Medically dependent consumer guidelines and vulnerable consumer guidelines

Phase Two: Workshop Two

Facilitator: Debbie Francis

15 July 2020

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Mihi

Some context: where are we in the overall review process?

Debbie Francis

We are here today

EXPLORING CUSTOMER JOURNEYS
- **Customer journey maps** for vulnerable and medically dependent consumers.

OPTIONS FOR Revised Approach
- **Consider alternative conceptual models/scenarios** for the proposed new approach and score against design principles.

DETAILED DESIGN AND TESTING
- **Collaborative design of preferred option**
- **Retest alignment with principles**, practicality, social agency.

SUMMARY WORKSHOP AND DETAILED TESTING
- Page turn assessment of **first draft** of new approach, assess **alignment with consumer journeys.**

REFINE AND FINALISE
- **Final edits** and as appropriate
- **Brief formal consultation** on proposed approach
- **Promulgation.**

| 1 July | → | 15 July | → | 29 July | → | 13 August | → | *by end 2020* |

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4

Our key aims today

Debbie Francis

REVISIT OUR OVERALL CASE FOR CHANGE

REVISIT THE OUTCOMES WE WANT FROM THIS PROCESS

REVISIT THE DESIGN PRINCIPLES WE'RE USING TO ASSESS SOLUTIONS

A SPECTRUM OF DESIGN OPTIONS

DESIGNING OPTIONS FOR A NEW SYSTEM: A HIGH-LEVEL APPROACH

CONSUMER CENTRIC DESIGN: A SYSTEM THAT WORKS FOR EACH STAGE OF THE JOURNEY

'SCORE' POSSIBLE SOLUTIONS, USING OUR DESIGN PRINCIPLES

SELECT A PREFERRED MODEL FOR FURTHER WORK

REVISIT NEXT STEPS

THE CASE FOR CHANGE

A reminder of our overall purpose and ambition here

Revisiting the case for change

James Tipping

Victoria Coad, MBIE

◦ Guidelines are outdated:
  ◦ No longer fit for purpose
  ◦ The market, and technology, have changed substantially

◦ A process has been underway (ERANZ-led)

◦ We are now - here today - in an expanded Authority-led collaborative process to achieve wider engagement

◦ The Electricity Price review recommendation:

B6: Set mandatory minimum standards to protect vulnerable and medically dependent consumers

We recommend the Government reviews and strengthens the existing voluntary guidelines and benchmarks, including the disconnection provisions, as part of developing mandatory minimum standards.

◦ The response to EPR has been that first, a collaborative workable solution should be created, and progress monitored. A mandatory solution could be developed if voluntary arrangements are insufficient to protect consumers
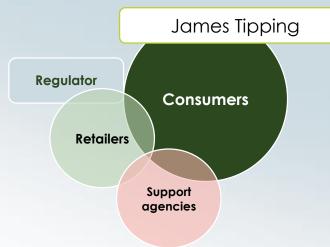
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James Tipping

Recognising our current focus is part of a **wider system**

Regulator

Consumers

Retailers

Support agencies

(our focus now)

1 **Clear terms – a system to guide retailer/consumer/wider agency engagements**
- **Principles?**
- **Guidance: Best practice guidelines?**
- **Minimum standards?**

2 **Effective processes**
- **for how retailers establish whether existing or intending customers are vulnerable or medically dependent**
- **An accord to guide engagement between**
  - retailers ↔ government agencies
  - retailers ↔ wider support agencies

at every step of the customer journey

3 **Effective support tools: updating wider documentation**
- Medically dependent consumer HP form(incl. guidance)
- Emergency management plan (incl. guidance)
- Authority's website and fact sheets or similar
- Arrangements with wider support agencies
- Authority minimum standards on customer terms and conditions
- Monitoring forms and publication of monitoring

4 **The ability to monitor progress**
- Regular engagement with all relevant parties
- Monitoring:
  - vulnerable consumer outcomes
  - medically dependent consumer outcomes
  - adherence to standards
  - enforcement (if aspects are mandatory)

OUTCOMES FROM THIS PROCESS

A reminder of things you've asked for....

What you've told us about the outcomes you want…..

◦ **Consumer perspective**
  ◦ **We make or break someone's life through these processes**
  ◦ Every consumer and their situation is different
  ◦ Disconnection for non-payment is last resort
  ◦ Customer has obligations. Be upfront to retailer. Have a backup plan if MDC/VC.
  ◦ DHB/GP verification
  ◦ No ideal fit that suits all MDC/VC. Processes need to be flexible
  ◦ Cost of getting a new MD notice is an issue
  ◦ More customer awareness needed around energy usage
  ◦ How to deal with MDC consumers who are not customers
  ◦ Needs confidence retailer will put them on best plan and review regularly
  ◦ Consumer education – heating – insulation – lighting needed
  ◦ Healthy home initiatives are a model
  ◦ Customer who are hard to contact (no ph., int, txt, post mail)
  ◦ Customers often unaware where to get help
  ◦ Not all consumers have access to internet, txt etc.
  ◦ Prepay is often more expensive so VC even more disadvantaged

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What you've told us about the outcomes you want…..

○ **Electricity provider perspective**
- Retailers cannot bypass customer to talk to consumer
- First time a retailer knows there is an issue may be too late
- How to deal with MDC who are not customers?
- Some customers will not respond to retailers deliberately - retailer has right to be paid
- Retailer protection needed from fraudulent customers
- Opt out options are needed
- One opportunity to get it right for the frontline- make that initial contact or visit count
- Issues with CEME
- Structure and definitions in current guidelines need change
- Proactive approach needed
- Clear recommendations for all involved
- Detailed but broad application
- Need best practice for VC/MDC not lowest common denominator
- Interrelationship between agencies and retailers is critical
- Need to minimise inconsistent processes across industry
- Do we need funder/retailer of last resort?

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What you've told us about the outcomes you want…..

- **Key themes from wider support agencies and NGOs**
  - Needs buy in of MOH, MSD, MBIE, budget and social organisations, EA, it is a complex issue
  - Essential redirection
  - Education needed for supporters/advocates e.g. the pastor in Lea's story who can play a vital role
  - Need greater consistency between retailers, between DHBs and HPs
  - Connection to social health NGO services is vital
  - WINZ should be last stop, not first stop
  - Inconsistent MD form needs sorting

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Key themes identified in 1st workshop

1. **Guidelines**
2. **Identification and management**
3. **Communication, trust and understanding**
4. **Intervention**
5. **Customer**
6. **External agencies**

We can make or break someone's life through our processes

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Key theme 1: Guidelines

- Needs buy in of MOH, MSD, MBIE, budget and social organisations, EA, it is a complex issue
- Issues with CEME
- Structure
- Definitions
- Proactive approach
- Disconnection for non payment is last resort
- Clear recommendations for all involved
- Detailed but broad application
- Need best practice for VC/MDC not lowest common denominator
- Interrelationship with agencies and retailers
- Inconsistent processes across industry

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Key theme 2: Identification and management

- DHB/GP verification
- No ideal fit that suits all MDC/VC. Processes need to be flexible
- Retailers cannot bypass customer to talk to consumer
- First time a retailer knows there is an issue may be too late
- How to deal with MDC who are not customers
- Opt out options
- One opportunity to get it right frontline

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Key theme 3: Communication, trust and understanding

- We can make or break someone's life through our processes
- Customer who are hard to contact (no ph., int, txt, post mail)
- Customers often unaware where to get help
- Not all consumers have access to internet, txt etc
- Regular communication
- Interrelationship with agencies and retailers
- Has agreement through own confidence or support from advocate

Key theme 4: Intervention

- Early stage
- Disconnection options exist for MDC/VC such as capacity control using AMI
- Some customers will not respond to retailers deliberately - retailer has right to be paid
- Price options
- Prepay and MDC
- Retailer protection from fraudulent customers
- Prepay is often more expensive so VC even more disadvantaged

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Key theme 5: Customer/consumer

- Every consumer and their situation is different
- "Customer has obligations. Be upfront to retailer. Have a backup plan if MDC/VC"
- Cost of getting a new MD notice
- More customer awareness around energy usage
- How to deal with MDC consumers who are not customers
- Has confidence retailer will put them on best plan and review regularly
- "Consumer education – heating – insulation - lighting"
- Healthy home initiatives

Key theme 6: external agencies

- Essential redirection
- Education for supporters/advocates e.g. the pastor in Lea's story who can play a vital role
- "Consistency between retailers, between DHBs and HPs"
- Connection to social health NGO services
- WINZ should be last stop, not first stop
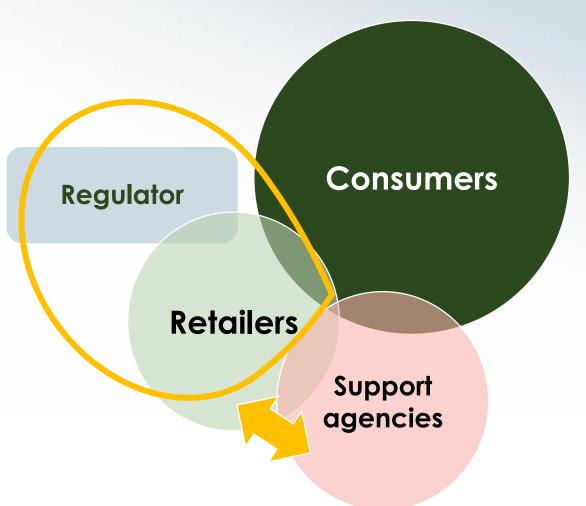- Inconsistent MD form

Tamara Linnhoff

REVISITING OUR DESIGN CRITERIA

We developed these last time

Consumer centric design

recognising all parties

Tamara Linnhoff

The proposed design principles help us select the preferred approach

Improving identification of vulnerability

Manaakitanga guides the customer experience, every time

A level playing field for all retailers and supporting positive and inclusive innovation

Working with partners to tackle issues that cut across multiple sectors

Outcomes are understood so further improvements can be targeted

The proposed design principles - in more detail

Improving identification of vulnerability

- Clear criteria exist to define who are VC or MDCs
- Consumers can initiate the identification process, but are not relied as the only method to identify
- Retailers have a process to identify VC and MDCs
- Wider parties can initiate the identification process
- Smart use of data, and wider VC markers are used [to be considered]

Manaakitanga guides the customer experience, every time

- Information is accessible, engagement processes are accessible and respectful, communication is timely and clear
- Privacy is maintained
- Support is offered to those struggling to pay their bills: appropriate advice is given (in advance) and payment plans are offered
- Alternatives to disconnection are explored by the retailer
- Contact is made [to what degree?] prior to any disconnection actions taken by retailer

A level playing field for all retailers and supporting positive and inclusive innovation

- Retailers face an even playing field (processes are predictable and consistent)
- The system supports innovation in technology and service design
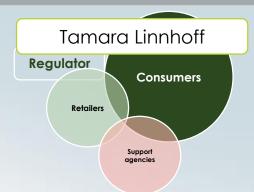- The system does not create undue costs to retailers
- Retailers can recoup costs

Working with partners to tackle issues that cut across multiple sectors

- Intervention is early and support agencies are contacted when issues arise
- Processes and Interfaces between retailers and social agencies are clear and effective (both ways)

Outcomes are understood so further improvements can be targeted

- Consumer outcomes can be measured
- Adherence to standards can be monitored
- Adherence to standards can be enforced (if aspects of the system become mandatory)

The customer journey – specific 'pinch-points'

Tamara Linnhoff

Regulator

Consumers

Retailers

Support agencies

| A customer joins and is correctly identified | A customer situation changes, and is now an unidentified MDC or VC | A customer falls behind in payment: engagement is made | Referral is made to WINZ and wider support agencies | As a last resort, a retailer wants to disconnect | A meter supplier/distributor wants to disconnect | Regulator: monitor outcomes and assess adherence to guidelines and standards |

Tamara Linnhoff

A SPECTRUM OF DESIGN OPTIONS

What are the key polarities we might consider?

Tamara Linnhoff

Designing a regulatory system: where to start?

Overarching principles guiding conduct

The usual sweet spot

Strict rules defining conduct

'subjective, broad-based standards'

A focus on outcomes
Adaptable as tech changes, supports innovation

Difficult to mandate and enforce
Difficult for non-participants to understand and comply
Unlikely to be a level playing field for retailers
More likely to see some poor treatment of VCs

'actions focussed:
clearly defined responsibilities and processes'

Clearer to comply with and assess compliance
A level playing field for retailers
Easier to mandate and enforce
Easier for non-participants to understand requirements

Impossible to cover all eventualities: risks missing some customer situations
Inflexible as tech and offerings develop
Can block innovations

Principles are often made more rule-like by adding best-practices and requirements

Rules are often made more principle-like, by adding qualifications and exceptions and requirements

Examples of principles vs rules – in this context

Matter	Principles:	Rules or standards:
Identify the right consumers	**Retailers should have a policy about how they'll identify VCs**	**Retailers must ask these 10 specific questions to identify VCs: [questions..]**
Falls behind in payments	**Retailers should offer payment plans**	**Retailers must offer the following payment plan: [T&C of a plan..]**
Disconnection (VC)	**Must have made reasonable efforts to contact**	**Must have made three attempts to contact, then given minimum 20 days written notice**

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High level options: a spectrum

1

Overarching principles

A principles-only approach

- for <u>all</u> a retailer's engagement
  - with consumers
  - with support agencies

- for <u>all</u> of a consumer's engagement with retailers

- for <u>all</u> support agencies' engagements with retailers

2

Hybrid approach

Principles based for VC

Minimum standards for MDC

1 for vulnerable consumers

4 for medically dependent consumers

3

Layered approach

Principles revised Guidelines & Agreed minimum standards

1 Overarching principles

+ Best Practice Guidance

+ **4** Minimum standards
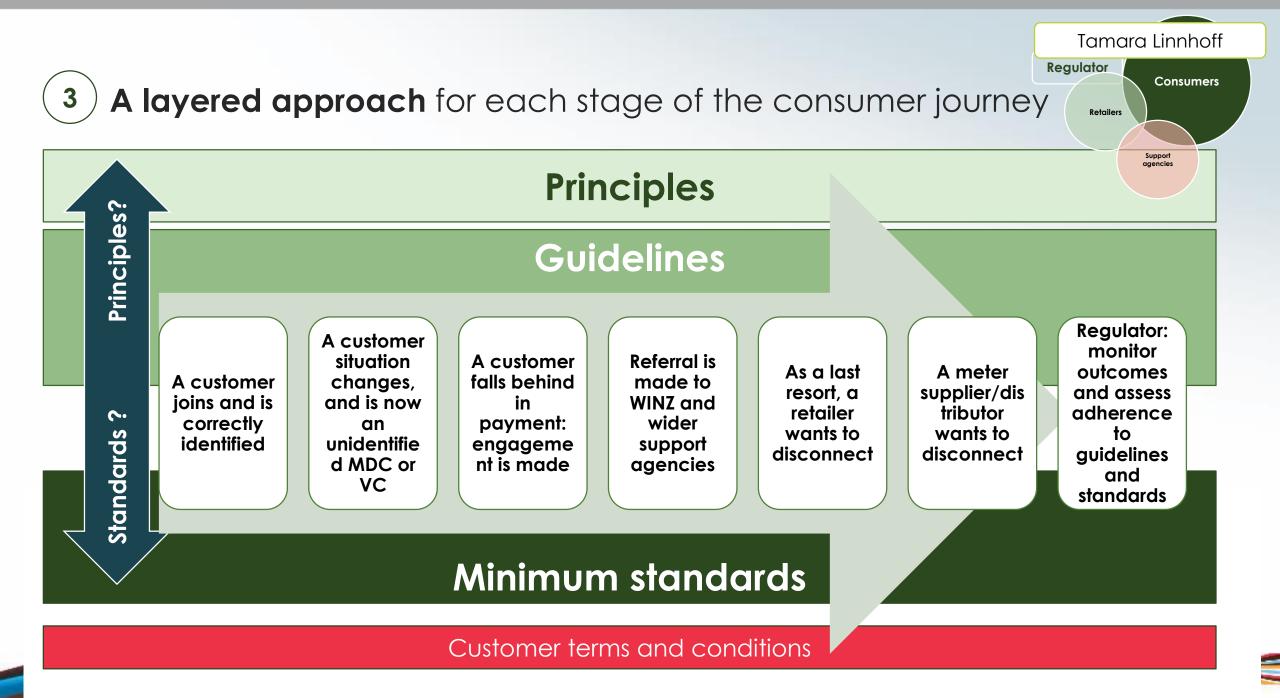
4

Strict rules

Regulation via code change

including Mandatory minimum standards

[text to come]

Tamara Linnhoff

DESIGNING THE OPTIONS

Which approach is merging as the preferred scenario?

Debbie Francis

CONSUMER-CENTRIC DESIGN

Which approach is merging as the preferred scenario?

EXERCISE 1

Possible system, for journey stage: _____

Regulator

Consumers

Retailers

Support
agencies

Principles	
Guidelines	
Minimum standards	
Customer terms and conditions	

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1. A possible system for when:
   A customer cannot connect.

Principals	Guidelines	Minimum Standards	Customer terms and Conditions
• Retailers should look at options to assist customers with poor credit history	• Retailers should contact x agencies with the permission of customers	• Retailers must refer the customer to relevant organisations who can provide assistance. • Where satisfactory assistance is provided, the service must be provided. • Retailer must accept customer until they deem that they can't access assistance	

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2. A possible system for when:
A customer joins and is correctly identified

Principals	Guidelines	Minimum Standards	Customer terms and Conditions
• Retailer should identify customer at the time of joining	• Set out standard questions which a retailer may choose to ask	• Must use all endeavours to identify status of customers. • Retailers must not decline a customer based on VC or MD status. • MD customers must not be cut off	

3. A possible system for when:
A customer falls behind in payments, engagement is made

Principals	Guidelines	Minimum Standards	Customer terms and Conditions

• Retailers should provide alternative payment arrangement to customers who fall behind in their payments.
• Retailers should refer customers to social agencies (WINZ) for assistance or other agencies (budget agencies)
• Proactively Identify customer status
	• Retailers to provide payment options to customers e.g.- DD, smooth pay, payment plan
	• Retailer has the right to be paid
	• Retailer to use different channels for ongoing engagement
	• Communication issues needs to be considered and language barriers
	• Retailers to suggest WINZ reduction if relevant barrier and customer gives permission
		• The retailer must provide alternative payment options that can include:
		    - Smooth pay
		    -Direct debit
		    -Prepay
		• The retailer should identify parameters for payment plans which suit the customers
		• The retailer should engage with the customer at least once a fortnight
			• Retailer will provide payment options for customers
			• Customers will engage with the retailer if they have difficulty paying their bills
			• If customer defaults payment plan then the retailer has the right to move to next steps of their credit action after engaging with the customer

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4. A possible system for when:
Referrals made to wider support agencies

Principals	Guidelines	Minimum Standards	Customer terms and Conditions
• Manaakitanga - shared responsibility - positive outcome	• Respect • Shared responsibility • Elective engagement in variety of ways • Advocacy • Privacy (must respect people privacy)	• Easy to understand process for consumers to understand • Protocol is set with govt agencies and NGO's • Always ensure a positive outcome • T & C for Retailer or Government to engage with consumer if no contact	• Agencies -Energymate -HHI -Money talk

6. A possible system for when:
A customer's situation changes and is now an unidentified MDC or VC

Principals	Guidelines	Minimum Standards	Customer terms and Conditions
• Maintain good internal process monitoring indicators that a customer is / has become MDC VC • Early intervention based on <u>leading</u> indicators • Participant staff empowered to act through training • Take reasonable steps to find out from customer if anyone onsite is MDC VC • On self-identification by customer, appropriate processes are initiated and followed • Participants marry up processes and data input with external agencies (e.g. DHB MOH MSD) to identify MDC VC	• Use every verbal communication to assess / check for MDC VC. Ask questions to identify changes in household • Participants to fix their processes. If processes are bad, this creates a barrier to MD/ VC getting access • Provide regular reminder of MDC VC options and obligations and also the various options for a consumer to tell a participant about it. • Provide regular remainder of support services • Standardised form and processes with MOH (fed down to DHBs) so referrals and data interactions are consistent, predictable and actionable* • Open information between participants (EA Registry referenced as potential vehicle	• Identify vulnerability without engagement from consumer • Have and warrant an internal process with questions to be asked periodically and answers/ non answers triggering escalation • Participant sends customer to external support agency/organisation. If that organisation determines it cannot help, retailer sends lead to next/final support agency (e.g. MSD) • Standardisation of participant websites and communication. (e.g. content on MDC VC) • Frontline retailer staff trained to have conversations and recognise cues and take action • Requirement to place vulnerable customer on register / tell other agencies or participants about customer. Reference to using EA Registry for this.	• Domestic contract: Participant T&Cs require customers to self-identify as MDC VC • Domestic contract: Participant gains right to engage with support agencies on customer's behalf

4. A possible system for when:
As a last resort, retailer wants to disconnect

Principals	Guidelines	Minimum Standards	Customer terms and Conditions
• Retailers should have a policy on disconnection that "supports" potentially vulnerable customers	• Key aspects - trigger for a potential disconnection - Communications with customer (type and frequency) - What happens if communication is unsuccessful - Customer obligations - Check that retailer has followed procedures before disconnections - Final communication that disconnection will be carried out on "x " date unless, x,y,z - How disconnection will occur - How reconnection will occur - Remind consumer of their rights - Have we considered whether there is a better product for this customer - Keep detailed records of disconnection process	• Must contact customer "x" times by "x" and available technologies prior to disconnection • Minimum debt threshold • Standard disconnection procedure	• Should make it clear that the customer has obligations to contact retailer if situation changes

7. A possible system for when:
As a last resort, a retailer wants to disconnect

Principals	Guidelines	Minimum Standards	Customer terms and Conditions
• We won't achieve outcomes to protect consumers, we need some minimum standards • Want some minimum standards • Don't think, will limit innovation • Every customer is different- variance and vulnerability • Work alongside the credit team and flexibility working with people and govt/non-govt • Want to see as much flexibility as possible- communicate with customers in many different ways	• Outline the process • Next steps- possibly door knock to check in on property • What else can we do before we disconnect • Guidelines or minimum standards are needed for customers who refuse to exchange	• Not sure what minimum standards would look like but we defiantly need guidelines and a defined process • Need clear guidance on MDC • Timeframes are useful	• Obligation on customer to let us know of any changes • Extra contacts on accounts (next of kin) especially if MDVC • Keep contact details up to date

8. A possible system for: Regular Monitoring Actions

○ Gaps- EPR identified situations such as a consumer on a pre-pay meter who is struggling to meet bills, knows it will be a few days until receives next income payment, so "voluntary disconnects" - as is unable to top up their pre-pay meter.

- Don't know size of this type of problem. To monitor outcomes, we'd need to collect data on the frequency and duration of these occurrences, to try and understand the size and nature of the problem.

- Could the regulator act as a mystery shopper for the pinch points under consideration? (not a formal audit?)

- So many different parties are involved

- Very valuable to make sure "vulnerable" definition is aligned across all agencies.

  - Is "vulnerable consumer" intended to overlap with MDC?

- People will tell you their circumstances if invited the right way. The way you question vulnerability will enable finding the right path for each customer

- In Australia, there are minimum standards that apply to how a retailer must treat all consumers, if a certain trigger is triggered – their trigger is a customer is $55 or more overdue in payments. Then retailers have to approach customers in a specific way, so definitely a " minimum standards" approach.

Regular Monitoring Actions cont.

- There is an audit programme in Australia (Victoria), we could consider an audit, up front, prior to disconnection. Customers who experience an incorrect disconnection are awarded recompense of $500/day, pro rata-ed for every day a consumer is offline (up to 14 days)

- The Ombudsman drives the investigation and publishes results, so there is an aspect of name and shame to their regime. There is an annual report on disconnections by the BSC - Victoria

- Would be good if any agency (not just the EA or MBIE) could approach retailers, about retailer performance

- Noting there is Utilities Disputes here in NZ, but it's often too late – long after wrongful disconnection. Another stakeholder said UD acts quickly, usually within 1 hour of disconnection.

- Principles - can the retailer show it was engaging within the principles?

- We should look at guidelines - for consumer credit. And for debt collection.

9. A possible system for when: A consumer who refuses to engage

- Retailer info is only as good as the info they get from the customer
- Baseline obligation has to lie with the customer as they have full information
- Minimum standard- obligation lies with the customer
- Guideline should be clear, about what happens if the customer doesn't engage?
- Minimum standards should only be for retailers
- Need to consider the viability of following any new system of regulation for utilities that have e.g. only one customer facing employee, e.g. an online retailer.
- Minimum contact requirement could be – email, then phone, then site visit
- Referral system before disconnection?
- Privacy issue to be considered, can't just refer
- Don't want customers to be accumulating debt
- Referral to WINZ needs to be really early in contact (when the issue arises)
- If you find out that a customer is on a benefit, at that point ask the customer for permission to contact x,y,z agencies
    - this works for people already on benefits
    - How to do this for customers who fall in VC category

9. A consumer who refuses to engage cont.

- Framing of the question could be different like " in circumstances when we can't get hold of you, can we please contact x.y,z"
- Not just about minimising disconnection its about minimising debt accumulation
- Improving identification of vulnerability- have to do ?? earlier in process
- Purpose of every contact is to avoid disconnection/resolve payment issues.
- If guidelines are clear re what happens if consumer does not engage
- Make reasonable endeavours to contact customers and VC and MDC
- If customer signs up for online only retailer who uses email as the only form of communication they should expect emails. Can ask permission at time of sign up for referrals to be made to alternative contact person, or to support agencies, if a consumer can't be contacted or falls behind in payments beyond $a given amount.
- Can't disconnect an MDC
- By visiting customers site you can learn about them
- Requirement for home visits will be costly for retailers
- 88% disconnections would be remote disconnections
- Apps/Messages- retailer can know whether customer has seen the correspondence (different to traditional letters)
- Need more data on the number of people who are at risk

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Zoom group 2-The consumer who refuses to engage

- Disengaged at risk of disconnect
- Axe other agencies being explored to delay disconnect
- How many customer do we fail to make contact with?
- What form of contact is most effective?
- Research shows disconnection is the best way to prompt engagement
- Customers fear not knowing what will happen next
- Welfare checks
- What access to other $$ could help them and how can consumers find out about those
- We should talk to experts in mental health
- Talk to some customers who were disconnected and what could have been done differently
- Training for retailers
- Meridian- specialist hardship management programme and early intervention. Meridian has one of the lowest disconnection rates in the industry

Debbie Francis

SCORING SOLUTIONS FOR EACH JOURNEY STAGE

And what is needed next?

EXERCISE 2

Score solution for (journey stage:) _____

	N/A	1	2	3	4	5
Improving identification of vulnerability	N/A	1	2	⬥	4	5
Manaakitanga guides the customer experience, every time	N/A	1	2	3	⬥	5
A level playing field for all retailers and supporting positive and inclusive innovation	N/A	⬥	2	3	4	5
Working with partners to tackle issues that cut across multiple sectors	N/A	1	2	⬥	4	5
Outcomes are understood so further improvements can be targeted	N/A	⬥	2	3	4	5

Recap: The proposed design principles

Improving identification of vulnerability
- Clear criteria exist to define who are VC or MDCs
- Consumers can initiate the identification process, but are not relied as the only method to identify
- Retailers have a process to identify VC and MDCs
- Wider parties can initiate the identification process
- Smart use of data, and wider VC markers are used [to be considered]

Manaakitanga guides the customer experience, every time
- Information is accessible, engagement processes are accessible and respectful, communication is timely and clear
- Privacy is maintained
- Support is offered to those struggling to pay their bills: appropriate advice is given (in advance) and payment plans are offered
- Alternatives to disconnection are explored by the retailer
- Contact is made [to what degree?] prior to any disconnection actions taken by retailer

A level playing field for all retailers and supporting positive and inclusive innovation
- Retailers face an even playing field (processes are predictable and consistent)
- The system supports innovation in technology and service design
- The system does not create undue costs to retailers
- Retailers can recoup costs

Working with partners to tackle issues that cut across multiple sectors
- Intervention is early and support agencies are contacted when issues arise
- Processes and Interfaces between retailers and social agencies are clear and effective (both ways)

Outcomes are understood so further improvements can be targeted
- Consumer outcomes can be measured
- Adherence to standards can be monitored
- Enforcement of standards can be managed (if elements of the system ever become mandated)

Exercise 2- Score solution
Journey- a customer is acquired- stage 0

The right consumers are identified-   n/a

Manaakitanga guides the customer experience, every time-   5

A level playing field for all retailers and supporting positive and inclusive innovation- 5

Working with partners to tackle issues that cut across multiple sectors-   5

Outcomes are understood so further improvements can be targeted-   5

Exercise 2- Score solution
Journey- a customer joins and is correctly identified *(stage 1)*

The right consumers are identified-   2 to 3

Manaakitanga guides the customer experience, every time-   5

A level playing field for all retailers and supporting positive and inclusive innovation- 5

Working with partners to tackle issues that cut across multiple sectors-   4 to 5

Outcomes are understood so further improvements can be targeted-   5

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Exercise 2- Score solution
Journey- a customer situation changes, and is now an unidentified MDC or VC *(stage 2)*

The right consumers are identified-   3 to 4

Manaakitanga guides the customer experience, every time-   5

A level playing field for all retailers and supporting positive and inclusive innovation- 4

Working with partners to tackle issues that cut across multiple sectors-   3 to 4

Outcomes are understood so further improvements can be targeted-   4

Exercise 2- Score solution
Journey- Customer falls behind in payments, engagement is made *(stage 3)*

The right consumers are identified-   1

Manaakitanga guides the customer experience, every time-   4

A level playing field for all retailers and supporting positive and inclusive innovation- 3

Working with partners to tackle issues that cut across multiple sectors-   1

Outcomes are understood so further improvements can be targeted-   2

Exercise 2- Score solution
Journey- Referral is made to WINZ and wider support agencies *(stage 4)*

The right consumers are identified-	4 to 5
Manaakitanga guides the customer experience, every time-	5
A level playing field for all retailers and supporting positive and inclusive innovation-	3 to 4
Working with partners to tackle issues that cut across multiple sectors-	5
Outcomes are understood so further improvements can be targeted-	4

Exercise 2- Score solution
Journey- As a last resort, a retailer wants to disconnect-*(stage 5)*

The right consumers are identified-   n/a

Manaakitanga guides the customer experience, every time-   3 to 4

A level playing field for all retailers and supporting positive and inclusive innovation-   3 to 4

Working with partners to tackle issues that cut across multiple sectors-   not answered

Outcomes are understood so further improvements can be targeted-   3

Exercise 2- Score solution
Journey- a metre supplier/distributor wants to disconnect *(stage 6)*

The right consumers are identified-	5
Manaakitanga guides the customer experience, every time-	3
A level playing field for all retailers and supporting positive and inclusive innovation-	2 to 3
Working with partners to tackle issues that cut across multiple sectors-	5
Outcomes are understood so further improvements can be targeted-	5

Exercise 2- Score solution
Journey- Regulator: monitor outcomes and access adherence to guidelines and standards- stage 7

The right consumers are identified-   5

Manaakitanga guides the customer experience, every time-   3

A level playing field for all retailers and supporting positive and inclusive innovation- 2 to 3

Working with partners to tackle issues that cut across multiple sectors-   5

Outcomes are understood so further improvements can be targeted-   5

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A PREFERRED MODEL FOR FURTHER WORK?

And what is needed next?

Preferred model

◦ Which scenario emerges as the most robust against the full set of criteria?

◦ What do we need to do to refine it further?
  ◦ What do we need to <u>know</u>?
  ◦ What technical <u>questions</u> must we answer?
  ◦ What <u>experts</u> should we touch base with?
  ◦ What other <u>stakeholder</u>s need to be engaged?
  ◦ What possible <u>problems</u> need to be resolved?
  ◦ What could we do to <u>test</u> it further?

Preferred Method: Stage 1

○ **What experts should we touch base with?**
  -HP
  -DHB
  -MSD
  - Internal Affairs (language barriers)
  -Justice System

○ **What technical questions must we answer?**
  -contractual obligations to customers

○ **What could we do to test further?**
  - Focus Groups

Preferred Method: Stage 2

◦ **What do we need to do to refine it further?**
      -Robust definition of vulnerable
      -Critical medical depended definition
      -Housing stock data (leading indicator)
      -Understanding the definition of MDVC

◦ **What other experts should we touch base with?**
      -Types of vulnerability, International past and best experience, Specific communities / cultural differences, Quantifiable indicators on vulnerable (e.g. income / mesh block / age of home), Connected agencies, Frontline participant staff

◦ **What other stakeholders need to be engaged?**
      -Local Councils, social housing agencies, Housing NZ, DHB, MSD, MOH
◦ What possible problems need to be resolved?
      -Bundled products, [and how to pull these in to be covered by guidelines]
      -Layered approach is a strength and a weakness
            - not open to interpretation
            - needs to be specific (especially MD)
            - Needs to be well integrated, and operated to work
            -Futureproofing for new and other participant types
      -Need privacy waiver to potentially act on guidelines

◦ **What could we do to test it further?**
      - Check with frontline staff

Preferred Method: Stage 3

○ **What do we need to know?**

   - wider customer situation, history and how long are the current circumstances lasting.

○ **What technical questions must we answer?**

   - Have all comm channels been identified? Any other solutions or options need to be provided at engagement.

○ **What other stakeholders need to be engaged?**

   -MSD, Kianga Ora, Budgeting and social NGO's, Energymate, Healthy homes

○ **What possible problems need to be resolved?**

   - Engagement by all retailers with other stakeholders such as social agencies. Awareness around energy usage and budgeting services

Preferred Method: Stage 4

- **What do we need to know?**

    - what is the current relationship between all entities

- **What technical questions must we answer?**

    - what systems are used so we can all connect together

- **What other experts should we touch base with?**

    -ERANZ, Advocacy groups, refuge lines, CAB, Government departments, Salvation Army, FinCap, UDL,

- **What possible problems need to be resolved?**

    - Engagement by all retailers with other stakeholders such as social agencies. Awareness around energy usage and budgeting services

- **What could we do to test it further?**

    - talk to the consumer

- **What other stakeholders need to be engaged?**

    - MSD, Independent retailers, secondary providers, Min Disability, Min Housing, Min Elderly

Preferred Method: Stage 5

○ **What do we need to do to refine this further?**

-Only area not clear: in original VC guideline – financial hardship is broad. Would be good to understand better for disconnection for vulnerable. What consumers are we talking about before disconnecting – determines different paths

- Anyone because of health or financial situation viewed as vulnerable. Some may be in financial hardship but some who customers who are proud may not want to say vulnerable. So if talking about disconnection in broader sense good to understand who we are talking about.

○ **What technical questions must we answer?**

- Have own framework for MD. Robust but good to follow something from MoH. Only useful to have CEME list if updated. Ask for doctor's certificate. If fail to provide, will have a category "unconfirmed" – err on side of caution. Doctors are providing different opinion on what's classed as medically dependency or not – makes life difficult. If from MoH – consistent approach nationwide in terms of equipment that's critical. Have seen 2 patients with same medication, different opinions from doctors

-Being able to define MDVC helpful. Framework on how to give proof. People about to be disconnected then quickly say medically dependent. Don't want people to use it falsely. Nice for list – regulated by EA. These people are really MD. Not just up to retailers. Medical decision.

Preferred Method: Stage 5

What technical questions must we answer continued..

-Centralise database pinnacle. Status approved by DHB.

-If MD, doesn't mean free power for rest of life. Other people have to pay. Shouldn't be retailers to pay

-vacant disconnections. What are we covering. We don't necessarily know who's at the property. There's a chance a vacant property might have someone in there. Hasn't picked up communications sent. In scope or out

Preferred Method: Stage 6

◦ **What do we need to know?**

- how much time/cost to "do" the process

- does the process work for all types of disconnections-

- Is it possible for all retailers to have a pre-pay plan of some sort?

- should this be about more than "last resorts"

◦ **What other stakeholders need to be engaged?**

- Budget advisors, Human rights commission, MDC's

WHERE TO NEXT?

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Next steps

- Work to synthesise outputs and findings of this workshop:
  - thoughts on benefits and drawbacks of the different approached
  - thoughts on potential solution's design

- Work to further refine:
  - Expectations of retailers, consumers, wider agencies and the regulator
  - Consumer journeys and critical pinch-points
  - The building blocks of a regulatory system
  - If the layered approach is deemed worth exploring further, create first drafts of:
    - Overarching principles
    - Guidelines
    - Minimum standards that can be agreed
  - Or, drafting the preferred approach

COMPETITION • RELIABILITY • EFFICIENCY

ELECTRICITY AUTHORITY

Reminder: where are we in the overall review process?

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EXPLORING CUSTOMER JOURNEYS
- **Customer journey maps** for vulnerable and medically dependent consumers.

OPTIONS FOR Revised Approach
- **Consider alternative conceptual models** for the proposed new approach and score against design principles.

We are here next time

DETAILED DESIGN AND TESTING
- **Collaborative design of preferred option**
- **Retest alignment with principles,** practicality, social agency.

SUMMARY WORKSHOP AND DETAILED TESTING
- Page turn assessment of **first draft** of new approach, assess **alignment with consumer journeys.**

REFINE AND FINALISE
- **Final edits** and as appropriate
- **Brief formal consultation** on proposed approach
- **Promulgation.**

| 1 July | → | 15 July | → | 29 July | → | 13 August | → | *by end 2020* |

Workshop review

○ **We will survey each of you following this on our three workshop review questions……**

1. **On thing that worries you after today**
2. **One positive about today**
3. **One thing you'd like to happen next time**

Workshop Review- Worries

- Too much focus on customer will pay
- "In the monkey cage, not challenging the bars"
- Too much time on people who may be gaining rather than focussing on people who need to help. Need to get into the weeds
- Focus on retailers re cost and best practices
- Still focussing on ambulance at the bottom of the hill. Need a different perspective'
- Missing the customer perspective
- Complex and layered process
- Lack of other not for profit retailers still want paying in full (consumer NZ)
- No worries at the moment (8 people)

Workshop Review- Positive

- Collaboration (4)
- Good diversity and perspectives at the tables (2)
- Keep up with the different opinions
- Enjoyed the robust debate
- Very safe environment, even with a mix of retailers and social agencies
- Good to have more time on zoom groups and the questions in the room are being repeated
- Good collaborative discussion
- Like the fleshing out approach
- Good to have EA staff in the zoom rooms and scribing so the discussion is being noted
- Great people
- Good afternoon tea

Workshop Review- what would you like to see happen next?

- As a zoomer it was tricky when not everyone had their cameras and sound on.
- As a zoomer it was hard when we were just "cut off" from our conversation
- more community voice and consumer voice in the room (4)
- Less swapping backwards and forwards between the room and zoom might make things run smoother
- Zoom was better than last time, but can still be made better
- Some real-life examples of situations

An open collaborative process

- A living FAQ and suggestions page has been created:

https://www.ea.govt.nz/development/work-programme/operational-efficiencies/medically-dependent-consumer-and-vulnerable-consumer-guidelines/mdvc-q-and-a/

- Please send questions or suggestions to:

MDVC.guidelines@ea.govt.nz

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