

# Consumer Care guidelines consultation: template for feedback

This template aims to guide the structure of responses on the consultation on the proposed guidelines

- Please add extra lines as needed for your responses
- Where feedback relates to specific clauses, please reference the clauses
- For all responses, please explain what changes you suggest (if any), and why.

## Overarching questions

1. Do you agree with the structure of the guidelines?

Part	Clause	Feedback
Overarching	n/a	Yes.  Comfortable with the structure, the key is even though we have consolidated vulnerable and medically dependent consumers into the same guidelines, the structure of the document doesn't confuse the fact that they are managed differently.

2. Do you agree with the change in focus from 'vulnerability' to 'consumer care' applying to all domestic customers, and the reasoning behind this change?

Part	Clause	Feedback
Overarching	n/a	In principle Genesis agrees that all customers should be treated with care and that reasonable efforts should be taken to ensure that customers do not suffer hardship as a result of their energy bills. However, there is a difference between circumstances in which customers are experiencing difficulty paying and circumstances in which customers are simply reluctant to pay, and the guidelines could better recognise this distinction.

3. Do you have thoughts on the concept of these guidelines sitting within a wider consumer care guidance package?

Part	Clause	Feedback
Overarching	n/a	We agree that working within part of a framework is critical to the effectiveness of these guidelines and that this is outlined in this document.

## Questions on the Explanatory Note

4. Do you agree with the inclusion of an Explanatory Note? If yes, please tell us if the meaning is clear?

Part	Clause	Feedback
Explanatory Note	n/a	Yes. The meaning is clear and we particularly support that these guidelines are voluntary which provides for retailers to innovate in how they care for customers and have scope to manage the costs of doing so.

5. Do you have feedback on the drafting of specific clauses in this Part? Do you suggest alternative wording? Or is there any superfluous or missing text?



Part	Clause	Feedback
Explanatory Note		No comment.

## Questions on Part 1: Purpose

6. We have not included a (sub) purpose statement specific to each Part, at the start of every Part. It could be possible to group parts and provide a purpose statement for each (e.g. Parts 2&3, Parts 4-7, then separately for each of Parts 8, 9 and 10). Do you think we should, and if so, why?

Part	Clause	Feedback
1	n/a	We do not consider it is necessary to write a purpose statement for each individual part. We support the overall purpose statement.

7. Do you agree with the purpose statement, the overarching principles or the intended outcomes?

Part	Clause	Feedback
1	Purpose	Yes.
1	Principles	Yes.
1	Outcomes	Yes, we agree with the identified outcomes and actions. However, we think the actions would be improved with the addition of one further action focused on ensuring constructive communication between retailers and consumers. This is detailed further below in answer to question 8.

8. Do you have feedback on the drafting of specific clauses in this Part? Do you suggest alternative wording? Or is there any superfluous or missing text?

Part	Clause	Feedback
1	4	Agree to adding within Box B:  "Consumers should engage with retailers in good faith and respond to communications received from retailers."  There should be a clear onus on consumers to engage in good faith with the communication received from electricity retailers. This was contained in an earlier draft of the guidelines document but removed in this consultation version.

## Questions on Part 2: Retailers to publish a consumer care policy

9. Do you agree in general with the recommendations in this Part? If yes, please tell us if the meaning is clear?

Part	Clause	Feedback
2	n/a	Yes, we agree with the general requirement to publish a consumer care policy.

10. Do you have feedback on the drafting of specific clauses in this Part? Do you suggest alternative wording? Or is there any superfluous or missing text?

Part	Clause	Feedback
2		No comment.

Part	Clause	Feedback

### Questions on Part 3: Information and records relating to consumer care

11. Do you agree in general with the recommendations in this Part? If yes, please tell us if the meaning is clear?

Part	Clause	Feedback
3	n/a	Yes, we agree with the general requirements.

12. Do you have feedback on the drafting of specific clauses in this Part? Do you suggest alternative wording? Or is there any superfluous or missing text?

Part	Clause	Feedback
3	13(iv) and 13(v)	<p>Care should be taken around support persons and alternate contact persons because the vast majority of customers do not need this. While the provision is prefaced with an “if” statement, it comes with significant compliance cost implications, both around recording and checking the nominated persons’ details as well as sending them letters should the customer get into invoice arrears. We consider that the guidelines should make clear that it is the customer’s responsibility to nominate their desired support person and provide accurate contact details.</p> <p>We suggest changing the wording to something similar to:</p> <ul style="list-style-type: none"> <li>- “iv) if a customer requests a support person to engage with the retailer on the customer’s behalf, the support person’s authorisation, contact details and preferred communication channels as supplied by the customer.”</li> </ul> <p>Use similar wording for the alternate contact persons in subclause (v).</p>
3	13(iii)	Recommendation that this clause is deleted as the value is unclear.

### Questions on Part 4: When a customer signs up or is denied a contract

13. Do you agree in general with the recommendations in this Part? If yes, please tell us if the meaning is clear?

Part	Clause	Feedback
4	n/a	Yes, we agree with the recommendations in general.

14. Should further assistance be available (within these guidelines) for retailers, for when they are engaging with a customer that they are declining supply? Should further matters for a retailer to consider be included?

Part	Clause	Feedback
4	n/a	No comment.

15. Do you have feedback on the drafting of specific clauses in this Part? Do you suggest alternative wording? Or is there any superfluous or missing text?

Part	Clause	Feedback
4	23a(i)	We do not consider it is practical to require retailers to recommend plans other than what they offer, as a retailer cannot be expected to be fully informed of the costs and benefits of these plans creating a risk of inadvertently misleading customers. It is not feasible for a retailer be aware of other plans and options offered by competitors. Recommendation 23a(ii) substantially achieves the purpose of 23a(i) while not giving rise to this risk.

## Questions on Part 5: Business-as-usual account management

16. Do you agree in general with the recommendations in this Part? If yes, please tell us if the meaning is clear?

Part	Clause	Feedback
5	n/a	Yes, we agree with the general requirements in this Part, subject to the comments below.

17. Do you have feedback on the drafting of specific clauses in this Part? Do you suggest alternative wording? Or is there any superfluous or missing text?

Part	Clause	Feedback
5	28(b)	<p>The requirement for retailers to check on a customer's declining electricity usage is well-intentioned but is not feasible, accordingly, we recommend it is removed from the guidelines.</p> <p>Firstly, retailers do not have the IT systems in place to reliably analyse each customer's usage and compare it to what could be considered "normal" or what could be considered a signal of payment difficulties.</p> <p>More importantly, there is a vast range of potential causes of declining usage, many or most of which would not relate to any difficulty in meeting costs. These circumstances include household members leaving, household members changing their behaviour, installing energy-efficient appliances, the household installing gas or solar, significant renovations, and holidays or changes in occupancy habits.</p>
5	29(b)	For the same reason as set out in 23a(i), we recommend this be removed. It is not feasible for retailers to be fully informed of their competitors' offers and this recommendation gives rise to the risks of customers being misinformed. A more suitable requirement may be to inform customers of the information services available to them (such as the Powerswitch price comparison tool).
5	30	<p>It is unclear what the threshold is for 'availability' of access to meters for the purposes of using actual meter readings. For some customers, supplying actual meter readings for every billing cycle could be technically possible but very costly.</p> <p>We suggest changing the wording to:</p> <ul style="list-style-type: none"> <li>- "30) Retailers should use actual meter readings for invoicing if these are <i>practicably</i> available."</li> </ul>

## Questions on Part 6: When payment difficulties are anticipated or arise

18. Do you agree in general with the recommendations in this Part? If yes, please tell us if the meaning is clear?

Part	Clause	Feedback
6	n/a	Yes, we agree with the general requirements in this Part, subject to the comments below.

19. Do you have feedback on the drafting of specific clauses in this Part? Do you suggest alternative wording? Or is there any superfluous or missing text?

Part	Clause	Feedback
6	37(d)	<p>It is not clear what specific steps this clause is referring to when it says, “taken all the steps above”. A potentially better formulation could be:</p> <ul style="list-style-type: none"> <li>- “subject to satisfaction of the conditions in 37a-c, the retailer has taken all reasonable steps to communicate with the customer, but the retailer’s invoices to the customer remain unpaid.”</li> </ul>
6	38	<p>If the retailer has attempted to reach the customer on their preferred method of contact, it would be our expectation that all available communication methods have been used. It should be made clear that using just one method of communication and leaving a voice mail is insufficient, unless all methods of available communication have been used unsuccessfully.</p>
6	38	<p>The number of days between communication attempts with the customer is very rigidly prescribed. System constraints for retailers and the costs associated with changing these would be disproportionately expensive. We recommend providing some flexibility here to allow retailers to tailor their behaviour to the specific circumstances in each case, while maintaining clarity that customers should be provided fair opportunity to make payment. This could be simple to achieve through using less prescriptive language, for example:</p> <p>“...allowing a minimum of <i>about</i> 14 days for payment”</p> <p>“...at different times of the day and be spread over <i>a period of more than a week</i>”</p>
6	40(f)	<p>Care is required when evaluating initiatives which may result in a cheaper electricity tariff, but which come with upfront costs to the retailer. For example, reconfiguring a customer’s meter may give them access to a cheaper power plan, but the new meter’s installation cost could make it unsuitable for a customer.</p> <p>As a matter of course Genesis provides its customers with advice and tools to help them manage their energy consumption and, by extension, their costs. However, care is required in recommending behavioural changes aimed at shifting a customer to a different tariff and therefore lower costs. In the event behaviour changes are not sustained, customer costs can actually <i>increase</i>. We consider clause 40(e) substantially solves the issue without giving rise to the risk that emerges in 40(f), and in circumstances where retailers have sufficient expertise they can perform the advisory role.</p>
6	40(h)	<p>The requirement in this clause for a 14 day pause on the credit cycle could exacerbate affordability issues for customers. Fourteen days is generally half the standard billing cycle, during which time the consumer will continue to use electricity and incur more debt. This could potentially lead to the consumer, for many reasons, not receiving budgeting advice yet now having a higher debt to pay back.</p>

Part	Clause	Feedback
		<p>Retailers need reassurance that a consumer referred to budgeting services engages with those services in good faith. It is in no-ones' interest for the consumer to incur more debt.</p> <p>We recommend that the pause is reduced to 7 days in cases where the retailer has not received confirmation from the relevant budgeting service that the consumer is engaging constructively.</p>

## Questions on Part 7: Progressing to disconnection for non-payment of invoices and reconnection

20. Do you agree in general with the recommendations in this Part? If yes, please tell us if the meaning is clear?

Part	Clause	Feedback
7	n/a	<p>We are concerned about the compliance costs for retailers contained in this Part, particularly relating to sending contractors to the home of consumers. In addition, no provision is made for potential refusal on consumers' part to engage constructively with retailers. We suggest amending the guidelines to address these issues before the guidelines are published.</p>

21. Do you suggest alternative wording? Or is there any superfluous or missing text?

Part	Clause	Feedback
7	52(b)	<p>The requirement to provide the customer with an in person representative visit 10 days prior to disconnection departs from current practice, and imposes substantial costs disproportionate to the likely benefit, given the effectiveness of current practices in relation to notices prior to disconnection.</p> <p>Notices issued at this point in the credit cycle currently elicit a good response rate and result in the majority of customers making payments against their invoice.</p> <p>The cost of the proposed in person visits would need to be recovered from consumers, either those facing disconnection or spread across the customer base. Either way, we do not consider these additional costs are justified by the potential benefits which we expect to be limited. Given the desire to ensure fees reflect underlying costs, the most appropriate approach would be to charge customers that are the subject of in person visits. Contractor call-out fees, particularly in rural areas, would only worsen the situation of those consumers facing payment difficulties.</p> <p>The ability to make these notices courier letters could provide some flexibility, but customers can simply refuse to sign for these letters meaning an in-person visit is still required. Also the cost of courier letters this early in the cycle would impose significant cost on the retailer with little if any net benefit.</p> <p>We recommend notices at this stage in the cycle revert back to traditional communications channels and remove the requirement for in person or signed courier letters.</p>
7	54(c)	<p>We have concerns about the requirement to provide the customer with a final notice of disconnection at least 44 calendar days after the invoice was issued as by this time the</p>

Part	Clause	Feedback
		<p>consumer generally would have had another invoice produced. This could cause the consumer's debt levels to rise to an amount they are unable to pay back.</p> <p>We are also concerned about consumers whose past behaviours indicate they do not intend to pay the debt, and this requirement can provide them with more time to incur charges without payment.</p>
7	54(b)	<p>We recommend removing the requirement to have the three attempts at contact over a seven-day period. This is due to uncontracted sites only having one form of cost-effective communication which is letters to the property. Sending three separate letters within a seven-day period would be an unnecessary cost to the retailer and the consumer could potentially receive two more letters after they have already contacted a retailer to sign up supply.</p>
7	54(e) 55	<p>Requiring retailer representatives to make in person visits to vacant premises is a prohibitively costly requirement that will detrimentally affect consumers. This is occurring in a situation where the consumer has made no attempt to contact a retailer for the supply of electricity, has received and ignored repeated communications attempts, and is consuming electricity for a period of time anyway.</p> <p>Vacant premises using electricity is a huge cost already because retailers are obliged to make multiple communications attempts which may result in nothing, and there is still electricity to be paid for with no one to invoice.</p> <p>The industry has undertaken considerable effort to deploy new technology such as smart and remotely controlled meters, but this is being rendered unusable under this clause.</p> <p>The only purpose of sending out a representative for an in person visit would be to ascertain whether a resident in a uncontracted premise is medically dependent. In this scenario, where a resident has made no attempt to enter into a contract with an electricity retailer despite being medically dependent and ignored repeated communications attempts, the onus is on the consumer, or their support person, to take steps to protect their own wellbeing so that the retailer can help them.</p> <p>Given these are uncontracted premises, the ability of retailers to send courier letters is limited to addressing them "To the occupier". Experience tells us this is a very low uptake method of communication.</p> <p>We recommend the requirement in this clause for notices to be "in person" is deleted.</p>
7	59(d)	<p>The requirement that retailers have ensured consumers have "understood" the notifications is impossible to fulfil. Neither the retailer nor the individual customer can claim with certainty that notifications and their consequences have been understood. Genesis considers this could be resolved by requiring retailers to take "<i>reasonable steps to ensure a customer has understood...</i>"</p>

## Questions on Part 8: Additional recommendations for medically dependent consumers

22. Should we include a Part making additional recommendations specific to MDCs? Or, should we have recommendations relating to MDCs throughout Parts 4-7?

Part	Clause	Feedback
8	n/a	We agree with a standalone part dealing with issues specific to medically dependent consumers.

23. Do you agree in general with the recommendations in this Part? If yes, please tell us if the meaning is clear?

Part	Clause	Feedback
8	n/a	Yes.

24. Do you have feedback on the drafting of specific clauses in this Part? Do you suggest alternative wording? Or is there any superfluous or missing text?

Part	Clause	Feedback
8	76(a.iii)	Recommendation that this clause is deleted as the value is unclear.

## Questions on Part 9: Bonds and Fees

25. Do you agree with the explanation of what a fee is?

Part	Clause	Feedback
9	n/a	Yes, with the exception of inclusion of provisional discounts as fees. Conditional discounts can be applied for a variety of reasons including but not limited to reflecting reduced cost to serve on behalf of retailers. Discounts and fees are different by definition and Genesis therefore recommends removal of references to discounts in this part.

26. Do you agree in general with the recommendations in this Part? If yes, please tell us if the meaning is clear?

Part	Clause	Feedback
9	n/a	Yes, with the exception of the language used in relation to 103b. As drafted this clause is overly prescriptive. Genesis agrees with the principle, but capping fees at the precise cost of providing a good or service is unlikely to be workable in practice. We suggest a formulation like:  103b: All fees should be reasonable and bear a proper relation to the cost of providing the good or service.

27. Do you have feedback on the drafting of specific clauses in this Part? Do you suggest alternative wording? Or is there any superfluous or missing text?

Part	Clause	Feedback
9	104	We are concerned about this requirement if the fee being charged is a break fee for a consumer who has switched away out of a fixed contract. As a retailer who will no longer be



Part	Clause	Feedback
		billing this customer, providing 5 billing cycles (generally 5 months) to repay this fee would be at a cost to the retailer and the likelihood of the consumer completing the repayments decreases on final accounts.
9	106	We support keeping bonds because it is a helpful tool for both retailers and consumers to manage credit. Maintaining proportionately with the billing cycle is a good way to ensure affordability for consumers.

### Questions on Part 10: Information disclosure and monitoring

28. Do you agree in general with the recommendations in this Part? If yes, please tell us if the meaning is clear?

Part	Clause	Feedback
10	n/a	Yes, we agree with the general requirements in this Part.

29. Do you have feedback on the drafting of specific clauses in this Part? Do you suggest alternative wording? Or is there any superfluous or missing text?

Part	Clause	Feedback
10		No feedback.

### Questions on Monitoring alignment and outcomes

30. Do you agree with the monitoring process that the Authority intends to follow?

Part	Clause	Feedback
Monitoring	n/a	Yes, we agree with the EA's monitoring process in this Part.

31. Do you agree with the process set out for monitoring consumer complaints? Do you suggest alternative wording? Or is there any superfluous or missing text?

Part	Clause	Feedback
Monitoring	n/a	

### Questions on implementation

32. Do you agree with a 30 June 2021 implementation date for the proposed guidelines? If you disagree please provide reasons and the date that you would propose.

Part	Clause	Feedback
Implementation	n/a	Yes we agree with the 30 June 2021 implementation date.