

Final draft

23 February 2021

Consumer care guidelines



To replace the current:

- Guideline on arrangements to assist vulnerable consumers
- Guideline on arrangements to assist medically dependent consumers
- Addendum to the medically dependent consumer guidelines and the vulnerable consumer guidelines



Version control

Version	Date amended	Comments
0.1	29 October 2020	Draft guidelines
0.2	23 February 2021	Final draft guidelines

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The consumer care guidance package

The consumer care guidance package comprises, and should be read in conjunction with, the following documents, all of which are available on the Electricity Authority's website:

- Consumer care guidelines
- Practice Note #1 Disclosure information
- Health Practitioner Notice (Parts A and B) (existing)

Further Practice Notes may be developed over time.



Explanatory note

Context and scope

- i. These consumer care guidelines ('guidelines') replace the 'Guideline on arrangements to assist vulnerable consumers' (version 2.1), the 'Guideline on arrangements to assist medically dependent consumers' (version 2.1), and the 'Addendum to the medically dependent consumer guidelines and the vulnerable consumer guidelines'.
- ii. The purpose of these guidelines is to achieve the intended outcomes described in Part 1.
- iii. These guidelines, based on general industry consensus, contain recommendations to retailers engaging with customers. Specific recommendations are included for when retailers engage with customers who are or may be medically dependent or have a consumer permanently or temporarily resident at their premises who is or may be medically dependent.
- iv. These guidelines are part of a wider consumer care guidance package, which also includes:
 - supporting documents: practice notes, consumer factsheets, a form to apply for medically dependent status (HP notice); and
 - a refreshed engagement accord between retailers and support agencies, social agencies and health agencies.
- v. These guidelines do not form part of the Electricity Industry Participation Code 2010 (Code) but should be read in conjunction with the Code. Where these guidelines refer to a 'Part' this refers to a Part in these guidelines, unless specified as a reference to the Code. If a Code update occurs that creates a conflict with these guidelines, the Code takes precedence.

Definitions and interpretation

- vi. Words and phrases have the meaning given to them in the glossary of these guidelines, or if not defined in the glossary, the meaning given to them in the Code or the Electricity Industry Act 2010. The reader's attention is drawn to the following key interpretations:
 - These guidelines apply to retailers, and to distributors that directly invoice their customers, where 'retailer' and 'distributor' are as defined by the Electricity Industry Act 2010,¹ for the supply of electricity and/or the provision of distribution services used fully or partly for domestic purposes. To aid readability, these guidelines use the term 'retailer' to mean 'retailer' and 'distributor that directly invoices its customers'.
 - These guidelines distinguish between 'customers' (persons who have a contract with a retailer for the supply of electricity and/or provision of distribution services used fully or partly for domestic uses) and 'consumers' (end users of electricity and distribution services used fully or partly for domestic purposes).
 - If words and phrases in these guidelines can be interpreted in more than one way, the word or phrase should be read to favour an outcome that achieves the purpose of these guidelines.
- vii. Appendix A contains a glossary of key terms used in these guidelines.

Alignment with these guidelines

- viii. To support innovation in retail supply, the guidelines aim describe specific actions that should be taken by retailers as necessary to create safeguards for consumers. Alignment with these guidelines is voluntary, although the Authority considers there are significant benefits from wide industry alignment.
- ix. Retailers can align with the guidelines by adopting the recommended actions and/or taking alternative actions that achieve the purpose and outcomes in Part 1.
- x. Retailers are encouraged:

¹ Refer to section 5 of the Electricity Industry Act 2010.

- to frequently self-assess their alignment with the guidelines, learning from positive experiences, better practice in the industry, mistakes and incorrect behaviours and methods; and
- to focus on continual improvement to exceed minimum safeguards for consumers.

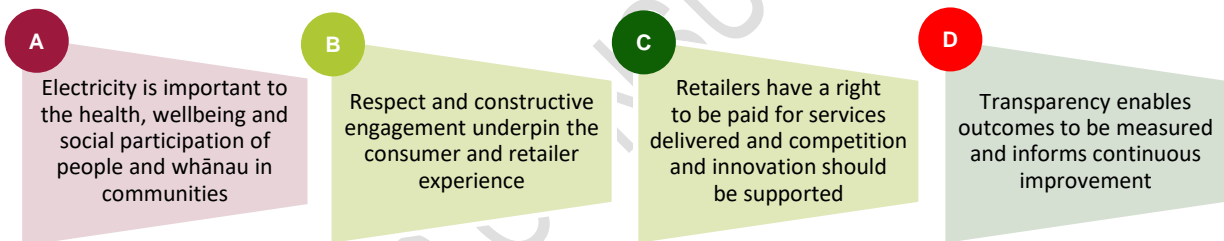
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Part 1: Purpose

1. This Part aims to make sure the purpose of the consumer care guidance package, including these guidelines, is clear.

Purpose and overarching principles

2. The purpose of the consumer care guidance package is to guide retailers:
 - a. in adopting behaviours and processes that foster positive relationships with domestic consumers; and
 - b. in helping domestic consumers maximise their potential to access and afford a constant electricity supply suitable for their needs; and
 - c. in helping domestic consumers minimise harm caused by insufficient access to electricity, or by payment difficulties.
3. The consumer care guidance package should always be read to favour an outcome that achieves the purpose of these guidelines.
4. To achieve this purpose, while supporting competition and innovation, and facilitating improved information on retailer alignment and outcomes achieved, the consumer care guidance package is designed under the following **four overarching principles**:



Intended outcomes

5. For each of the four overarching principles, the consumer care guidance package aims for **intended outcomes** (detailed in the tables below). These outcomes hold across a customer's entire journey with a retailer and should be achieved via a retailer's contributing actions.

A Electricity is important to the health, wellbeing and social participation of people and whānau in communities

- a. Retailers work to prevent harm caused by disconnection.
- b. Customers facing difficulties paying for electricity supply or distribution services are supported, including through retailers proactively helping customers:
 - i. to be on the most appropriate pricing plan and payment plan
 - ii. prevent accumulating debt over electricity supply or the provision of distribution services.
- c. Retailers seek to keep customers connected, avoiding disconnection for an unpaid electricity invoice, by implementing these guidelines, and only use disconnection as a last resort measure (other than for medically dependent consumers (MDCs) - see next point), and only in relation to a customer's undisputed debt over electricity supply or the provision of distribution services.
- d. MDCs are not to be disconnected for non-payment of debt or for obtaining electricity or distribution services by or involving deception.

B Respect and constructive engagement underpin the consumer and retailer experience

- a. Customers, and consumers permanently or temporarily resident at a customer's premises, are treated with care and respect in every interaction with retailers.
- b. Consumers interacting with retailers receive a minimum standard of treatment regardless of the retailer and regardless of whether they are a customer of the retailer.
- c. Customers engage with retailers in good faith and respond to retailer communications, to avoid or minimise non-payment issues.

C Retailers have a right to be paid for services delivered and competition and innovation are supported

- a. Retailers are paid for electricity supplied and/or distribution services provided.
- b. Retailers operate on a level playing field, where all competitors align with these guidelines.
- c. These guidelines do not place undue costs or constraints on retailers that limit competition or innovation.
- d. Retailers have clear, predictable, consistent and effective processes and interfaces to use when engaging with support/social agencies and health agencies about matters covered by these guidelines.

D Transparency enables outcomes to be measured and informs continuous improvement

- a. Mechanisms are in place to encourage retailer alignment with these guidelines.
- b. Consumer outcomes are measured as accurately as practicable.
- c. Retailer alignment with the guidelines is measured as accurately as practicable.
- d. The Authority is provided with enough information from retailers to measure their alignment with the guidelines, measure outcomes, and inform further improvements to the consumer care guidance package.



Part 2: Retailers to publish a consumer care policy

6. This Part makes recommendations to retailers concerning a consumer care policy, website information and initial communications with customers.

Minimum recommended actions

7. Retailers should publish a consumer care policy, which:
- a. explains the arrangements they have in place or are putting in place, and the actions they are undertaking, to achieve:
 - i. the recommendations in these guidelines - for all consumers; and
 - ii. the recommendations in these guidelines - specific to MDCs; and
 - iii. the consumer outcomes in paragraphs 2 and 5
 - b. commits the retailer to working with its customers in a respectful, collaborative and constructive manner, recognising the contribution of electricity supply to the wellbeing of consumers
 - c. commits the retailer to understandable, timely, clear, and accessible communications with customers and any consumers the retailer interacts with who are not a customer of the retailer, with the retailer striving to adapt its communications based on its customers' and consumers' needs
 - d. commits the retailer to:
 - i. seeking customer agreement for referrals to support/social agencies should the customer experience payment difficulties; and
 - ii. allowing customers reasonable time to receive assistance from support/social agencies without incurring a financial penalty from the retailer; and
 - iii. working with support/social agencies and health agencies cooperatively, constructively, and in a timely manner; and
 - iv. aligning their practices with any protocols agreed between retailers and support/social agencies or health agencies, within six months of those protocols being published on the Authority's website
 - e. commits the retailer to ensuring, where possible, that all customers have access to the support offered in accordance with these guidelines in a way that avoids disparate outcomes arising from such things as differences in language, ethnicity, educational achievement, culture, gender, physical and intellectual ability, age, health, income, wealth, and with transparent support options (e.g. payment plans)
 - f. clearly explains in a prominent place all fees and bonds charged by the retailer and relating to circumstances covered by Parts 3-8 of these guidelines
 - g. commits to disclosing information in accordance with Part 10, which enables monitoring the extent to which retailers' arrangements achieve:
 - i. alignment with the recommendations in these guidelines, and
 - ii. the consumer outcomes in paragraph 5, and
 - h. is consistent with these guidelines.
8. Retailers should include the following statements, or phrases with the same meaning, in their consumer care policy:
- a. [We, retailer] recognise that electricity supply makes an essential contribution to you and your whānau's wellbeing
 - b. [We, retailer] want to make sure:

- i. you're treated with care and respect in every interaction with us
 - ii. we communicate with you in a timely and clear fashion
 - iii. you have every opportunity to be on the best pricing plan to meet your needs
 - iv. we understand your situation and are proactive in offering assistance
 - v. we work with you in a collaborative and constructive manner to solve problems
 - vi. we work with you to resolve payment difficulties and with your permission, can link you to one or more support agencies or social agencies to assist you
 - vii. we work with you to try to keep your electricity connected if you are having payment difficulties
 - viii. we learn from our experiences to continually improve our support processes, and
- c. To help you make decisions about which pricing plan suits you, we can tell you about your electricity consumption.²
9. Retailers should create a clearly marked area on their customer-facing website that:
- d. informs customers, and consumers, of the existence of their consumer care policy and describes the extent of the consumer care policy's alignment with these guidelines; and
 - e. either sets out their consumer care policy or provides a link to their consumer care policy document; and
 - f. names, and provides contact details for, the role in their organisation with responsibility for the retailer's alignment with these guidelines' intended outcomes in Part 1; and
 - g. includes mention of and, as applicable, hyperlinks to/provides phone numbers for:
 - i. the Authority's webpage on the consumer care guidance package; and
 - ii. one or more reputable provider of budgeting advice services (one of which must be funded by the Ministry of Social Development) and one or more provider of advice on the efficient use of electricity; and
 - iii. the contact information for the dispute resolution scheme identified under Part 4 of the Electricity Industry Act 2010.
10. Retailers should include the following statements, or phrases with the same meaning, in their first written communications (whether via an email, letter, web application or other method of written communication) on a particular issue with a customer who is in payment arrears (and use reasonable efforts to do so in appropriate follow-up written communications):
- a. [We, retailer] have a consumer care policy. This tells you what we can/will do to support you and what options you have; and
 - b. You can find the information online here [include hyperlink]; or
 - c. You can request [we, retailer] post[s] you a brochure that summarises our consumer care policy.
11. Retailers should include the following statements, or phrases with the same meaning, in their first oral or on-line communications on particular issues with a customer who is in payment arrears (and use reasonable efforts to do so in follow-up communications):
- a. [We, retailer] have a consumer care policy. We will work with you/want to work with you:
 - i. to try to keep your electricity connected if you are having payment difficulties; and
 - ii. to make sure you have every opportunity to be on the best pricing plan to meet your needs; and
 - b. We'll work with you to resolve payment debt and with your consent we can link you to one or more support or social agencies to assist you, or you can nominate a support or social agency and/or advocate to assist you.

² Noting the Code 11.32 (A) contains the right for consumers to access consumption data.

12. Retailers should review and, as appropriate (e.g., due to changed processes), update their consumer care policy at least every two years.

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Part 3: Information and records relating to consumer care

13. This Part makes recommendations to retailers concerning the collection and recording of information relating to consumer care, in particular for the purpose of enabling a retailer to prevent and support, as effectively as possible, any customers having difficulty paying their electricity bill or in obtaining access to electricity.

Minimum recommended actions

14. Retailers should have and use processes and systems to proactively request and record information on customers' communication and invoicing preferences. Retailers should work towards recording:
- a. For communication preferences:
 - i. a customer's two preferred communication channels available from the retailer, provided the retailer offers two or more communication channels
 - ii. a customer's preferred day(s) of the week to be phoned by the retailer and the time(s) within (those) day(s)
 - iii. a customer's preferred language
 - iv. if a customer has a condition or disability that means some communication methods are not suitable
 - v. a customer's level of confidence with reading the retailer's documentation
 - vi. if a customer has a landline telephone, a cellular telephone, an internet connection, and an email address, and/or is willing to use an application or messaging service (specify which)
 - vii. if a customer wishes to use an alternate contact person, the alternate contact person's contact details and preferred communication channels as supplied by the customer, and the alternate contact person's authorisation to fulfil this role and for the retailer to hold this information, and
 - viii. if a customer wishes to use a support person, the support person's contact details and preferred communication channels as supplied by the customer, and the support person's authorisation to fulfil this role and for the retailer to hold this information, and
 - b. For invoicing preferences:
 - i. a customer's preferred invoicing frequency, where the retailer offers more than one option
 - ii. a customer's preferred day for receiving an invoice or making payments from their account, where the retailer offers fixed payment dates, and
 - iii. a customer's preferred means of receiving their invoice selected from the options that the retailer offers.
15. Retailers should have and use processes and systems to obtain and record:
- a. information on whether payment arrears are current or have happened in the past; and
 - b. contextual information offered by a customer regarding anticipated or current payment difficulties, or reasons for anticipated or current payment difficulties (so a customer would not have to repeat the information); and
 - c. contextual information offered by a customer on why they perceive themselves to be at increased risk of harm if disconnection were to occur; and
 - d. contextual information on a customer's energy use, primary heating sources and household dynamics.

16. The information collected under paragraphs 14 and 15 should be recorded in the retailer's customer relationship management system.
17. Retailers should make sure:
 - a. they maintain their customers' privacy, including complying with any privacy laws (such as the Privacy Act 2020) and any subsequent changes to these laws
 - b. the information collected in accordance with this Part (or a marker which flags that one or more of the factors in paragraphs 14 and 15 apply) should be readily accessible in a retailer's customer relationship management system
 - c. their sales and customer service representatives are aware the above information is held, where it is held and know to check for this information
 - d. their sales and customer service representatives know to ask the customer about whether this information remains current when engaging with the customer or at the start of engagements initiated by the customer, if there has been a period of more than three months since the retailer's most recent engagement with the customer
 - e. customer records should be able to prove (if reviewed externally) how, over a customer's journey with a retailer, the retailer has acted to meet the intent of these guidelines.

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

18. This Part makes recommendations to retailers to take specific actions when a customer is signed up or a person enquiring with a retailer is denied a contract.

Minimum recommended actions

For all customers

19. Retailers should make information easily available so that customers signing up to the retailer, or considering doing so, are able to make informed decisions.
20. Retailers should advise each prospective customer of the range of electricity supply plans available from the retailer, and help each customer understand which of the retailer's electricity offerings best meet the customer's needs or, as appropriate, the needs of one or more consumers permanently or temporarily resident at the customer's premises.
21. Before a new customer has signed up to a new pricing plan, retailers should advise the customer of the range of electricity pricing plans (e.g. controlled, uncontrolled, multi-rate, time-of-use) and payment plans (e.g. smoothed payments ("smooth pay"), fortnightly, pre-pay) offered by the retailer and seek to help the customer (including through personal contact) to understand what might work best for them or the drawbacks of any particular plan, eg break fees.
22. Retailers should satisfy themselves (acting reasonably) that new customers understand and agree to:
- the retailer's terms and conditions, which should be readily available in plain English, and
 - the retailer contacting the customer's alternate contact person (where provided):
 - if the customer requests that the retailer liaise with the alternate contact person rather than the customer; and
 - if the customer does not respond to a query from the retailer within that retailer's standard timeframe or the period specified by the customer as needing to elapse before the retailer may contact the alternate contact person.
23. Each retailer should advise new customers of the existence of the retailer's consumer care policy and the retailer's commitment to offer support if the customer faces payment difficulties.
24. Any retailer hesitating to enter a customer contract with any person enquiring with the retailer because of the person's poor credit record should carefully consider all relevant information rather than just the person's credit record, including:
- whether the person is in good faith liaising with and actioning the advice or assistance received from a support/social agency; and
 - whether the person's poor credit record is the result of historical financial pressures or other life events which are no longer impacting the person.
25. Retailers that decide not to enter a customer contract with a person enquiring with the retailer should:
- provide the person with information about:
 - the types of payment plans (e.g. weekly payment, smooth pay) the retailer is aware of that are offered by other retailers that may suit the person's circumstances better than the payment plan(s) offered by the retailer; and
 - one or more pricing plan comparison websites that provide information on alternative retailers active within the person's geographic area (eg Powerswitch); and
 - the reason the retailer has decided not to enter a customer contract with the person (e.g. a poor credit record, the retailer is not active in the customer's area, the customer does not have an ICP or an address, the metering at the customer's premises

do not enable the retailer to offer any of its pricing plans), and actions the person could take to reduce the likelihood of this happening again (e.g. clearing a credit record), and

- b. if the person says they are struggling to find a retailer,
 - i. refer the consumer to a support/social agency (e.g. one or more reputable budgeting advice agency – one of which must be funded by the Ministry of Social Development), and indicate to the customer whether the retailer is willing to reconsider supplying the customer after the customer engages with the agency; or
 - ii. advise the customer what changes the customer could make to assist the customer to locate a retailer, eg allow the installation of an AMI meter.

For post-pay customers

26. If a new post-pay customer nominates an alternate contact person, retailers should seek the person's agreement to act in that capacity (this may be when the retailer first needs to contact the nominated person), and advise the post-pay customer if the nominated person does not agree to act in that capacity.
27. Retailers should advise each new post-pay customer of the process that will be followed if an electricity invoice is not paid when due and the customer does not engage with the retailer.

For pre-pay customers

28. Retailers should confirm with any new pre-pay customers provided with a prepayment service that the customer understands:
 - a. any cost differential between post-pay and pre-pay metering arrangements, including, but not limited to, fees, bonds and the cost of electricity purchased under each arrangement; and
 - b. disconnection will occur at some point after the credit for the meter expires; and
 - c. the warnings the customer will receive prior to the credit for the meter expiring, noting these differ from the notices for post-pay customers set out in Part 7; and
 - d. how to purchase additional or emergency credit for the prepayment service.

Part 5: Business-as-usual account management

29. This Part makes recommendations to retailers to take specific actions during business-as-usual account management.

Minimum recommended actions

For all customers

30. Recognising that customers' situations can and often do change over time, retailers should, at least annually, interact with each of their customers and:
- mention that the customer can request access to consumption data; and
 - advise the customer of the existence of the retailer's consumer care policy; and
 - confirm the information recorded in accordance with Part 3 remains current.
31. Before a customer changes pricing plan, retailers should:
- make sure the customer is aware of the range of pricing plans and payment plans the retailer offers (e.g. smooth pay, fortnightly, pre-pay) and seek to help the customer understand what might work best for them; and
 - make the customer aware of any payment plan that the retailer is aware of that is offered by another retailer but that is not offered by the retailer that might suit the customer's circumstances better.
32. Retailers should, if they become aware that a customer's nominated alternate contact person no longer agrees to act in that capacity, inform the customer of this.

For post-pay customers

33. Retailers should use actual meter readings for invoicing if these are practicably available, either through each retailer's manual meter reading cycle or through remote meter readings.
34. Retailers should help customers better understand their electricity invoices by adopting the invoicing provisions set out in the Authority's 'Voluntary good contracting principles and minimum terms and conditions for domestic contracts'³ and by also clearly showing on each invoice or in supporting documentation (including via each retailer's website):
- the full amount owing, broken down into the amount owing for the current invoicing period and any overdue amounts owing; and
 - the due date(s) for payment of the invoice and how and where the invoice may be paid, and the different payment options available; and
 - if bundled goods/services have been received by the customer, the amounts owing for each good/service.

For pre-pay customers

35. Retailers should, if a customer has a prepayment service and subject to communications allowing, provide at least 24 hours' notice to the customer of any low credit balance.

³ Refer to the document 'Final Principles and Minimum Terms and Conditions for Domestic Contracts for Delivered Electricity (Interposed)', available on the Authority's website at <https://www.ea.govt.nz/assets/dms-assets/17/17876Principles-and-minimum-terms-and-conditions-for-domestic-contracts-for-delivered-electricity-Interp.PDF>.

Part 6: When payment difficulties are anticipated or arise

36. This Part makes recommendations to retailers to take specific actions when a customer anticipates payment difficulties, is having payment difficulties and/or is in payment arrears.

Minimum recommended actions

For all customers

37. Retailers should make sure their representatives who engage with customers about invoicing and/or debt collection are trained to build rapport with customers and recognise signs of pending or actual payment difficulties, including through material changes in consumption, and are empowered to provide effective assistance to all customers facing payment difficulties, to avoid the build-up of customer debt to the retailer.
38. Retailers should have efficient processes for interacting with customers regarding non-payment.
39. Retailers should better serve customers by using customer account history data to understand where targeted assistance could be effective in avoiding payment arrears.
40. A retailer may progress a customer in debt to “Part 7: Progressing to disconnection for non-payment of electricity invoices and reconnection” where, based on reasonable documented evidence:
- the retailer reasonably considers that the customer has been obtaining electricity or distribution services by or involving deceptive means, or
 - the retailer’s invoices to the customer are unpaid and:
 - a customer, in the reasonable opinion of the retailer, is failing to respond to the retailer’s attempts to discuss account management specified in paragraph 44 or 45 below (provided the retailer, at a minimum, follows the approach to contacting the customer recommended in paragraph 14); or
 - the retailer has communicated with the customer.
41. Where a customer is in material breach of a retailer’s terms and conditions for supply of electricity (other than breach for non-payment of an invoice), a retailer may proceed with disconnection in accordance with the process set out in the retailer’s terms, even if the customer is in arrears and would otherwise go through the process in “Part 7: Progressing to disconnection for non-payment of electricity invoices and reconnection”.

For post-pay customers

42. For customers on a monthly invoice cycle, retailers should follow the process set out below when a customer has missed a payment, with each step occurring on or after the number of days specified from the invoice date:
- Day 1: Invoice issued, allowing a minimum of about 14 days for payment.
- Day 14: Invoice overdue. At or after day 14, if payment has not been made, the retailer may issue a late payment notice or a reminder notice to the customer as soon as payment is overdue and start the recommended actions in paragraph 44. The late payment notice should have the purpose of engaging the customer to resolve the payment issue and avoid disconnection.
- Day 24: If payment has not been made, nor contact made by the customer, at or after day 24, the retailer should contact the customer using the customer’s preferred communication method to discuss the customer’s situation and payment options.

This timing allows six days for receipt of late payment notice and four days for a response. At or after day 21, the retailer should make at least three separate attempts to contact the customer via both the customer's preferred communication channel and their alternate contact (if provided under Part 3). The contact attempts should be at different times of the day and be spread over a period of more than seven days. For the purposes of these guidelines, leaving a voicemail message is an attempted contact but not a completed contact, unless the retailer has unsuccessfully tried all other contact methods available for the customer.

43. For customers on a non-monthly invoice cycle, the timing of each step may be proportionally altered to align with the above step durations.
44. Retailers should, for a customer not on a payment plan, who is in payment arrears and/or is having payment difficulties:
 - a. clearly communicate its willingness to engage with the customer to resolve the payment issue by finding a suitable payment plan; and
 - b. encourage the customer to engage with the retailer over resolving the payment difficulties
 - c. confirm the situation is not yet at the disconnection stage and the steps that the retailer will go through to assist the customer to make payments and/or the customer pays any debt for the supply of electricity or the provision of distribution services; and
 - d. remind the customer they may nominate a support person or an alternate contact person, and, if the customer nominates one or both, record these persons in accordance with Part 3 and use these contact persons as requested by the customer; and
 - e. where the customer has no such information, provide the customer with information to improve energy efficiency at their premises and/or inform the customer of where they can obtain advice or information on the efficient use of electricity; and
 - f. offer advice, and if the customer agrees, advise on changes that could be made to the customer's consumption profile (e.g. more off-peak electricity use) or to the metering configuration or installation at the customer's premises (e.g. enabling load control) that would reduce the customer's electricity invoice amounts after taking account of the cost to change the metering configuration or installation at the customer's premises; and
 - g. advise the customer of up to three relevant pricing plans the retailer offers which, based on the customer's average consumption over the past 12 months and taking into account seasonal variations in the customer's consumption, would result in a lower delivered cost of electricity or of distribution services, stating clearly which is the lowest cost option for the customer taking into consideration the customer's circumstances (e.g. the customer may not be in a position to receive a discount from paying online); and
 - h. satisfy themselves (acting reasonably) that the customer is aware of budgeting and electricity efficiency advice available from reputable support/social agencies and offer to refer the customer to these agencies as appropriate, ensuring one of the budgeting advice agencies is funded by the Ministry of Social Development. If the customer agrees, make the referral(s) and note this on the customer's relationship management records. The retailer should pause the repayment process:
 - i. for 14 days, if a referral is made, subject to the customer agreeing to the pause and acting in good faith, and noting this may cause the customer to go into more debt with the retailer; or
 - ii. for seven days, if a referral is made, subject to the customer agreeing to the pause, but where the retailer has not received confirmation from the reputable support/social agency that the consumer is engaging constructively before then restarting the repayment process; and
 - i. offer to the customer, and if the customer agrees discuss with the customer, payment plans that appear suitable to the customer's circumstances, including payment plans that:
 - i. offer the best way for the customer to pay off any debt owed to the retailer while accommodating the customer's expected ongoing electricity use; and
 - ii. help avoid the customer falling into debt with the retailer; and

- j. as a final step and subject to the customer's agreement, refer the customer to Work and Income or a support agency likely to help the customer pay their electricity supply debt.
45. Retailers that offer bundled goods/services should, for a customer not on a payment plan and who is in payment arrears and/or is having payment difficulties, explain to the customer how part payments are being cleared against bundled components of an invoice that cover multiple goods/services provided. Retailers should consider allowing customers to elect that any part payments clear the customer's debt related to electricity supply or distribution services first.
 46. Retailers should, for each customer on a payment plan not unilaterally change the customer's payment plan other than in accordance with the retailer's terms and conditions.
 47. Retailers should work towards having the capability to monitor individual customer consumption, so that:
 - a. if a customer's electricity use rises suddenly and materially other than due to seasonal effects, the retailer makes enquiries with the customer to identify any potential reasons for the increase (e.g. change in household numbers, leaking hot water cylinder) and takes these into account in advising the customer of price plans that would reduce the customer's electricity bill; and
 - b. if a customer's electricity use falls materially over a period of more than one month other than due to seasonal effects, the retailer enquires with the customer whether the customer is doing so due to concerns about payment difficulties, and if so, the retailer takes this into account when advising of lower cost pricing plans offered by the retailer; and
 - c. monitor the customer's debt repayments and electricity usage (noting instalment plans are excluded from electricity usage monitoring) at a frequency appropriate to the payment plan (e.g. monthly monitoring may be appropriate if the payment plan consists of fortnightly payments), and contact the customer, if:
 - i. a part payment has been made, to see whether this indicates the customer is having payment difficulties and that the payment plan should be reviewed; and
 - ii. their usage changes to the extent that the payment plan may no longer be appropriate; and
 - d. communicate with the customer every three months or as often as required to see how the customer is managing the payment plan. If the customer indicates they are having payment difficulties (e.g. taking payday loans to meet payments), the retailer should:
 - i. offer to have a conversation with the customer about what the customer can afford and review the payment plan, and
 - ii. ask for the customer's agreement so the retailer can refer the customer to reputable support/social agencies offering budgeting⁴ and electricity efficiency advice.
 48. Retailers should, within five business days of a customer falling behind in their repayments, contact the customer (being prepared to justify to the customer either why the contact was immediate or why a delay occurred in the contact⁵), and:
 - a. offer to have a conversation with the customer about what the customer can afford and review the payment plan; and
 - b. ask for the customer's agreement to the retailer referring the customer to reputable support/social agencies offering budgeting⁶ and electricity efficiency advice.

For pre-pay customers

49. Retailers should monitor the frequency and duration of disconnections for customers with a prepayment service.

⁴ Noting the retailer is to make sure one of the referred budgeting advice agencies is funded by the Ministry of Social Development.

⁵ Customers' expectations about when the retailer should contact them will vary. Retailers may need to explain to a customer the reason for contacting the customer at that time.

⁶ Noting the retailer is to make sure one of the referred budgeting advice agencies is funded by the Ministry of Social Development.

50. Retailers should liaise with customers whose usage is abnormally low/high or whose prepayment service runs out of credit frequently (e.g. on average one day in seven) or for relatively long durations (e.g. for several days), and:
- a. discuss with the customer options that may reduce or avoid instances of disconnection (e.g. improved energy efficiency and budgeting); and
 - b. offer to refer the customer to a support or social agency, with the aim of ensuring the customer will be able to more consistently maintain their electricity supply.

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Part 7: Progressing to disconnection for non-payment of electricity invoices and reconnection

51. This Part makes recommendations to retailers to take specific actions prior to, at, and following disconnection of customers for non-payment of electricity invoices:
 - a. to notify post-pay customers with debt relating to electricity supply or distribution services about planned disconnection, and
 - b. for disconnection and reconnection of post-pay and pre-pay customers.
52. This Part is relevant to all disconnections carried out for non-payment of electricity invoices regardless of the disconnection method (in-person or remote or prepayment).

Minimum recommended actions

The process for notifying post-pay customers of disconnection for non-payment of electricity invoices and carrying out disconnection

53. Retailers should make sure disconnection, either in-person or remotely, of a post-pay customer for non-payment of one or more electricity invoices is a last-resort measure.
54. Retailers should make sure they have followed the recommendations set out in Part 6 before carrying out the recommended actions in this Part 7.
55. Retailers should commence the notification process for disconnecting a post-pay customer's premises for non-payment of an electricity invoice only if:
 - a. the retailer has the contractual right to disconnect the premises; and
 - b. the retailer has taken all reasonable actions to make sure the customer has exhausted or refused, without good reason, all relevant assistance offered in accordance with Part 6 for paying the debt; and
 - c. the customer is not adhering to a payment arrangement that, over time, is reducing the customer's debt; and
 - d. the retailer has taken all reasonable actions to make sure the customer, or any consumer permanently or temporarily resident at the customer's premises, is not, or may not be, an MDC.
56. Retailers should commence the notification process for disconnecting a post-pay customer's premises for non-payment of an estimated invoice only if, in the retailer's reasonable opinion, the estimated reading is a reasonable estimation of actual consumption and at least one of the following applies:
 - a. a meter reading is not available due to a customer obtaining electricity or distribution services by or involving deception, vandalism, or an issue with the metering installation; or
 - b. the retailer cannot obtain a meter reading without breaching the Health and Safety at Work Act 2015 or causing another person to breach the Health and Safety at Work Act 2015; or
 - c. the customer does not give the retailer, or the retailer's agent, access to a metering installation for the purpose of obtaining a meter reading or carrying out a metering installation repair, replacement or certification over a 40 business day period, and the retailer does not accept a meter reading provided by the customer because:
 - i. the meter reading does not lie within an acceptable range compared with the expected pattern, previous pattern, or trend of consumption; or
 - ii. the meter reading does not relate to that customer; or

- iii. the customer does not provide sufficient information to enable the retailer to identify the meter; or
 - iv. the customer supplies a non-half-hour meter reading when the retailer requires half-hourly meter readings.
57. Retailers should, before disconnecting a post-pay customer's premises for non-payment of an electricity invoice:
- a. satisfy themselves (acting reasonably) that they have made at least five attempts (which includes the three attempts under clause 40) to contact and inform the customer before disconnection, with at least three attempts through the customer's preferred communication channel and a further two attempts through other communication channels (where the retailer offers more than one communication channel), including as appropriate the customer's alternate contact person (where provided); and
 - b. where a traceable form of contact with the customer (eg a messenger application that notifies the sender when a message has been read or a courier letter requiring a signature on receipt) has not been completed, and includes as one of their five attempts a representative visiting the premises to provide a notice of disconnection to the customer in person, with this visit being at least 34 days after the invoice was issued and, for remote disconnections only, at least 10 days prior to disconnection; and
 - c. provide the customer with a final notice of disconnection, either:
 - i. using the customer's preferred communication method, which should be done at least 44 days after the invoice was issued and not less than 24 hours or more than 10 days before disconnection: or
 - ii. via a representative (who may be authorised by the retailer to disconnect the premises either remotely, or in person on that visit) visiting the premises to provide the final notice of disconnection, which should be done at least 44 days after the invoice was issued.
58. For customers on a non-monthly invoice cycle, the timing of each step in paragraph 57 may be proportionally altered to align with the above step durations.
59. Retailers should re-issue a final notice of disconnection to a post-pay customer if the retailer did not disconnect the premises within the timeframe set out in the final notice of disconnection.
60. Retailers should make sure that the content of any notice or final notice of disconnection for non-payment or for non-registration of any premises to which the retailer supplies electricity or distribution services, aims to engage the post-pay customer (or consumer for uncontracted premises) to resolve the issue by containing at least the following information:
- a. the contact details necessary for payment of some, or all, of the debt; and
 - b. payment options available (e.g. smooth pay, redirection of income); and
 - c. details of the retailer's dispute resolution process and the contact details of Utilities Disputes; and
 - d. details of all the charges, fees and penalties that must be paid, if disconnection and reconnection occur, in addition to charges for electricity supply and/or the provision of distribution services; and
 - e. the contact details of Work and Income or other support/social agencies that can help the customer or consumer to pay their electricity invoice; and
 - f. the contact details of one or more reputable budgeting advice agencies (one of which must be funded by the Ministry of Social Development); and
 - g. where to obtain information on applying to have MDC status and a summary of what it means to be an MDC.
61. Retailers should, immediately prior to (e.g. on the day of) disconnecting a post-pay customer's premises or any uncontracted premises, make a reasonable effort (and maintain recorded evidence of those efforts), to contact the customer or the consumer (in respect of uncontracted premises), so the customer or consumer has an opportunity to turn off appliances prior to disconnection that could be problematic when reconnected (e.g. alarms, ovens, or heaters).

62. Retailers should satisfy themselves that any of their representatives who visit a post-pay customer's premises or uncontracted premises for the purpose of contacting the customer about the non-payment of an electricity invoice or to make a disconnection:
- a. make a reasonable effort (and maintain reasonable recorded evidence of those efforts) to contact any customer or consumer at the premises (unless there is a health and safety risk to the representative or the customer or consumer); and
 - b. advise the customer or consumer at the premises to contact the retailer, including, if necessary, provide information to the customer relevant to the customer's or consumer's situation to enable this (e.g. how the customer or consumer can contact the retailer if the customer or consumer has no phone or internet), and informing the customer or consumer that if they make contact with the retailer at any point before disconnection, the retailer should actively work with the customer or consumer to avoid disconnection occurring, even if the customer or consumer has failed to act on prior attempts by the retailer to engage with them; and
 - c. inform the customer or consumer at the premises of reputable support/social agencies offering budgeting⁷ and electricity efficiency advice; and
 - d. make a reasonable effort to ascertain and consider whether there are any reasons why the disconnection should be put on hold (e.g. there is, or may be, a MDC or an unverified MDC at the premises, there is a dispute in progress between the customer and the retailer, or the customer provides reasonable evidence to show they are making genuine efforts to arrange payment of the debt).
63. Retailers should provide a final notice of disconnection to a post-pay customer, or the consumer(s) at any uncontracted premises only after sending an initial notice of disconnection and:
- a. not receiving payment in full, or in accordance with an agreed payment plan, from the customer or consumer, or any other person, for an electricity invoice; or
 - b. not agreeing a payment plan with the customer or consumer and not currently being in a live process/dialogue regarding a payment plan solution.
64. A retailer should authorise the remote disconnection of uncontracted premises where there is no indication of a domestic consumer being in residence only if:
- a. the retailer has no supply contract with a customer for the premises; and
 - b. the meter or disconnection device can safely disconnect and reconnect the premises.

Additional recommendations for uncontracted premises

65. Each retailer should, before disconnecting uncontracted premises where electricity consumption at the premises indicates a domestic consumer is in residence:
- a. upon becoming aware of such electricity consumption at the premises, confirm the premises is not being switched to another retailer (with a switch date effective at the start of the consumer's occupancy); and
 - b. upon becoming aware of such electricity consumption at the premises, issue to the consumer at the premises a notice informing the consumer they must contract with a retailer (the retailer may wish to provide a joining pack to the consumer alongside the notice); and
 - c. at least seven days after the retailer becomes aware of electricity consumption at the premises, re-issue the above notice to the consumer at the premises (the retailer may wish to provide another joining pack to the consumer alongside the notice); and
 - d. where a traceable form of contact with the consumer at the premises (e.g. a representative visiting the premises or a courier letter requiring a signature on receipt) has not occurred, satisfy itself that it has made reasonable efforts to contact the consumer, which should include:
 - i. at least two attempts to contact and inform the consumer at the premises over a period of at least seven days; and
 - ii. a final notice of disconnection at least 14 days after the retailer becomes aware of consumption at the premises; and

⁷ Ensuring that one of the recommended budgeting advice agencies is funded by the Ministry of Social Development.

- a) if the notice is not delivered by a representative, the notice should be provided using a traceable form of contact and should not be less than 24 hours or more than seven days before disconnection; or
 - b) if the notice is delivered by a representative and the premises is vacant or occupied, the disconnection may be carried out either remotely, or in person on that visit; and
 - e. satisfy itself, acting reasonably, that disconnection of the premises will not disconnect an MDC or an unverified MDC.
66. If there is more than one consumer at any uncontracted premises, the retailer may seek to make contact under the above paragraphs with the consumer whom the retailer reasonably considers controls the premises.

When disconnection should not occur

67. Retailers should not disconnect a post-pay customer's premises or uncontracted premises either in-person or remotely, if any of the following apply:
- a. the process set out in this Part 7 has not been followed; or
 - b. at least one verified or unverified MDC permanently or temporarily resides at the premises (see Part 8); or
 - c. the disconnection is to be carried out at a time that would endanger the wellbeing of the customer or any consumer at the premises (e.g. just before nightfall or on a very cold day), or if it would be unreasonably difficult for the customer or consumer to seek rapid reconnection (e.g. after midday on the day before a weekend or public holiday, at night, during a public holiday, during severe weather events, or during a civil emergency); or
 - d. the retailer has not satisfied itself (acting reasonably) that the customer or consumer (in respect of uncontracted premises) received and understood both the notifications of disconnection and the outcome of not responding to the retailer's contact attempts, by:
 - i. a representative of the retailer visiting the premises when it is being disconnected and ensuring the customer or consumer received and understood the notifications of disconnection; or
 - ii. using another method to prove the customer or consumer received and understood the notifications of disconnection; or
 - e. in the case of remote disconnection of the premises, the electricity meter or disconnection device to be used cannot safely disconnect and/or reconnect the premises; or
 - f. the debt does not relate to electricity supply or the provision of distribution services (e.g., it relates to telephone or broadband); or
 - g. when the customer disputes the charges and:
 - i. the customer engages with the retailer's internal dispute resolution process and/or Utilities Disputes; and
 - ii. the dispute is unresolved; and
 - iii. the customer has paid all other charges and parts of any charges that are not disputed (noting the retailer should credit any part-payment to a customer's non-disputed debt first).

The process for reconnection of post-pay customers:

68. Retailers that disconnect premises should reconnect those premises as soon as possible and at no cost, if:
- a. the disconnection was inadvertent; or
 - b. the disconnection of the premises (whether intentional or not) has disconnected an MDC or a person who has made an MDC application.
69. Retailers should restore the electricity supply of a post-pay customer disconnected for either non-payment of debt or obtaining electricity or distribution services by or involving deception as soon as reasonably practicable after the customer has satisfied the (reasonable) requirements for reconnection.

70. Should the retailer that supplies electricity to premises disconnect a post-pay customer for non-payment of debt, the retailer should:
- a. continue to be responsive if the customer contacts the retailer seeking further assistance and information on reconnection; and
 - b. if the customer is still contracted to the retailer and has not reconnected within five business days, contact the customer to see how they are living without power and to revisit support options available to the customer, including reputable support/social agencies offering budgeting⁸ and electricity efficiency advice.
71. A retailer should not authorise or carry out remote reconnection of a post-pay customer's premises unless the retailer has satisfied itself (acting reasonably) that the premises can be safely reconnected remotely (e.g. ovens and heaters are turned off).
72. Following the reconnection of post-pay customers who are disconnected for non-payment of debt, retailers should:
- a. undertake the recommended actions in Part 6 (where appropriate); and
 - b. monitor the customer's debt repayments to understand trends, issues and opportunities for the customer's credit position with the retailer to be improved.

The process for disconnection of pre-pay customers:

73. If a retailer has met the expectations of these guidelines, a disconnection resulting from a prepayment service running out of credit is not considered a disconnection for non-payment. This is because the customer has understood and accepted the risks associated with being on a prepayment service where disconnection will occur if the prepayment service runs out of credit.
74. Retailers should make sure disconnection by a prepayment service running out of credit occurs only when:
- a. the prepayment service allows a disconnection. Prepayment services should make sure that disconnection occurs only at a time:
 - i. that does not endanger the wellbeing of the customer or any consumer at the premises (e.g. just before nightfall, or on a very cold day); and
 - ii. at which it would be reasonably easy for the customer to seek rapid reconnection (e.g. not after midday on the day before a weekend or public holiday, not at night, not during a public holiday, not during severe weather events, not during a civil emergency),
 - b. the prepayment service can safely disconnect and reconnect the premises,
 - c. the debt relates to the supply of electricity or the provision of distribution services (it does not, for example, relate to telephone or broadband), and
 - d. both the following apply:
 - i. the customer has not disputed the charges through the retailer's internal dispute resolution process and/or Utilities Disputes; and
 - ii. if the customer has disputed the charges, the customer has not paid all other charges and parts of any charges that are not disputed (noting the retailer should credit any part-payment to a customer's non-disputed debt related to electricity supply or distribution services first).
75. Retailers should make sure their service level agreements with metering equipment providers require the metering equipment provider to identify and report self-disconnection of advanced metering infrastructure meters used in the provision of prepayment services.

The process for reconnection of pre-pay customers:

76. Retailers should ensure that reconnection of a prepayment service occurs as soon as reasonably practicable, but no more than 30 minutes, after the customer has purchased credit.

⁸ Ensuring that one of the recommended budgeting advice agencies is funded by the Ministry of Social Development.



Part 8: Additional recommendations for medically dependent consumers

77. This Part makes recommendations to retailers to take specific actions when supplying domestic premises where medically dependent consumers permanently or temporarily reside.
78. These recommendations are additional to the recommendations set out in each of the preceding Parts of these guidelines.
79. This Part aims to make sure MDCs are identified and recorded as early as practicable, and to make sure MDCs are not disconnected for either non-payment of an electricity invoice, or, the customer obtaining electricity or distribution services by or involving deception.

Minimum recommended actions

Information and records relating to consumer care

80. Retailers should have and use processes and systems to request and record sufficient information on MDCs to make sure, as far as practicable, that no premises at which an MDC permanently or temporarily resides are disconnected for reasons of non-payment of a debt to the retailer, or the customer obtaining electricity or distribution services by or involving deception, in particular:
 - a. Information on whether a customer or a consumer permanently or temporarily resident at the customer's premises:
 - i. is potentially medically dependent; and
 - ii. is verified as medically dependent via a HP Notice completed by a health practitioner with an appropriate scope of practice;⁹ and
 - b. If a customer or a consumer permanently or temporarily resident at the customer's premises is or could be an MDC, the retailer should collect the following information:
 - i. the name of the actual/unverified MDC; and
 - ii. the name of the actual/unverified MDC's GP; and/or
 - iii. where it has occurred, the name of the health practitioner with an appropriate scope of practice who has verified the customer or consumer as medically dependent by completing a valid HP Notice; and
 - iv. where it has occurred, the date on which the valid HP Notice was issued, and any review or termination date contained in the HP Notice.
81. Retailers should, for MDCs and unverified MDCs who are a customer of the retailer, have and use processes and systems to request and record information on the communication and invoicing preferences of the MDC/unverified MDC in accordance with Part 3 of these guidelines.
82. Retailers should, for MDCs and unverified MDCs who are not a customer of the retailer but are permanently or temporarily resident at the premises of a customer of the retailer, have and use processes and systems to request and record information on the communication preferences of the customer or the customer's alternate contact in accordance with Part 3 of these guidelines.
83. Where an MDC who is not a customer, or an unverified MDC who is not a customer, has nominated:

⁹ As that term is defined in section 5 of the Health Practitioners Competence Assurance Act 2003.

- a. an alternate contact as the primary contact, the retailer should initially contact the MDC/unverified MDC via the alternate contact, and only revert to contacting the MDC / unverified MDC directly if the retailer cannot contact them via the alternate contact; and/or
- b. a support person, the retailer should contact the MDC/unverified MDC directly.

When a customer signs up or is denied a contract

84. Retailers should:
- a. seek to make sure customers understand and agree to the obligation (if created via the retailer's terms and conditions) to inform the retailer if the customer, or a consumer permanently or temporarily resident at the customer's premises, is an MDC; and
 - b. have a process to confirm MDCs are verified as medically dependent via a HP Notice completed by a health practitioner with an appropriate scope of practice, noting retailers may choose to verify a customer's MDC status if the customer falls into payment arrears.
85. If a customer or a consumer permanently or temporarily resident at the customer's premises is an MDC, retailers should advise the customer that the supply of electricity cannot be guaranteed and that the MDC needs to develop an individual emergency response plan to use during any electricity outages.
86. Retailers should not proactively recommend a prepayment service to a customer if the customer, or a consumer permanently or temporarily resident at the customer's premises, is an MDC.
87. Retailers may agree to providing a prepayment service for the premises of an MDC, if requested to do so by the customer at the premises. This is to avoid discriminating against MDCs wanting a prepayment service. However, the retailer should suggest the MDC first discusses the prepayment service option with their health practitioner.
88. If a prepayment service is provided at premises where an MDC permanently or temporarily resides, the retailer should make sure the MDC understands the risk of there being no electricity supply if the prepayment service runs out of credit.

Business-as-usual account management

89. Retailers should use reasonable endeavours to make sure:
- a. their service level agreements with distributors require the distributor to:
 - i. for a planned electricity outage or disconnection, coordinate with retailers if retailers notify the distributor of any MDCs on the distributor's network; and
 - ii. not vary the time or date of a planned electricity outage or disconnection without conferring with the retailers whose MDC customers are affected; and
 - b. their service level agreements with metering equipment providers require the metering equipment provider to, subject to health and safety requirements:
 - i. not disconnect a retailer's customer without the express consent of the retailer; and
 - ii. not vary the time or date of a consented disconnection.
90. Retailers may, at their discretion and subject to the customer's agreement, allocate the status of MDC to a customer who may be medically dependent or to the customer's premises if a consumer who permanently or temporarily resides there may be medically dependent. The retailer's view may be based on information gathered under these guidelines, provided by an unverified-MDC, the customer, a consumer permanently or temporarily resident at the customer's premises, or a third party.
91. Retailers should make all reasonable efforts to contact, as soon as practicable, a customer, or a consumer permanently or temporarily resident at a customer's premises, who the retailer believes could be an MDC, to obtain an application, in any form, for MDC status from the customer or the consumer.
92. Retailers should, upon receipt of an application for MDC status from a customer or a consumer permanently or temporarily resident at the customer's premises:
- a. confirm the retailer is responsible for supplying electricity or providing distribution services to the premises; and

- b. if the retailer is responsible for supplying electricity or providing distribution services to the premises:
 - i. ask for the unverified-MDC's consent to record and hold relevant information relating to the MDC application and to advise the relevant electricity distributor and MEP of relevant information (since these parties can disconnect the unverified-MDC's premises); and
 - ii. put in its records the application for MDC status; and
 - iii. confirm that the unverified-MDC is permanently or temporarily resident at the premises; and
 - iv. ask the unverified-MDC for a valid HP Notice if one has not been provided with the application for MDC status; and
 - v. where applicable, confirm the validity of the HP Notice held by the unverified-MDC; and
 - vi. if the unverified-MDC's consent has been given, advise the relevant distributor and MEP of the application at the time of receipt and at the time of approval, using standard New Zealand electricity industry protocols.
93. Retailers should, if they are not responsible under the Code for the premises an unverified-MDC permanently or temporarily resides at:
 - a. make reasonable attempts to determine who the current retailer is for the premises and advise the unverified-MDC of the retailer's name and contact details; and
 - b. encourage the unverified-MDC to contact the appropriate retailer as soon as practicable.
94. Retailers may, if an unverified-MDC does not provide a valid HP Notice verifying MDC status, after a period of at least 21 business days after making a request under paragraph 92.b.iv:
 - a. request the valid HP Notice from the DHB, private hospital, GP or health practitioner the unverified-MDC says provided the HP Notice if the unverified-MDC has provided appropriate consent and contact details; or
 - b. if the unverified-MDC has not provided appropriate consent or contact details, advise the unverified-MDC they should obtain the valid HP Notice from the relevant health practitioner that issued the HP Notice as soon as practicable.
95. Retailers should advise unverified-MDC's who do not agree to the retailer recording and holding information relevant to the application and/or HP Notice, or who do not provide a valid HP notice within the time frame set out in paragraph 92:
 - a. that the retailer may not treat the unverified-MDC as an MDC/unverified MDC; and
 - b. that the unverified-MDC should, as soon as practicable, inform the relevant health practitioner that the retailer may not treat the unverified-MDC as an MDC/unverified-MDC.
96. Retailers should advise an unverified-MDC that their application has not been approved if, within a period of at least 21 business days of a retailer making a request, the unverified-MDC does not respond to queries from the retailer sent via the agreed method of communication between the retailer and the unverified-MDC.
97. Retailers should, if the HP Notice for a customer, or a consumer permanently or temporarily resident at the customer's premises, is not current or is potentially invalid, have and follow a process to review and confirm the MDC status of the customer or consumer.
98. Retailers may choose to confirm the validity of a HP Notice verifying a customer or a consumer permanently or temporarily resident at the customer's premises as medically dependent. This should be no more frequently than once every 12 months unless the HP Notice is valid for less than 12 months or has no expiry date on its validity or the retailer, acting reasonably, has good reason to believe an MDC should not have MDC status.
99. Retailers should explain to an unverified-MDC that the unverified-MDC and retailer each pay their own costs associated with the unverified MDC gaining MDC status, unless a retailer wishes to confirm or reconsider the MDC status of a customer, or a consumer permanently or temporarily resident at a customer's premises where the HP notice has not expired. In that case, the retailer

should reimburse the customer or consumer for the reasonable costs incurred if the retailer confirms the customer's or consumer's MDC status.

100. Retailers that do not agree an MDC or an unverified-MDC is medically dependent should inform the MDC/unverified-MDC of the retailer's view and:
- a. advise the MDC/MDC applicant of the dispute process the MDC/unverified-MDC may follow, including:
 - i. making a complaint to the retailer through the retailer's dispute resolution process; and
 - ii. making a complaint to Utilities Disputes if the MDC/unverified-MDC considers its dispute remains unresolved following the conclusion of the retailer's dispute resolution process; and
 - b. if a complaint is made, treat the premises where the MDC/unverified-MDC permanently or temporarily resides as housing an MDC for at least the duration of the dispute concerning the MDC's/unverified-MDC's status as an MDC.

No disconnection for reasons of non-payment or for electricity or distribution services obtained by or involving deception

101. Retailers should:
- a. make all reasonable efforts to confirm whether an MDC or unverified MDC is permanently or temporarily resident at a customer's premises which the retailer intends to disconnect, and
 - b. not disconnect a post-pay customer's premises for non-payment of debt even where electricity or distribution services were obtained by deceptive means if an MDC or unverified MDC is permanently or temporarily resident at the premises, including where the customer or a consumer permanently or temporarily resident at the premises:
 - i. has been confirmed as medically dependent by the retailer; and
 - ii. has applied to the retailer for MDC status.

Disconnection in event of an emergency situation

102. Distributors undertaking a disconnection of a domestic premises in an emergency should, if practicable and if there is sufficient time, proceed with the disconnection only if:
- a. no persons are at the premises or the distributor receives no response to its reasonable attempts to contact persons at the premises during the distributor's onsite visit; and
 - b. the distributor has advised any MDCs at the premises of the reason for the disconnection and has advised any such MDCs to enact their individual emergency response plan.

Part 9: Fees and bonds

103. This Part makes recommendations to retailers concerning fees, bonds and setting them so that they reflect reasonable costs.
104. In the context of these guidelines, a fee is a charge that a retailer places on a customer for a specific electricity offering other than the electricity supplied or the distribution services provided to the customer. Examples include a break fee for a fixed term contract or an administrative fee at disconnection or reconnection.
105. A conditional discount can, in some circumstances, also act as a fee (e.g. a prompt payment discount, or a discount for payment via direct debit or paperless transactions) because the customers who do not meet the conditions for the discount pay a higher amount for the electricity supplied or distribution services provided.
106. A bond is an upfront payment of a lump sum to provide security to retailers. In the case of non-payment by a customer, a retailer may use that customer's bond to recover debt.
107. These guidelines do not restate the fees-related recommendations set out in the Authority's *'Voluntary good contracting principles and minimum terms and conditions for domestic contracts'*.¹⁰

Minimum recommended actions

108. Retailers should, in their consumer care policy, provide information on all fees, conditional discounts and bonds charged or made available to customers, even if the retailer has published them elsewhere on its website.
109. Retailers should make sure that:
- fees are charged only for goods or services used by a customer that are additional to the supply of electricity or the provision of distribution services; and
 - they have satisfied themselves (acting reasonably) that before charging for a good or service that is additional to the supply of electricity or the provision of distribution services, the customer understands the amount of the fee; and
 - if a retailer determines a fee by a particular method or calculation (such as a fee calculated by reference to an hourly rate), this is explained in advance, and included in the retailer's consumer care policy; and
 - any fees set via a method or calculation should include a stated maximum limit; and
 - customers understand the amount of any conditional discount and how a customer can receive that conditional discount.
110. Retailers should make sure all fees or conditional discounts charged under this Part are reasonable, taking into account the following (as applicable):
- a fee should only be charged to those customers who are the recipient of a specific good or service that is additional to the supply of electricity or the provision of distribution services and not to other customers; and
 - all fees should bear a proper relation to the cost of providing the good or service; and
 - a fee that cross-subsidises the provision of other goods or services or other groups of customers should be avoided, unless to do so would hinder the achievement of the purpose of these guidelines. Fees should:

¹⁰ Refer to paragraph 5.4 of the document *'Final Principles and Minimum Terms and Conditions for Domestic Contracts for Delivered Electricity (Interposed)'*, available on the Authority's website at <https://www.ea.govt.nz/assets/dms-assets/17/17876Principles-and-minimum-terms-and-conditions-for-domestic-contracts-for-delivered-electricity-Interp.PDF>.

- i. strike an appropriate balance between precision, and administrative and practical efficiency; and
 - ii. not be used to offset the cost of future recipients of the good or service; and
 - iii. not attempt to recover any deficit that may have arisen because of previous under-recovery
 - d. conditional discounts should be cost-reflective of the cost to the retailer of a customer not meeting the conditions for the discount, and take into account the extent to which the retailer's practices (e.g., a failure to facilitate the customer being on the retailer's tariff that is most appropriate to the customer's circumstances) have contributed to the need for the fee or conditional discount.
111. With the exception of a final invoice from a retailer, if a fee charged to a customer is over 20% of the customer's average monthly cost during the past 12 months (or the number of months since the customer joined the retailer if this number is less than 12) (e.g., the customer has agreed to a significant reconfiguration of their metering installation or the customer is on a weekly billing cycle), the retailer should allow the customer to spread the fee over a period of at least five months so that the fee charged for each month does not exceed 20% of the customer's average monthly cost.
112. Retailers should consider the Commerce Commission's guidance on unfair contract terms, including regarding break fees, under the Fair Trading Act 1986. Retailers must also make sure that they do not, using break fees or any other fees, breach the provisions of the Code which prohibit save and win-back approaches.
113. A bond should be set at a level that is reasonable taking into account a customer's expected invoice amount for a billing cycle.
114. A bond should usually be refunded after 12 months of the customer paying all invoices on time. The 12-month period should only be extended if the retailer has experienced non-payment issues with the customer during the 12-month period.



Part 10: Information disclosure and monitoring

115. This Part makes recommendations to retailers concerning information disclosure to enable better monitoring of alignment and outcomes.
116. The purpose of this information disclosure is to give the Authority and interested parties sufficient information to assess retailers' alignment with the guidelines' recommendations and intended outcomes.
117. Information provided to the Authority under this Part should be in the format and using the method set out in the document titled 'Practice Note #1: Information Disclosure'.

Recommended actions:

Information delivery to the Electricity Authority

118. Retailers should, by no later than the due dates noted below, deliver to the Authority the recommended information, in the format and using the method advised by the Authority from time to time.
119. The guidelines recommend delivery to the Authority of the information set out below. This information should be complete and accurate at the time of delivery.
120. The Authority may:
- query a retailer on the accuracy of the information received from the retailer; and
 - publish information in a singular or aggregated form, as set out below, any of the information received from retailers.
121. Retailers should refer to the "consumer care information disclosure practice note" for details of the information to be provided.

Consumer care policy

122. Commencing with the period 1 July 2021 to 30 June 2022 each retailer should provide to the Authority by 31 July for the preceding 12-month period ending 30 June the consumer care policies in effect during the 12-month period under review, clearly identifying which is the most recent in instances where more than one were in effect.
123. The Authority may publish:
- each retailer's consumer care policy; and
 - the names of those retailers that did or did not provide a copy of their consumer care policies.

Initial alignment plan

124. Retailers should, by no later than 31 July 2021, provide an 'alignment plan' to the Authority that sets out how and when the retailer plans to align its processes and practices with these guidelines.
125. The Authority may publish:
- each retailer's alignment plan; and
 - the names of those retailers that did or did not provide a copy of their alignment plan.
126. In addition to paragraphs 124 and 125, any retailer that is not fully aligned with the new guidelines by 31 December 2021 should set out the reasons that it cannot align in a letter provided to the Authority by 31 December 2021. The Authority may publish those letters.

Annual alignment statement

127. Commencing with the period 1 July 2021 to 30 June 2022, each retailer should provide to the Authority by 31 July for the preceding 12-month period ending 30 June a consumer care annual alignment statement, signed by the Chief Executive Officer (or an equivalent), that:
 - a. confirms alignment with the guidelines during the past 12 months, and whether alignment has been achieved by following the guidelines' recommendations, or by taking alternative actions which achieve the intended outcomes set out in Part 1; or
 - b. describes the extent to which alignment with the guidelines has been achieved, and where alignment has not been achieved explains the reason for this and describes a plan and a commitment to achieve alignment; and
128. The Authority may assess alignment of each retailer's annual alignment statement with the guidelines' recommendations and customer outcomes and publish:
 - i. each retailer's annual alignment statement; and
 - ii. the names of those retailers that did or did not provide these documents; and
 - iii. a review of each retailer's annual alignment statement or a review of retailers' annual alignment statements in aggregate.

Quarterly monitoring information

129. Commencing with the period 1 July 2021 to 30 September 2021 each retailer should provide to the Authority by no later than the end of each month following each quarter of each year, quarterly monitoring information in the format set out in the "consumer care information disclosure practice note".
130. Information provided should be complete and accurate, it should be revised if the retailer subsequently realises that it is inaccurate.
131. The Authority may:
 - a. assess alignment of each retailer's quarterly monitoring information with its consumer care policies and annual alignment statement; and
 - b. publish:
 - i. the names of those retailers that did not provide monitoring information; and
 - ii. a review of all retailer's monitoring information in aggregate.



Appendix A Glossary

alternate contact person means any person who has been authorised by a customer, or an MDC who permanently or temporarily resides at a customer's premises, to operate as either the primary contact person for the customer or the MDC or as an alternate contact person if a retailer is unable to contact the customer or MDC. The alternate contact person must be independent of the retailer that contracts with the customer.

Authority means the Electricity Authority, being the Crown entity established under section 12 of the Electricity Industry Act 2010 to promote competition in, reliable supply by, and the efficient operation of, the electricity industry for the long-term benefit of consumers.

Code means the Electricity Industry Participation Code 2010.

customer means a person who has entered into a contract with a retailer for the supply of electricity, other than for resupply, and/or the provision of distribution services, where the electricity supplied to the customer's premises is used fully or partly for domestic uses.

consumer means an end user of electricity and distribution services used fully or partly for domestic purposes.

DHB means a district health board.

disconnection means electrical disconnection under the Code.

distribution services mean the conveyance of electricity on lines, as defined in the Electricity Industry Act 2010, by a distributor.

distributor has the meaning given to it in section 5 of the Electricity Industry Act 2010.

GP means general practitioner.

health agency refers to the Ministry of Health and any DHB, private hospital, GP or health practitioner with an appropriate scope of practice as that term is defined in section 5 of the Health Practitioners Competence Assurance Act 2003.

health practitioner or **HP** means a person who is, or is deemed to be, registered with an authority as a practitioner of a particular health profession, provided the authority is a body corporate appointed, by or under, the Health Practitioners Competence Assurance Act 2003, as the body that is, in accordance with the Health Practitioners Competence Assurance Act, responsible for the registration and oversight of practitioners of a particular health profession.

HP Notice means a notice completed by a health practitioner with an appropriate scope of practice, as that term is defined in section 5 of the Health Practitioners Competence Assurance Act 2003, which verifies that a person is a medically dependent consumer. The standard form of HP Notice is available on the Authority's website.

individual emergency response plan (IERP) means a plan an MDC has in place to respond to any electricity outage. Such a plan will be particular to the MDC, and may range from ensuring that a stand-by battery is always fully charged, to relocating to a friend's or family member's premises which has electricity at that point in time, or even calling an ambulance to be taken to hospital.

An MDC's support person(s) included in the IERP should be aware of this and have their contact details included in the IERP.

An IERP template is available on the Authority's website. The Ministry of Health has also provided the IERP template to DHBs so that medical staff can advise MDCs on completing the IERP at the time when the MDC is given the medical or other electrical equipment needed for critical medical support.

medically dependent consumer (MDC) means a consumer, whether a customer of a retailer or a consumer permanently or temporarily resident at a customer's premises, who depends on mains electricity for critical medical support, such that loss of electricity may result in loss of life or serious harm. For the avoidance of doubt, medical dependence on electricity could be for use of medical or other electrical equipment needed to support the treatment regime (e.g. a microwave to heat fluids for renal dialysis).

reconnection means electrical connection under the Code.

support agency means a non-government agency that offers assistance to low-income consumers or consumers facing payment difficulties, including in relation to budgeting, financial assistance, energy efficiency, and counselling.

support person means any person authorised by a customer or an MDC who permanently or temporarily resides at a customer's premises, to assist the customer or MDC with any issues related to the customer's electricity supply or use of distribution services, provided any support person is independent of the retailer contracting with the customer.

social agency means a government agency with a statutory function or role to assist low income consumers or consumers facing payment difficulties.

payment plan refers to the arrangement a customer has with their retailer for payment of electricity or distribution services provided to the customer and related services provided to the customer under their contract with the retailer.

post pay refers to a pricing plan where the retailer charges the customer for electricity consumed after the customer has consumed electricity.

prepay refers to a pricing plan that requires a prepayment service and is where the customer pays the retailer for electricity to be consumed, before the customer consumes it.

prepayment service is a service that uses an electricity meter with a prepayment mode or a system integrated with an electricity meter with a prepayment mode, to effect a disconnection when a customer's pre-paid credit expires. This definition does not include pay-ahead pricing plans, which are pricing plans for which a regular contribution is paid to a retailer by the customer, with the retailer managing 'unders and overs'. Although an excessive negative credit balance may ultimately result in the customer being disconnected, the decision to disconnect is a decision that must be made by the retailer (rather than automatically occurring via the electricity meter).

pricing plan refers to the set of prices, rates and fees a retailer charges a customer for electricity or distribution services provided to the customer and related services provided to the consumer under their contract with the retailer.

retailer has the meaning given to it in section 5 of the Electricity Industry Act 2010.

uncontracted premises means a premises the retailer responsible for supplying electricity, or is providing distribution services to the premises, but for which the retailer does not have, or, as far as the retailer is aware, no other retailer has, a contract with a customer.

unverified MDC means:

- (a) a person who has applied for MDC status but a decision on the application has not yet been made in accordance with Part 8 by the retailer to whom the application was made; or
- (b) a person whom a retailer believes could be an MDC, unless the retailer has made reasonable efforts to contact the person in accordance with paragraph 91 and the person has not made an application for MDC status.