

# Raising awareness of regulated dispute resolution service and prescribed plan comparison websites

---

**Guiding Principles**  
Information paper

15 January 2020



# Contents

1	Introduction	iii
2	Principles when providing clear and prominent information to consumers (clause 11.30A)	4
	Principle 1: Communication should be prominent	4
	Principle 2: Communication should be clear	5
	Principle 3: Communication should be consistent	5
	Principle 4: Communication should be simple	5
	Principle 5: Communications should be appropriate	6
3	Clarification of scope when providing clear and prominent information	7
	Items where the principles should be applied	7
	Items where the principles may not need to be applied	8
	Clarification on expectations of timeframes to align with principles	10
	Glossary of abbreviations and terms	11

## Tables

Table 1:	Principles when providing information on Powerswitch and Utilities Disputes	4
Table 2:	In scope for providing clear and prominent information	7
Table 3:	Out of scope for providing clear and prominent information	8

# 1 Introduction

- 1.1 The Authority is proposing to amend the Code to require retailers and distributors that bill consumers directly (distributors) to provide clear and prominent information on their websites and all-consumer communications about Utilities Disputes and Powerswitch.
- 1.2 The proposed Code amendment will improve competition and efficiency in the electricity industry by supporting increased consumer awareness of the tools available to help empower consumers to make choices and act.
- 1.3 To help retailers and distributors understand these requirements and improve consumer awareness of Utilities Disputes and Powerswitch, the Authority has developed guiding principles.
- 1.4 These principles are designed to be technology neutral and should be applied to all forms of communication from retailers and distributors.
- 1.5 This document outlines the underlying principles for retailers and distributors should have regard to when providing clear and prominent information on their websites and in customer communications.
- 1.6 Communications should be:
  - prominent
  - clear
  - consistent
  - simple
  - appropriate
- 1.7 This document also provides clarification on:
  - scope of communications
  - timeframes and expectations
- 1.8 In addition to the guiding principles, this document also includes examples of how the principles can be applied, guidance on the scope of communications, and expectations around transitioning to compliant consumer communications.

## 2 Principles when providing clear and prominent information to consumers (clause 11.30A)

2.1 The Authority has identified five principles that retailers and distributors should consider when providing clear and prominent information to consumers.

**Table 1: Principles when providing information on Powerswitch and Utilities Disputes**

Principle	Description
Communication should be prominent	The information should be visible to the consumer as soon as they access the communication.
Communication should be clear	The information should be easily identifiable to the consumer as relating to the Powerswitch and Utilities Disputes services.
Communication should be consistent	The information and message should be consistent across the different forms of communication produced by the retailer or distributor.
Communication should be simple	The information should be short and where possible graphical in nature.
Communication should be appropriate	The type and way information is provided should be appropriate for the situation and manner of communication.

Source: Electricity Authority

### **Principle 1: Communication should be prominent**

2.2 Prominent communication means the information is presented to the consumer as soon as they access the information, without needing to investigate further.

2.3 It is important for the communication about the dispute resolution scheme identified under clause 3 of Schedule 4 of the Electricity Industry Act 2010 (currently Utilities Disputes) and Powerswitch to be prominently displayed so it can be recognised by consumers, giving them the option to investigate further.

2.4 For example, the information should be available:

- (a) on the front page of a website without needing to scroll or click further
- (b) in emails, letters, pamphlets, invoices and other printed material without the consumer needing to read past the key messages, preferably on the first page
- (c) in any introductory message when calling (or being transferred to) a call centre.

2.5 Information does not have to be so prominent that it overshadows the key purpose of the communication. For example, it is not necessary for information to be more prominent than the retailer or distributor's logo on the invoice (or e-mail containing the invoiced amount).

### **Principle 2: Communication should be clear**

2.6 Clear communication means the information about Utilities Disputes and Powerswitch is easily identifiable.

2.7 For example, in communications containing information about complaints or disputes, Utilities Disputes details should be provided with an explanation about how it can investigate unresolved complaints.

2.8 It is important for information about Utilities Disputes and Powerswitch to be clear so that consumers know the information relates to Utilities Disputes and Powerswitch and should include a description of the services they provide. This will enable the consumer to make an informed decision whether to pursue these services further.

2.9 For example:

- (a) Powerswitch, a free service to help you decide which energy plan and company is right for you
- (b) Utilities Disputes, a free and independent dispute resolution service for unresolved complaints.

2.10 At a minimum, clear information should include:

- (a) basic information on the services (name, purpose)
- (b) contact details, such as URL to the website and a telephone number.

2.11 The information may go into further detail (especially on a website, where there is space for more detail) and may include a link on the front page to a more detailed section.

2.12 For example, there may be a more detailed section on your complaints processes and escalation points that the consumer should try before contacting Utilities Disputes.

### **Principle 3: Communication should be consistent**

2.13 Consistent communication means the information should be internally consistent across all forms of communication within the retailer or distributor.

2.14 This will reduce consumer confusion as they communicate with retailers and distributors across various forms of their communication.

2.15 For example, if a retailer is using a formal tone to describe the Utilities Disputes and Powerswitch services, this tone should be consistent across all forms of communication.

2.16 If the retailer or distributor uses multiple languages in its communications, then the Utilities Disputes and Powerswitch information should also be in those same languages.

### **Principle 4: Communication should be simple**

2.17 Simple communication means the message should be short and to the point.

2.18 The consumer should not be required to understand complex concepts or to spend time analysing the message.

2.19 For example, messaging referring to the Electricity Industry Act 2010 or the Electricity Industry Participation Code 2010 are unlikely to be easily understood by consumers.

2.20 An informative logo with a URL, telephone number and key message is an example of simple communications.

**Principle 5: Communications should be appropriate**

2.21 Communications should be appropriate to the situation.

2.22 This principle recognises there are situations where it is not practical or possible to provide clear and prominent information to consumers.

2.23 For example, it may not be appropriate to include this information in every text message a retailer sends to consumers, however it may be appropriate to include information on Utilities Disputes and Powerswitch via text communications on a less frequent basis.

2.24 Where it is not practical to provide full information on Powerswitch or Utilities Disputes, alternative mechanisms to direct consumers to this information may be appropriate.

### 3 Clarification of scope when providing clear and prominent information

3.1 The purpose of this section is to provide clarification on the application of these principles in achieving the objective of increased consumer awareness of Utilities Disputes and Powerswitch websites.

#### **Items where the principles should be applied**

3.2 The following items should be considered when applying the principles to communications.

---

**Table 2: In scope for providing clear and prominent information**

Item	Clarification
Distributors who direct bill consumers for line function services	Distributor communication with consumers billed directly are considered in scope.
Directed communications	Directed communications are in scope. For example, publicly accessible offices (including temporary offices) are in scope as are door to door communications and addressed letters. Also includes website and apps or other software.
Consumers	All consumer communications are considered in scope, not just customers the retailer or distributor has a contractual relationship with.
Agents acting on behalf of the retailer or distributor	Agents acting on behalf of or representing the retailer or distributor also need to comply.

Source: Electricity Authority

---

#### ***Distributors who direct bill consumers***

3.3 The Authority expects distributors that interface with consumers (particularly residential consumers who are not resourced to be aware of the Powerswitch or Utilities Disputes services) to provide clear and prominent information about Utilities Disputes and Powerswitch on all its communications.<sup>1</sup>

3.4 This includes providing information to consumers that may interface at the distributor's offices.

3.5 The Authority expects all distributor's websites to include clear and prominent information on the Powerswitch and Utilities Disputes services.

---

<sup>1</sup> Excluding distributors that only direct bill a small number of consumers who have a connection to the distributor's network containing metering installations of metering category 4 or 5.

### ***Directed communications***

- 3.6 The Authority considers that any directed communication must provide information on Utilities Disputes and Powerswitch. This includes communications such as personally addressed letters and e-mails as well as door to door sales (except where there is no enduring interaction with the customer), within offices and within consumer focussed apps.
- 3.7 If at any point the retailer or distributor (including their representatives) is interacting with a consumer one-on-one regarding electricity related matters, there should be the opportunity for the retailer or distributor to provide information on Utilities Disputes and Powerswitch.

### ***Consumers***

- 3.8 The Authority considers it is more beneficial for all consumer communications to be covered, not just customer interactions.
- 3.9 This includes situations where the consumer is not a customer, for example someone who is looking to contract with the retailer but has not yet done so, or someone who has a complaint about a retailer of which they are not a customer.

### ***Agents***

- 3.10 Organisations engaged by retailers and distributors to interact with the customer should follow these principles and it is the participant's responsibility to ensure that their agent complies with all relevant legislation, including the Code.
- 3.11 This includes situations where the retailer has engaged an agent for customer acquisition or has provided contact details to enable the metering equipment provider to arrange access to a site.

### ***Items where the principles may not need to be applied***

- 3.12 The following items do not need to be considered when applying the principles to communications.
- 3.13 This does not prohibit participants from applying these principles to communications if they choose to.

---

**Table 3: Out of scope for providing clear and prominent information**

<b>Item</b>	<b>Clarification</b>
General communications	General (non-targeted, non-personally addressed) communications are out of scope. For example, television advertising campaigns or leaflet drops.



Item	Clarification
Non-electricity related communications	<p>Communications that do not involve the electricity sector are out of scope. For example, communication about a consumer's broadband connection or provision of gas services.</p> <p>These communications should still comply with all requirements relevant to their industry sector, such as the Utilities Disputes scheme rules, Gas Act 1992 and Fair Trading Act 1986.</p>
Grid Owner	<p>Grid owner communications with consumers and the grid owner's website is considered out of scope.</p> <p>The Authority encourages the grid owner to put some prominent information about Utilities Disputes on its website and social media pages, as many consumers interact with these pages.</p>
Communications from distributors to direct-billed major customers	<p>Distributors who only direct bill and interact with a small number of high value major customers are not expected to apply these principles to their interactions with those major customers.</p> <p>A high value major customer will have a connection to the distributor's network containing metering installations of metering category 4 or 5.</p>

Source: Electricity Authority

***Communications from distributors to direct billed major customers***

- 3.14 For clarity, even though most distributors invoice a small number of large consumers directly, these distributors should not be required to provide information on Utilities Disputes and Powerswitch in those communications. However, the Authority expects all distributor's websites to include clear and prominent information on the Powerswitch and Utilities Disputes services.
- 3.15 The Authority considers the size and scale of these major customers means they are well resourced to manage complaints and switching and will have a higher than average awareness of the Utilities Disputes and Powerswitch schemes. The Authority considers there will be no material benefit in these distributors providing this information in customer communications.
- 3.16 For clarity, if a distributor directly bills other consumers (such as residential consumers) then they should comply with these principles for all communications, including those to major customers.

### **Clarification on expectations of timeframes to align with principles**

- 3.17 The Authority expects affected participants to implement these principles as soon as possible. However, the Authority expects that for some communication materials this may take some time, particularly where there is a need to consume existing printed stock before it can be updated to align with the principles.
- 3.18 The Authority expects participants to be fully aligned with these principles within six months of the Code amendment coming into force.

## Glossary of abbreviations and terms

<b>Act</b>	Electricity Industry Act (2010)
<b>Authority</b>	Electricity Authority
<b>Code</b>	Electricity Industry Participation Code (2010)
<b>Consumer</b>	A person who is supplied electricity for consumption
<b>Customer</b>	A person who purchases or has agreed to purchase electricity from a retailer
<b>EPR</b>	Electricity Price Review
<b>Powerswitch</b>	Energy plan comparison service
<b>Utilities Disputes</b>	Electricity industry dispute resolution scheme identified under clause 3 of Schedule 4 of the Act