Proposal 2: enable flexibility in how undercharge information and repayment arrangements are provided

4.2. The following sections summarise submissions, our assessment and the reasons for our final decisions.

Proposal 1: Introduce a threshold for advice and support for undercharged amounts

4.3. The Billing Amendment introduces protections for domestic and small business consumers who receive an undercharged amount, colloquially known as a 'back bill'. A back bill can arise where electricity consumed in an earlier period was not fully charged at the time, for example because estimated billing or delayed meter data is later corrected.

4.4. New clause 11.32H will, from 1 April 2027, limit how far back a retailer may recover an undercharge. It will also require additional advice and support before the undercharge is billed. These requirements include reasonable endeavours to contact the customer, an offer of a payment plan for the undercharge, and information about how to raise a complaint. These protections are intended to reduce bill shock by giving customers warning, support and sufficient time to manage an unexpected historical liability.

4.5. In the consultation paper we proposed introducing a threshold before those additional advice and support requirements apply. Below the threshold, other protections applying to every back bill would continue; above it, the retailer would also be required to provide the additional proactive support. The purpose is to target additional advice and support for undercharged amounts where it is more likely to benefit consumers, without imposing disproportionate process and system costs for minor billing corrections.

4.6. We proposed setting the threshold at 15% of the customer's average invoiced amount over the previous 12 months of invoicing periods. We proposed a percentage threshold because it scales with a customer's usual electricity expenditure and therefore provides a more tailored measure of materiality than a single dollar amount.

We have decided to introduce a threshold, with changes

4.7. We have decided to proceed with a threshold for the advice and support requirements, with changes to its level and methodology. Retailers may choose to apply either:

a) 25% of the customer's average invoiced amount, or

b) a fixed GST-inclusive threshold of $50

[3] The commencement date for the Billing Amendment was originally 30 October 2026 but was amended to 1 April 2027 by the Electricity Industry Participation Code (Improving Electricity Billing Amendment 2026) Amendment 2026.

Submissions on the proposed introduction of a threshold

4.8. Nine submissions commented on this proposal. Most submissions (seven) were from retailers or ERGANZ which represents Contact Energy, Genesis Energy, Mercury, Meridian Energy and Nova Energy. We also received submissions from Utilities Disputes Limited and one distributor.

Submitters supported introducing a threshold

4.9. Submitters broadly agreed that the additional advice and support requirements should be targeted rather than applied to every undercharged amount. Retailers considered that providing additional support for minor billing corrections would be disproportionate, while Utilities Disputes accepted that where a small back bill is clearly identified and readily understood, proactive contact may not be necessary in every case.

4.10. Retailers noted that relatively small undercharges can arise through ordinary billing processes, including delayed smart meter data and corrections following estimated or customer-provided meter reads.

4.11. Contact's submission also provides an indication of scale. It recorded 12,175 back-bills over a 12-month period across a customer base of around 478,000 ICPs, equivalent to around 2.5 events for every 100 ICPs if each event related to a different customer. This indicates that back billing affects a relatively limited part of the customer base, although the impact can be significant where undercharges are large or have accumulated over time.

4.12. ERGANZ and Genesis similarly considered that repeatedly providing formal payment plan and complaints information for minor amounts could create cost and customer confusion without a corresponding benefit and reduce the salience of those protections when a genuinely significant back bill occurs.

4.13. Overall, submissions supported distinguishing routine, lower-value corrections from back bills that present a greater risk of bill shock or payment difficulty. They also indicate that setting the threshold too low could capture a substantial number of relatively small corrections without a corresponding increase in consumer protection.

Evidence indicated that 15% would capture too many lower-value back bills

4.14. Contact and Mercury considered the proposed 15% threshold was too low. Other retailers focused less on the percentage itself and more on the cost and complexity of requiring a rolling customer-specific percentage-based calculation.

4.15. Contact shows that, of its 12,175 back-bills, 6,201 back bills (50.9%) would have triggered the additional mandatory requirements under the proposed 15%.

4.16. Contact's data also shows a material difference in the value of lower- and higher-percentage back bills. Back bills between 0% and 30% of a customer's average invoice had an average value of $35.78, compared with $237.72 for events above 30%. While this evidence does not determine the appropriate threshold, it indicates that moving above 15% materially improves the targeting of the additional protections to more material undercharges.

4.17. Utilities Disputes' complaint evidence provides a different perspective. For back-billing complaints analysed between July 2024 and July 2025, the average residential back bill was approximately $2,290, the average commercial back bill approximately $18,280 and the overall average approximately $5,130. The cases reaching Utilities Disputes also tended to involve extended periods of back billing rather than isolated minor corrections.

4.18. Utilities Disputes cautioned that its complaint cases are not representative of all back bills, and we do not use those figures to set a mathematical threshold. They nevertheless reinforce the distinction between relatively small billing adjustments and the larger, accumulated historical liabilities for which proactive intervention is most important.

4.19. Contact proposed a tiered approach, with intervention beginning at 20% and stronger requirements from 40%, and preferred 40% if a single threshold were retained. Mercury also supported a threshold around 40%.

Some submitters preferred a fixed dollar threshold

4.20. 2degrees, Electric Kiwi, ERGANZ, Genesis and Meridian preferred the alternative considered in the consultation paper of a fixed-dollar threshold. Their concern was not primarily the level of protection, but the cost and complexity of implementing a rolling customer-specific calculation where their systems do not currently operate in that way.

4.21. Submitters identified issues including different invoicing frequencies, customers with less than 12 months' history, price and plan changes, credits and reversals, partial invoicing periods, bundled products and multi-ICP accounts. ERGANZ submitted that requiring a new rolling calculation would itself require system development, contrary to the objective of making the provision more proportionate and workable.

4.22. 2degrees preferred a $100 threshold but considered $50 materially preferable to mandating a percentage methodology. Electric Kiwi strongly preferred a $50 threshold. Genesis and Meridian similarly considered a fixed threshold simpler to implement, explain and audit.

4.23. ERGANZ and Meridian noted that a fixed dollar threshold could become outdated as electricity prices change but considered this could be managed through periodic review.

Submitters raised practical issues with legacy and non-communicating meters

4.24. Contact Energy, Mercury, ERGANZ and Utilities Disputes raised practical issues where consumption has been estimated across several billing periods.

4.25. A subsequent meter read may establish that total consumption was higher than previously billed without providing sufficient information to allocate the difference precisely between individual billing periods.

4.26. Mercury noted that determining the precise undercharged amount attributable to individual periods may therefore itself require estimation.

4.27. Contact Energy suggested recognising situations in which irregular meter reading patterns are understood and agreed between the customer and retailer, including remote properties, holiday homes and seasonal usage.

4.28. Utilities Disputes accepted these practical issues but considered any amount recovered should have a rational basis and be capable of explanation to the consumer.

The Authority's response

A threshold is necessary to target the additional protections effectively

4.29. Consultation confirmed that applying the additional advice and support requirements to every undercharged amount would not be proportionate. Minor undercharges can arise through ordinary billing corrections and do not, in themselves, justify mandatory proactive contact, payment plan support and complaints information.

4.30. Requiring those steps for immaterial corrections would impose processing and system costs without material consumer benefit. It would also dilute the protections intended for material and unexpected historical liabilities that can create bill shock.

4.31. We have therefore confirmed our decision to introduce a threshold. The threshold does not determine whether a consumer is protected from back billing. The six-month recovery limit, prohibition on interest, transparency requirements and complaints rights continue to apply irrespective of the amount involved. The threshold determines when the Code requires the retailer to provide additional proactive intervention.

The evidence supports moving the threshold above 15%, but not as high as 40%

4.32. Consultation provided stronger evidence about where that intervention point should sit. Contact's operational data indicates that the proposed 15% threshold would apply to around half of its relatively modest back-billing events. It would therefore fail to exclude a substantial volume of relatively low value adjustments and would not sufficiently distinguish routine corrections from cases where mandatory proactive support is more likely to materially benefit the consumer.

4.33. Utilities Disputes' complaints data also illustrates that the most significant consumer impacts are associated with larger back bills that accumulate over longer billing periods. Taken together, this supports setting the threshold above 15% to better distinguish minor billing corrections from undercharges with greater potential to cause bill shock or payment difficulty.

4.34. We therefore consider 15% insufficiently targeted. It would require intervention too frequently in circumstances where the additional protections are unlikely to materially improve consumer outcomes.

4.35. We have also rejected the 40% threshold proposed by some retailers. The purpose of the requirements is preventative. Waiting until an undercharge reaches 40% of a customer's usual invoice would, in our view, set the mandatory intervention point too late and expose consumers to a greater risk of bill shock before the additional protections apply.

4.36. We have therefore selected 25% as the appropriate percentage threshold. When compared against typical residential electricity expenditure (discussed below), it materially improves targeting compared with 15%, while retaining a deliberately conservative trigger so that proactive support is required before an unexpected historical liability becomes substantially more difficult for a consumer to manage.

Allowing either 25% or $50 is a proportionate regulatory response

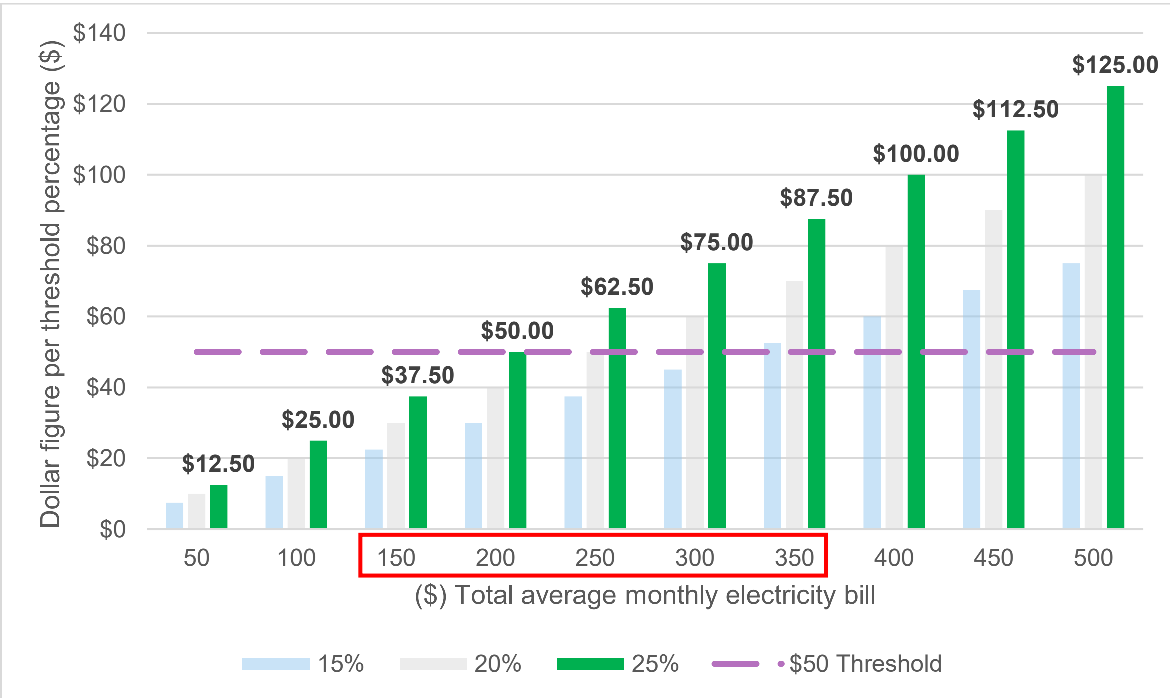
4.37. Consultation also changed our assessment of how the threshold should be implemented. A percentage methodology has clear policy advantages because it scales with the customer's usual electricity expenditure and is therefore responsive to differences between customers, including small businesses with materially higher electricity costs.

4.38. However, the evidence from retailers shows that mandating a rolling customer-specific percentage calculation would require material system development for some retailers whose billing systems do not currently operate in that way. We do not consider that requiring every retailer to build that functionality would deliver sufficient additional consumer benefit to justify the associated implementation and compliance costs.

4.39. We have therefore decided to permit a fixed $50 GST-inclusive threshold as an alternative to the 25% methodology. This preserves the option for retailers to adopt a more tailored percentage approach where they can implement it efficiently, while providing a simple and readily workable alternative for retailers for whom a rolling calculation would impose disproportionate cost.

4.40. The two methodologies are broadly aligned around typical residential electricity expenditure. With an average residential monthly electricity bill of approximately $216, 25% is approximately $54. We therefore consider $50 and 25% to represent broadly comparable and appropriately conservative intervention points for an average residential customer. We have provided a figure below to illustrate the intersection between the 25% and $50 threshold, and the flexibility it enables based on the circumstances.

Figure 1: 25% and $50 threshold in comparison with previously considered settings



Different methodologies may produce different trigger points, but both provide appropriate protection

4.41. We recognise that permitting two methodologies means the precise point at which the additional requirements apply will differ between retailers and customers. We have considered that consequence directly.

4.42. We do not consider uniformity in the precise trigger point necessary to achieve effective consumer protection. The relevant regulatory test is whether each permitted methodology provides an independently appropriate point for mandatory proactive intervention. We consider that both 25% and $50 satisfy that test.

4.43. The risk associated with different trigger points is also limited in the cases the protections are principally intended to address. More serious back bills commonly arise where an issue persists over multiple billing periods and the undercharge accumulates before it is identified. Those larger historical liabilities are more likely to exceed either threshold and therefore trigger the additional protections irrespective of the methodology used.

4.44. Importantly, consumers below the applicable threshold remain protected by the underlying back-billing rules. Retailers must still comply with the six-month recovery limit, must not charge interest on the undercharged amount, must clearly identify the amount being recovered, and must comply with applicable complaints and Consumer Care obligations. Retailers may also provide additional support below the threshold where a customer's circumstances warrant it.

4.45. Allowing either methodology therefore represents a deliberate regulatory trade-off. It accepts some variation in the precise trigger point in exchange for materially lower implementation complexity, while maintaining a relatively conservative level of protection under either approach. We consider this produces a more proportionate, workable and effective regulatory regime than prescribing a single methodology irrespective of retailer systems.

Retailers may elect to choose the threshold application most efficient for their services

4.46. We recognise retailers are likely to be incentivised to apply this choice of threshold in a manner they deem most efficient. This might mean they apply the same threshold in each case for administrative simplicity, or that they apply whichever is higher of the $50 threshold or the 25% threshold in each case (to limit the number of customer contacts they are required to make).

4.47. While we recognise these possibilities, we do not consider they materially detract from the effectiveness of the approach. The purpose of the threshold is to identify circumstances where additional proactive protections should apply. It is not to ensure those protections are triggered at an identical point for all customers, given the variance between different customers and when they'd most appreciate or require additional support.

4.48. We consider that both the 25% and $50 thresholds are independently appropriate trigger points, and that customers remain protected by the underlying back-billing obligations in any event.

4.49. The flexibility to adopt either methodology also allows retailers to implement the requirements in a way that aligns with their existing billing systems and customer processes. This reduces the need for costly system changes where no material consumer protection benefit would result. This retains the proportionate and workable function of the approach, by not unnecessarily increasing compliance costs which ultimately may be absorbed by consumers.

We have not adopted a higher threshold, tiered regime or additional exceptions

4.50. We have not adopted the 40% threshold proposed by some submitters because it would place too much weight on reducing retailer intervention and insufficient weight on the preventative purpose of the consumer protections.

4.51. Nor have we adopted a tiered regime. Although different levels of intervention could theoretically be calibrated to different levels of undercharge, this would introduce additional system and compliance complexity without clear evidence of a corresponding improvement in consumer outcomes. A single trigger for the additional Code obligations provides greater regulatory clarity and workability.

4.52. We have not introduced specific exceptions for particular metering technologies or agreed irregular reading arrangements. The relevant consumer risk is the unexpected historical liability, not the technology or operational circumstance that gave rise to it. Technology-specific or broadly framed exceptions would add complexity and could create gaps in protection.

4.53. We therefore consider the final approach appropriately targets regulatory intervention at the circumstances where it is most likely to benefit consumers, while avoiding unnecessary prescription and implementation cost. It preserves strong baseline protections for every back bill and requires additional proactive support at a point we consider appropriately precautionary and proportionate.

Proposal 2: Enable flexibility in how undercharge information and repayment arrangements are provided

4.54. We proposed changing how retailers must provide information and repayment protection when recovering an undercharged amount.

4.55. The Billing Amendment currently requires retailers to maintain the undercharged amount separately from the customer's ordinary account balance, apply a separate due date to that amount, and state both the amount and separate due date on the customer's invoice.

4.56. Retailer implementation work identified that these requirements could require significant changes across interconnected billing, payments, credit-management, collections and customer-communication systems.

4.57. We therefore proposed replacing the prescribed separate balance and separate due-date mechanism with a more outcomes-focused approach. Retailers would instead be required to:

a) clearly state the undercharged amount, either on the invoice or in a separate written communication provided at the same time, and

b) where the Proposal 1 threshold is met, offer the customer a payment plan that provides at least the repayment period required by new clause 11.32H.

We have decided to proceed with Proposal 2 as consulted

4.58. We have decided to proceed with Proposal 2 without change.

4.59. Retailers will not be required to maintain an undercharged amount as a separate account balance or apply a separate due date. They must instead clearly identify the undercharged amount, either on the invoice or in a separate written communication provided at the same time.

4.60. Where the undercharged amount reaches the threshold under Proposal 1, the retailer must also offer the customer a payment plan providing at least the minimum repayment period required by clause 11.32H.

4.61. The amendment changes how the protection is delivered, not the protection itself. The six-month recovery limit, prohibition on interest, requirements to reduce the likelihood of undercharging, transparency of the amount being recovered and complaints rights remain unchanged.

Submissions on the proposed approach for how undercharge information and repayment arrangements are provided

4.62. Nine submitters commented on Proposal 2 and strongly supported the change. Consultation confirmed that the separate-balance and separate-due-date requirements would impose material system and operational costs, while the intended consumer protection can be delivered more directly through clear disclosure and an appropriate repayment arrangement.

4.63. ERGANZ, Genesis and Meridian explained that many retailer systems operate around a single account balance and due date. Creating a parallel balance would affect payment allocation, arrears management, credit processes, collections, debt referral and automated communications. Submitters also identified a risk that multiple balances and due dates could create confusion and incorrect payments for customers.

4.64. Contact, Electric Kiwi, ERGANZ and Genesis supported a payment-plan requirement as a more direct means of providing repayment protection. Contact, 2degrees and Mercury also supported flexibility to communicate the undercharge separately from the invoice. UDL agreed, provided the amount remains clearly identifiable so consumers can understand, question or dispute the adjustment.

The Authority's response

4.65. Consultation confirmed that the separate balance and separate due-date requirements would impose substantially greater implementation and operational complexity than is necessary to achieve the intended consumer protection.

4.66. We do not consider that complexity justified. The regulatory objective is not to require retailers to operate parallel account balances. It is to ensure that a customer can identify an unexpected historical charge and, where the charge is material, has sufficient time and support to manage repayment.

4.67. Requiring a payment plan offer where the Proposal 1 threshold is met delivers that protection directly. It prevents a material undercharge from having to be absorbed through the customer's ordinary payment cycle, while avoiding unnecessary changes across billing, payment, credit-management and collections systems.

Flexibility in communication does not reduce transparency

4.68. We also consider it unnecessary that the undercharge information must appear on the invoice itself. A separate written communication may provide clearer context about why the undercharge arose, the amount being recovered and the customer's repayment options.

4.69. That flexibility does not reduce the standard of protection. Regardless of the communication channel, the undercharged amount must be clearly identified in dollar terms so the customer can distinguish it from current charges, understand the adjustment, and question or dispute it where necessary.

The final approach is more proportionate and effective

4.70. We have therefore retained the proposed outcomes while removing prescription that does not materially improve consumer protection. This is a more proportionate regulatory response: it preserves transparency and repayment protection, reduces implementation and operational risk, and allows retailers to deliver those outcomes through systems and processes that are workable in practice.

4.71. We consider this approach better protects consumers than requiring a technically complex mechanism where that mechanism provides no additional substantive protection. It focuses the Code on the outcomes that matter and avoids imposing unnecessary cost that would ultimately be borne within the retail market.

The amendment will promote the Authority's objectives

4.72. The Code amendment, incorporating the two proposals set out above, is consistent with the Authority's main statutory objective, and section 32(1)(c) of the Act, because it will contribute to the efficient operation of the electricity industry by:

a) removing unnecessarily prescriptive billing requirements

b) reducing substantial system development and process change costs

c) reducing the risk of errors across billing, payment, credit and collections systems, and

d) allowing retailers to use a clearer and more operationally workable method of communicating undercharged amounts to consumers.

4.73. We also consider the amendment is consistent with the Authority's additional objective, as it is expected to promote more proportionate and effective application of the protections for domestic and small business consumers introduced under the Billing Amendment.

The benefits of the amendments outweigh its costs

4.74. In the consultation paper we identified the primary benefit of the proposals was to reduce implementation and ongoing administration costs by:

a) for Proposal 1, allowing retailers to recover small, undercharged amounts without incurring the cost of complying with the support and advice obligations, where those obligations are not necessary to protect consumers from bill shock, and

b) for Proposal 2, avoiding potentially costly and disproportionate system changes by adjusting the way in which retailers communicate undercharge amounts and due dates.

4.75. Consultation strengthened our assessment of these benefits. Submitters identified potentially significant implementation and ongoing administration costs associated with applying the support and advice obligations for every undercharge amount, and the separate balance and due-date requirements under Proposal 2.

4.76. We noted in the consultation paper that there would be some operational costs to retailers in undertaking percentage threshold evaluations under Proposal 1. We assessed these costs as relatively low compared to the benefits of the proposal.

4.77. We have revised our assessment following our analysis of submissions that considered this would require material system development for some retailers whose billing systems do not currently operate in that way. The adjustment to the threshold, to include the option of a fixed $50 inclusive of GST value, addresses these concerns and ensures that the benefits of Proposal 1 outweigh its costs. It also provides flexibility for retailers to adopt an approach most suitable to their systems.

4.78. The adjustments to the threshold in Proposal 1 will also increase the benefits of the proposal by reducing the number of unnecessary customer communications for small, undercharged amounts, while preserving the substantive consumer protections introduced under the Billing Amendment. With the adjustments made to the threshold, Proposal 1 better matches the regulatory response to the scale and severity of the consumer risk and potential harm.

4.79. We therefore consider the amendments provide a materially more proportionate and efficient means of achieving the intended consumer outcomes than the requirements currently contained in the Billing Amendment, and that their benefits materially outweigh their costs.

4.80. Our assessment of the costs and benefits of Proposal 2 remain largely unchanged, noting submitters supported our assessment in the consultation paper.

We consider our approach is preferable to alternatives

4.81. We considered proceeding with a 15% threshold, adopting a higher percentage threshold as supported in some submissions, prescribing only a fixed-dollar threshold, requiring only a percentage methodology, and retaining the existing separate balance and separate due-date requirements.

4.82. We do not consider any of these alternatives would provide a better overall outcome. A 15% threshold would fail to exclude too many relatively low-value adjustments; a 40% threshold would limit proactive protection and undermine its policy intent; prescribing only one threshold methodology would either remove useful tailoring or impose unnecessary system cost; and retaining the existing separate-balance and due-date requirements would impose significant complexity without improving the substantive consumer protection.

4.83. The final approach therefore provides the best balance of consumer protection, proportionality, regulatory certainty and implementation practicality.

Final Code amendment

4.84. The Code amendment will come into force on 1 April 2027, to coincide with the commencement of the Billing Amendment. The approved Code wording below is below and is based on the version of the Code that will be in effect from that date:

Part 11
Registry information management

Recovering undercharged amounts

11.32H Cap on recovery of undercharged amounts

(1) A **retailer** must not charge a **domestic consumer** or a **small business consumer** ("the customer") for costs it incurred relating to the customer's **electricity** consumption ("undercharged amount") more than 6 months before the date of the invoice unless subclause (3) applies.

(2) A **retailer** that proposes to charge the customer an undercharged amount within 6 months of the date of the invoice must—

(a) make reasonable endeavours to contact the customer before sending the invoice to the customer to advise of the undercharged amount, offer a payment plan, and explain how the customer may make a complaint about the matter if the customer wishes; and

(b) state the undercharged amount to be recovered in dollar figures ~~in the customer's invoice in accordance with clause 5(1)(g) of Schedule 11A.2~~; and

(c) state that the customer can request a payment plan under which the customer—

(i) is not required to pay ~~state the time period in which the customer must pay~~ the undercharged amount until the expiry of ~~being~~ either—

(A)~~(i)~~ a minimum of the period during which the undercharging occurred, if the undercharging occurred over a period of less than 6 months; or

(B)~~(ii)~~ at least 6 months, in any other case; and

(ii)~~(d) state that the customer~~ may pay the undercharged amount in instalments by contacting the **retailer** and arranging payment in instalments; and

(d)~~(e)~~ not charge the customer interest on the undercharged amount.

(2A) The information in subclause (2)(b) and (c) may be provided in the customer's invoice or in separate written communication to the customer.

(2B) A **retailer** is not required to comply with subclauses (2)(a) or (c) if the undercharged amount is less than either $50 (inclusive of GST) or ~~1~~25% of—

(a) the average amount for electricity charges invoiced to the customer for each invoicing period over the last 12 months; or

(b) if the customer has been a customer of the **retailer** for less than 12 consecutive months, a reasonable estimate of the customer's expected average amount for electricity charges likely to be invoiced to the customer for each invoicing period over a 12-month period, starting from the customer's first invoicing period.

(3) Subclause (1) does not apply if the **retailer** holds a reasonable belief that the undercharged amount is due to—

(a) the **retailer** being unable to obtain a **meter reading** due to—

(i) fault on the part of the customer; or

(ii) vandalism; or

(iii) an issue with the **metering installation** and the customer has for at least 4 months failed to respond to at least 3 requests from the **retailer** or the **retailer's** agent for access to a **metering installation** at the customer's premises for the purpose of obtaining a **meter reading** or carrying out a **metering installation** repair, replacement or certification; or

(b) the customer obtaining **electricity** by means of or involving deception.

Part 11A
Consumer Care

Schedule 11A.1 Consumer Care Obligations

Part 2
Mandatory information on invoices

5 Mandatory information

(1) A **retailer** must include the following information in an **invoice**:

(a) the **customer's** account number:

(b) the **customer's ICP identifier** clearly labelled "**ICP**" followed by the **customer's ICP identifier**:

(c) the **retailer's** identifying information including, but not limited to, the **retailer's** trading name and/or brand name, and a link to or information about how to contact the **retailer**:

(d) the due date or due dates for payment:

(e) the total amount owed in dollar figures:

(f) a breakdown of how the total amount owed was calculated including:

(i) the amount the **customer** owes for the invoicing period in dollar figures with reference to the invoicing period and number of days:

(ii) any credits, reversals and discounts that the **retailer** applied, in dollar figures:

(iii) if applicable, any overdue amounts the **customer** owes in dollar figures and the invoicing period the overdue amounts relate to:

(iv) if the **customer** has received bundled goods or services, the amounts the **customer** owes in dollar figures for each good or service for the invoicing period:

(v) consumption amount including but not limited to peak, off-peak, or shoulder periods in kWh or MJ where applicable:

(vi) any **injection** amount including but not limited to peak, off-peak, or shoulder periods in kWh or MJ where applicable:

(vii) the rate or rates charged for **electricity** supplied including rates charged per kWh (such as night, daily, anytime rates) and any fixed rates or fixed or variable charges (such as a daily fixed charge:

(viii) a comparison between the **customer's** consumption and injection for the current invoicing period and at least one previous period including both kWh or MJ and dollar figures:

~~(g) if the **retailer** seeks to recover an undercharged amount under clause 11.32H—~~

~~(i) the amount to be recovered in dollar figures; and~~

~~(ii) the due date for payment of the amount determined under clause 11.32H(2)(b)~~

(h) the **payment options** available to the customer or advice on where the **customer** may find information regarding the available **payment options**:

(i) whether the total amount owed under subclause (1)(e) is—
  (i) based on a **meter reading**; or
  (ii) based on an estimated reading; and
  (iii) if it is based on an estimated reading, include—
    (A) a statement that the amount owed under subclause (1)(e) is “based on an estimated reading”; and
    (B) include a link to or information about how the **customer** may submit a **customer meter reading**:

(j) the **product identification code**:

(k) the **pricing plan** name:

(l) any contract end date:

(m) the amount of any contract exit **fee**:

(n) a link to or information about the dispute resolution scheme identified under clause 3 of Schedule 4 of the **Act**:

(o) a link to the **electricity plan comparison platform** using the wording prescribed by the **Authority** for the purposes of this subclause and **published** on the **Authority’s** website.

(2) All dollar amounts in subclause (1) must be inclusive of GST, if any.

(3) If the **Authority** changes the wording prescribed in accordance with subclause (1)(o), each **retailer** must change the wording on its **invoice** to use the new wording as soon as reasonably possible and no later than 3 months from the date the change is notified by the **Authority**.

5. Definition of generally available retail tariff plan

The Authority's proposal

5.1. We proposed amending the definition of 'generally available retail tariff plan' to clarify that a plan may still be generally available where eligibility depends on the customer having specified equipment, end-uses or a particular load profile.

5.2. The current definition in clause 1.1 of the Code provides that a generally available retail tariff plan is one a retailer will make available to any customer who satisfies specified requirements relating to:

(a) creditworthiness

(b) physical location

(c) metering configuration

(d) price category code (which is allocated by the relevant distributor).

5.3. The current wording creates a risk that plans requiring other objectively identifiable customer characteristics; for example, ownership of an electric vehicle, solar panels or battery storage, could fall outside the definition solely because those criteria are not expressly listed.

5.4. That outcome would unintentionally narrow the scope of information available to consumers. For example, it could limit the range of plans published in retailers' plan catalogues, reduce the availability of assigned product identification codes and information shared through relevant EIEP14A[4], and restrict the product data made available under the Open Electricity designation.

5.5. Collectively this would be inconsistent with the policy intent and with the way these plans operate in the market.

5.6. The proposal therefore clarifies the boundary of the definition so that plans are not excluded from product catalogues or Open Electricity data sharing merely because eligibility depends on specified equipment, end-use or load characteristics.

We have decided to implement the proposal without change

5.7. After considering submissions, we have decided to amend the Code as proposed.

5.8. The amendment is limited and clarificatory. It does not expand the definition to every plan offered by a retailer. It ensures that plans which are otherwise generally available are not excluded solely because they require specified equipment, end-uses or load characteristics.

5.9. The approved Code amendment is set out at paragraph 5.21 below.

Submitters supported the amendment and sought clarity on its boundaries

5.10. Six submitters commented on the proposal and all broadly supported it.

[4] Electricity information exchange protocol (EIEP) that sets out standard formats for the exchange or provision of information.

5.11. Submitters agreed that a clear definition is increasingly important because it is relied on across product information obligations, product identification codes, EIEP14A information and the developing Open Electricity framework.

5.12. ERGANZ supported the amendment but sought further clarity on:

(a) consistency between the Code definition and the forthcoming consumer data right framework.

(b) other eligibility criteria not expressly listed in the definition, including bundling requirements, membership criteria and payment methods

(c) trial or pilot plans offered to a limited group of customers

(d) closed and legacy plans.

The Authority's response

Amendment clarifies definition ahead of its use across different regulations

5.13. As supported by submissions, this amendment will clarify this definition's scope in alignment with its intended policy position, and current and historic application by industry.

5.14. A key intention behind this clarification was to remove any regulatory uncertainty given the definition's increasing importance as it becomes used under upcoming requirements.

5.15. This decision will amend the definition ahead of the upcoming 30 October 2026 requirements regarding access to product information under the Code[5]. This will avoid any unnecessary rework had parties taken a strict view of the definition in their preparations.

5.16. We can confirm this definition is earmarked for use by other coming regulatory contexts such as the Open Electricity framework. We have confirmed this understanding with MBIE.

Some situations require a case-by-case assessment of how the definition applies

5.17. Whether additional criteria means a plan is not a generally available retail tariff plan depends on the specific circumstances. To support informed consumer choice, retail tariff plans that are available to consumers through membership of widely accessible organisations or schemes (Grey Power, Farmlands etc) should, by default, be considered generally available retail tariff plans.

5.18. However, the application of the definition will depend on the extent to which retailers apply additional eligibility requirements to certain plans.

5.19. There is no change to the Authority's approach to **historic and legacy plans** (that is, plans no longer offered to new consumers). These remain outside the definition. Legacy plans are however included within the ambit of responses to requests for product information. For more information on this, please refer to our decision on Improving Access to Product Information[6].

[5] See Improving access to electricity product information (decision 03/03/2026)

[6] See Improving access to electricity product information (decision 03/03/2026)

The amendment will promote efficient operation of the electricity industry

5.20. The Code amendment is consistent with the Authority's main statutory objective, and sections 32(1)(c) and 32(1)(e) of the Act, because it will provide greater clarity to participants and interested parties on how to interpret and apply provisions that make use of the generally available retail tariff definition.

5.21. This Code amendment is also consistent with our additional statutory objective to protect the interests of domestic consumers and small business consumers in relation to the supply of electricity to those consumers, because it promotes greater transparency of retailers' product offerings, which can enable better comparison by consumers to switch or be informed about their electricity options.

The benefits of the proposed amendment outweigh their costs

5.22. In the consultation paper, we considered that the benefits of the proposed amendment outweigh the costs. The expected net benefits are regulatory certainty, with no expected costs given the amendment will ensure the definition is aligned with current industry practice.

5.23. All submitters who commented on the regulatory impact statement agreed that benefits of the proposed amendment outweigh the costs.

5.24. We remain of the view that the benefits of the proposed amendment outweigh its costs and will continue to monitor their performance.

We consider our approach is preferable to alternatives

5.25. As noted in the consultation paper, we considered the alternative of preparing and publishing guidance to clarify the position would not sufficiently resolve the regulatory uncertainty issue intending to be addressed.

5.26. The Authority considers the decision to amend the Code is preferable to the alternatives given it provides clarity for the scope of plans included within the definition of 'generally available retail tariff plan'.

The Code amendment aligns with our main statutory objective

5.27. For the same reasons as noted at paragraph 5.20 above, we consider that the amendment's benefits support the Authority's main statutory objective under section 15 of the Act.

Final Code amendment

5.28. The Code amendment will come into force on 30 October 2026. It has been approved as follows:

Part 1: Preliminary provisions

generally available retail tariff plan—

(a) means a retail tariff plan that a **retailer** will make available to any **consumer** (subject to credit requirements) if the **consumer** satisfies <u>any</u> requirements specified for the retail tariff plan relating to:

(i) physical location:

(ii) **metering** configuration:

(iii) **price category** code:~~;~~

(iv) the **consumer's electricity** end-use, equipment or load characteristics; but

(b) does not include a retail tariff plan made available by a **retailer** only under an agreement reached as a result of the **retailer** directly contacting a **consumer** to offer a retail tariff plan that provides the **consumer** with a financial discount or other benefit when compared with any other of the **retailer's** tariff plans to which paragraph (a) applies that are available to that **consumer**

6. Technical and non-controversial Code amendments

The Authority's proposal

6.1. The consultation paper included a proposal to make a technical and non-controversial change to two prescribed forms set to come into force on 30 October 2026.[7] The proposed change would amend the prescribed forms to reflect the exact wording from the Code provision they rely on.

6.2. These amendments are considered technical and non-controversial under section 39(3)(a) of the Act. The Authority is required to publicise a draft of the proposed technical and non-controversial changes. However, we were not required to prepare a regulatory statement or consult on the proposed amendments (however, we did invite feedback).

We have decided to implement the proposals without change

6.3. All submitters supported this proposal. ERGANZ and Meridian highlighted there was an additional typographical error in Schedule 11.6, Form 2 (the word 'sighing' should be 'signing'). However, that was an error in the consultation paper. It does not appear in the relevant Code amendment instrument itself,[8] and so no further amendment is required.

6.4. The Authority has decided to make the amendments as proposed in the consultation paper.

Final Code amendment

6.5. The Code amendment will come into force on 30 October 2026. It has been approved as follows:

Schedule 11.6
Forms for authorisation of an Agent to request consumption information

Form 1: Form for authorisation by an individual (being a natural person)

Consumer: [Consumer full name]

Property: [property address (es)]

Customer number[1]: [customer number]

Installation Control Points (ICP(s)) Identifier(s): [List all ICPs]

Retailer: [name of Retailer]

---

[7] Under the Electricity Industry Participation Code (Improving Access to Product Information) Amendment 2026.

[8] See Electricity Industry Participation Code (Improving Access to Product Information) Amendment 2026, clause 14.

Agent: [full name of Agent and contact details]

Period of authority: [enter period of authorisation to Agent]

I (being the Consumer named above) confirm that I own or occupy the Property identified above (or owned or occupied that property at the relevant time) or otherwise am or was responsible for the consumption of electricity at the Property.

I confirm that I am or have been a customer of the Retailer identified above in relation to the Property and ICP(s) identified above.

I authorise:

(a) the Agent identified above to request, receive and hold information on my behalf about:
- electricity consumption for the Property or the ICP(s); and
- information about the retail tariff plan applicable to the consumer's ICP, including the relevant product identification code ~~the product identification code that applies to my retail tariff plan~~; and

(b) the Retailer to transfer the information at (a) on my behalf to the Agent.

[Signature/electronic signature of Consumer or of a person on behalf of the Consumer (in which case, evidence of that person's authority to sign on behalf of the Consumer is required) or other evidence of Consumer's agreement]

1 This is the customer number assigned to the Customer by the Retailer to whom the request is being made.

Form 2: Form for authorisation by a non-individual (not being a natural person)

Consumer: [Consumer full name]

Authorised Representative of Consumer: [Full name and title/position with Consumer]

Property: [property address (es)]

Customer number[2]: [customer number]

Installation Control Points (ICP(s)) Identifier(s): [List all ICPs]

Retailer: [name of Retailer]

Agent: [full name of Agent and contact details]

Period of authority [enter period of authorisation to Agent]

The Consumer identified above owns or occupies the Property identified above (or owned or occupied that property at the relevant time) or otherwise is or was responsible for the consumption of electricity at the Property.

The Consumer is or has been a customer of the Retailer identified above in relation to the Property and, ICP(s) identified above.

The Consumer authorises:

(a) the Agent identified above to request, receive and hold information on the Consumer's behalf about:
- electricity consumption for the Property or the ICP(s); and
- information about the retail tariff plan applicable to the Consumer's ICP, including the relevant product identification code~~the product identification code that applies to my retail tariff plan~~; and

(b) the Retailer to transfer the information at (a) on the Consumer's behalf to the Agent.

In signing this form as the Authorised representative of the Consumer, I warrant that I am authorised to sign this form and agree to the matters above on behalf of the Consumer.

[Signature/electronic signature of Authorised Representative].

2 This is the customer number assigned to the Customer by the Retailer to whom the request is being made.