

# Raising consumer awareness of Utilities Disputes and Powerswitch services – Summary of Submissions

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1 September 2020



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# 1 Overview of the consultation and consumer engagement

## **Raising consumer awareness of Utilities Disputes and Powerswitch services - Consultation paper**

- 1.1 On 21 January 2020 the Electricity Authority (Authority) published a consultation paper titled Raising consumer awareness of Utilities Disputes and Powerswitch services - Consultation paper.<sup>1</sup> This consultation paper sought feedback on:
- (a) a proposal to amend the Electricity Industry Participation Code (Code) to require retailers and distributors that bill directly for line function services to provide clear and prominent information about the dispute resolution service (currently Utilities Disputes) and the Authority prescribed electricity plan comparison service (currently Powerswitch)
  - (b) guiding principles to help retailers and distributors understand this requirement and improve consumer awareness.
- 1.2 The proposed Code amendment aimed to address the problems of:
- (a) low consumer awareness of Utilities Disputes
  - (b) consumers wanting to use switching tools but not being aware of Powerswitch.
- 1.3 Improving consumers access to Powerswitch and Utilities Disputes empowers and enables consumers to make choices and act. This is expected to deliver a more efficient and competitive electricity market.
- 1.4 The proposal also aligned with the Electricity Price Review recommendation that the Code is amended to require clear and prominent information about Powerswitch and Utilities Disputes.<sup>2</sup>
- 1.5 When the consultation was released, the Ministry of Business, Innovation and Employment was in the process of establishing a consumer advisory council for electricity. The Authority proposed to proceed with amending the Code ahead of the establishment of this body. Once the consumer advisory council has been established, the Authority proposed to use this representative body to assess the effectiveness of any changes made and identify opportunities for improvement.
- 1.6 The Authority received 24 submissions: eleven from retailers, five from distributors, three from switch service providers, three from consumer representative groups and two from industry advocates. (See Appendix A for a list of the submitters.).

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<sup>1</sup> See <https://www.ea.govt.nz/development/work-programme/consumer-choice-competition/raising-consumer-awareness-of-utilities-disputes-and-powerswitch-services/consultation/#c18315>

<sup>2</sup> Section C2 of the EPR recommended the Electricity Authority should amend the Code to require retailers (and distributors that direct bill consumers) to provide clear and prominent information on their websites and all customer communications about Powerswitch and Utilities Disputes .

**Table 1: Summary of submitters**

Role	Number of submitters
Industry advocate	2
Large distributor <sup>3</sup>	5
Large retailer <sup>4</sup>	6
Medium retailer <sup>5</sup>	3
Small retailer <sup>6</sup>	2
Switch service provider	3
Consumer representative groups	3

1.7 The consultation paper and submissions can be found on the Authority's website: <https://www.ea.govt.nz/development/work-programme/consumer-choice-competition/raising-consumer-awareness-of-utilities-disputes-and-powerswitch-services/consultation/#c18315>.

1.8 The Authority's decision paper is available at: <https://www.ea.govt.nz/development/work-programme/consumer-choice-competition/raising-consumer-awareness-of-utilities-disputes-and-powerswitch-services/>.

### **Raising consumer awareness of Utilities Disputes and Powerswitch services – Consumer Engagement**

1.9 Between 4 and 16 March 2020 the Authority sought consumer views on the proposal via two consumer surveys.

(a) A UMR Research New Zealand (UMR) consumer panel survey of a nationally representative sample of 1,000 New Zealanders aged 18 years and over.

(b) A Stickybeak-branded survey of 659 consumers using targeted social media advertising to survey a nationally representative sample of New Zealanders.

1.10 The UMR consumer panel survey consisted of 38 detailed questions across topics important to the Authority. 19 questions focussed on obtaining consumer insights into the levels of consumer awareness of Utilities Disputes and Powerswitch, and views on ways to improve consumer awareness of these services.

1.11 The Stickybeak-branded survey consisted of seven questions focussed on obtaining consumer insights into the level of consumer awareness of Utilities Disputes and Powerswitch and how power companies could let consumers know about these services.

1.12 A dual survey approach was taken to increase the overall number of responses to the Authority and to provide insights into the use of social media surveys as a tool for consumer engagement.

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<sup>3</sup> Distributors with over 10,000 ICPs

<sup>4</sup> Retailers with over 100,000 ICPs

<sup>5</sup> Retailers with between 1,000 ICPs and 100,000 ICPs

<sup>6</sup> Retailers with less than 1,000 ICPs

- 1.13 Both surveys were run by UMR. The combined survey report can be found on the Authority's website: <https://www.ea.govt.nz/development/work-programme/consumer-choice-competition/raising-consumer-awareness-of-utilities-disputes-and-powerswitch-services/>

## 2 General themes in the submissions received

- 2.1 This section outlines the general themes of the submissions to the consultation paper. The Authority has endeavoured to accurately summarise views expressed in the submissions. However, this summary compresses the information provided in submissions and the individual submissions can be read to obtain a full account of submitters' views.
- 2.2 Some retailers expressed support for the Electricity Retailers' Association submission and some distributors expressed support for the Electricity Network Association submission. General support for other submissions has not been included in the summary of the themes below.

### **There is broad support for increasing consumer awareness of Utilities Disputes and Powerswitch**

- 2.3 Most submissions were broadly supportive of the concept of improving consumer awareness of Utilities Disputes and Powerswitch, however many submissions raised concerns that the Authority's proposed intervention would not be effective and would not deliver benefits to consumers.
- 2.4 Four submitters agreed with the proposal and the need to progress the change ahead of the establishment of the consumer advisory council.<sup>7</sup>
- 2.5 Saveawatt agreed with the proposal as it related to Utilities Disputes but not for Powerswitch.
- 2.6 More generally submitters raised concerns around the size of the problem and the existing mechanisms for promotion of Utilities Disputes and Powerswitch.

*"We agree it is important for consumers to be aware of the existence of switching tools and plan comparison services such as Powerswitch, and the dispute resolution body."*

**Contact Energy**

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<sup>7</sup> Submitters agreeing with the need to progress the change were: Consumer NZ, Powerco, Federated Farmers, Utilities Disputes

## Some submitters suggested that there is no pressing need to improve awareness of Utilities Disputes

*“The Federation’s experience in providing advice and support to its farmer members on electricity-related issues is that there is very low awareness and understanding of Utilities Disputes Limited and the proper process to progress a dispute with a retailer or distributor.”*

**Federated Farmers of New Zealand**

2.7 Ten submitters suggested that there was no pressing need for the Authority to intervene and take actions to increase consumer awareness of Utilities Disputes. Reasons for disputing the need for increased awareness included a lack of evidence and debate on the need for consumers to know about Utilities Disputes prior to entering a dispute.

2.8 Federated Farmers of New Zealand and Utilities Disputes agreed that there was a problem with the level of consumer awareness. Utilities Disputes claimed levels of awareness are around 2% (unprompted) and 8% (prompted) and that in Australia awareness of the Energy and Water Ombudsman schemes sits at around 50% to 66%.

2.9 The main reasons given for not needing to promote consumer awareness of Utilities Disputes are summarised below.

### **Current levels of consumer awareness of Utilities Disputes may not be a problem**

- 2.10 Five submitters believe that the current level of consumer awareness of Utilities Disputes is not a problem.<sup>8</sup>
- 2.11 Nova Energy considers the evidence is weak that there is a problem with the current levels of consumer awareness of Utilities Disputes and the Authority should refrain from taking the proposed actions if more evidence is not forthcoming.
- 2.12 The Electricity Network Association does not consider that general consumer awareness of Utilities Disputes is a problem that requires regulatory intervention.
- 2.13 Vocus suggested that more work is required on the problem definition and this should focus on levels of awareness with consumers who have had a complaint they were unable to resolve with their retailer.
- 2.14 Mercury believes that low levels of consumer awareness may be due to a well-functioning industry complaints process.
- 2.15 Smart Billing Solutions believe the level of consumer awareness of Utilities Disputes is adequate and anyone looking to raise a complaint will be able to identify Utilities Disputes.

*“The low level of consumer recognition of the UDL brand and complaints in general is more likely to reflect the fact that retailers have very robust processes in place for dealing with any customer issues, and that these processes are delivering the right customer outcomes.”*

**Mercury**

### **Promotion of UDL is already covered by UDL scheme rules**

- 2.16 Five submissions raised concerns that the Authority’s proposal duplicates existing Utilities Disputes requirements to promote the scheme.<sup>9</sup>
- 2.17 These submitters raised concerns that this would create a situation where promotion of Utilities Disputes would be covered by separate and independently managed regulations

<sup>8</sup> Electricity Network Association, Mercury NZ Ltd, Nova Energy, Smart Billing Solutions, Vocus

<sup>9</sup> Aurora, Electric Kiwi, Electricity Networks Association, Orion, Vector

and mechanisms for enforcement. These submitters believe duplication of these rules is unnecessary and unwarranted.

**Consumers should only be made aware of Utilities Disputes when they have an unresolved complaint**

*“Attempting to raise awareness amongst this largely disinterested group of consumers would be ineffectual and a misdirected use of resources.”*

**Electricity Network Association**

2.18 Two submitters suggested that consumers should only be made aware of Utilities Disputes when they have a complaint that is unable to be resolved by their provider.<sup>10</sup>

2.19 Electricity Network Association believes intervention should be targeted to where increased awareness would be most effective (the point where the consumer has an unresolved complaint).

2.20 Wellington Electricity considers the most practical and efficient outcome for consumers is to make them aware of Utilities Disputes in relation to the disputed component of a complaint. Wellington Electricity also raised concerns that increased consumer awareness of Utilities Disputes may hamper the ability to resolve complaints directly with the consumer as the consumer may want to “resolution shop” for a better answer.

**Limited support for increasing consumer awareness of Powerswitch**

- 2.21 There was limited support for requiring retailers to promote the Powerswitch service. Many submitters believe that the Authority should prioritise improving the functionality of Powerswitch over creating regulations to promote the service.
- 2.22 As noted in paragraph 2.4, four submitters agreed with the proposal and the need to progress the change ahead of the establishment of the consumer advisory council.<sup>11</sup>

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<sup>10</sup> Electricity Network Association, Wellington Electricity

<sup>11</sup> Consumer NZ, Powerco, Federated Farmers, Utilities Disputes

***Powerswitch is not fit for purpose***

- 2.23 Seven submitters raised concerns that Powerswitch has limited functionality that will not enable consumers to make fully informed decisions as to the total offering.<sup>12</sup>
- 2.24 Submitters were concerned that directing consumers to a tool that does not give consumers a complete picture of the retail offering available will mean consumers make decisions based solely on the price of the plan and not on the complete offering.
- 2.25 Vocus suggested that Powerswitch should provide details for all available retailers in their area and include information regarding the limitations of the service.
- 2.26 Submitters suggested Powerswitch could be improved by adding functionality to consider:
- multi-service (bundled) plans such as broadband or gas
  - non-financial incentives such as: airpoints, free appliances or discounts for goods or services
  - ‘welcome’ or joining credits
  - time of use plans
  - added value services such as dashboards, contact centres or personalised customer service
  - special offers such as free power periods
  - non-residential consumers such as businesses

*“Unduly promoting Powerswitch could also: (i) drive customers to simply focus on price, with the inability to properly compare plans and make an informed decision in relation to features which are relevant, of value and which may better suit their needs.”*

**Genesis**

***The current level of awareness of Powerswitch is appropriate***

- 2.27 Three submitters believe the current level of awareness is appropriate or there is no evidence of a problem with the current level of awareness of Powerswitch.<sup>13</sup>
- 2.28 Mercury is not convinced that the issue identified warrants the proposed intervention, Mercury believes increasing consumer awareness of Powerswitch may not bring about increased switching due to customer inertia.
- 2.29 Nova believes there is only weak evidence that the current level of consumer awareness of Powerswitch is inadequate.

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<sup>12</sup> Vocus, Electricity Retailers’ Association of New Zealand, Federated Farmers, Genesis, Mercury, Meridian, Vector

<sup>13</sup> Saveawatt, Mercury, Nova



2.30 Saveawatt does not consider there is evidence of a problem with Powerswitch as the statistics quoted in the consultation paper looked at switching services in general, not the Powerswitch service.

**Authority is 'picking a winner' by mandating Powerswitch as the plan comparison service**

2.31 Three submitters raised concerns that promoting Powerswitch will inhibit competition for different switch comparison sites by mandating the promotion of Powerswitch over alternatives.<sup>14</sup>

2.32 These submitters believe the proposal to increase consumer awareness of Powerswitch will inhibit competition in the utility plan services market, stifle innovation and may drive some providers from the market.

*"If the Authority goes forward with this proposal it could literally end our service."*  
**Glimp**

**Consumer awareness of Powerswitch is an incumbent retailer problem**

2.33 Electric Kiwi submitted that awareness of Powerswitch is an incumbent retailer problem and proposals should target consumers who haven't switched.

**Concerns raised about the validity of the cost benefit analysis**

2.34 Eight submitters raised concerns regarding the simplified cost benefit analysis in the consultation paper.<sup>15</sup>

2.35 Most submitters raised concerns that requiring all communications to be altered was much more costly than the Authority has assessed.

*"Mercury has conducted an internal analysis and estimates the total costs to be more than \$200,000 (across all Mercury brands)."*  
**Mercury**

**CBA costs are understated**

2.36 Seven submitters raised concerns that the costs to implement are understated.<sup>16</sup>

2.37 Our Energy raised concerns that while absolute costs for small retailers would be lower it will make up a much higher relative proportion of turnover, creating a larger burden on small retailers.

2.38 Contact Energy believes that including all communications would be costly as there are potentially hundreds of different types of communication that would need to be reviewed and updated. Contact Energy was also concerned that any personal interactions with consumers would have a higher handle time.

2.39 Mercury estimates it will cost \$200,000 for them to implement the proposed changes across all communications. Meridian Energy estimates it would cost \$80,000 for them to implement the proposed changes across all communications. Both estimates are significantly higher than the \$10,000 per retailer with over 150,000 ICPs identified in the consultation paper.

2.40 Wellington Electricity believes the time taken to resolve a complaint differs from the time savings identified in the consultation paper.

<sup>14</sup> Saveawatt, Switchme, Glimp

<sup>15</sup> Contact Energy, Mercury, Meridian, Nova, Wellington Electricity, Our Energy, Genesis Energy, Orion

<sup>16</sup> Contact Energy, Mercury, Meridian, Nova, Wellington Electricity, Our Energy, Genesis Energy

**Utilities Disputes costs will be higher due to unresolved complaints**

2.41 Two submitters raised concerns that increased general consumer awareness of Utilities Disputes will increase the costs for Utilities Disputes to operate.<sup>17</sup>

2.42 These concerns relate to an expected increase in the number of complaints that are directed to Utilities Disputes without the provider first having an opportunity to resolve.

**Proposal does not adequately explore alternatives such as marketing campaign**

2.43 Orion raised concerns that the consultation paper has not adequately explored other options for raising consumer awareness, such as targeted awareness campaigns and consumer advocacy groups.

**It is not clear what an ‘adequate’ level of awareness is**

2.44 Nova submitted that the consultation did not identify what an adequate level of consumer awareness should be.

*“UDL will not physically be able to cope with the increased volume of complaint traffic misdirected to it if the proposed changes go ahead in current form.”*  
**Mercury**

**There is a need to alter the proposal to make it fit for purpose**

**Alternative approaches suggested**

2.45 16 out of the 24 submitters suggested an alternative approach to achieve the objectives of the proposal. These alternative approaches are outlined in table 2 below.

**Table 2: Summary of alternatives to Authority proposal**

Submitter(s)	Summary of alternative
Flick, Saveawatt	Run an awareness campaign similar to the “what’s my number” campaigns
Trustpower	Powerswitch should only be promoted on website and annually on consumers bill
Contact Energy, Electricity Retailers’ Association, Genesis Energy, Mercury, Wellington Electricity, Smart Billing Solutions	Voluntary guidelines should be developed via a cross-sector working group
Electricity Network Association, Wellington Electricity	Consumers should only be made aware of Utilities Disputes when they have an issue that is unable to be resolved directly with the provider
Electricity Retailers’ Association of New Zealand	Powerswitch should be promoted periodically
Glimp	Require retailers to promote a ‘portal’ website where all electricity plan comparison services are listed

<sup>17</sup> Contact Energy, Mercury

Submitter(s)	Summary of alternative
Nova	Alternative Code amendment provided that specifies which communications apply and that details are no less distinctive than the providers contact details
Orion	This proposal should be deferred until the consumer advisory council can be consulted on what information should be provided and in what form
Orion	Utilities Disputes should be responsible for promoting their service
Vector	The Authority undertake a more 'nuanced', quantitative analysis of various parts/stages of the consumer complaint resolution process
Vector	Alternative Code amendment provided to explicitly state which distributors are covered by the requirement
Wellington Electricity	Improve website to help inform consumers on complaints process
Wellington Electricity	Improve information for consumers by providing real-life case studies on how providers successfully resolve complaints
Our Energy	A promotion campaign like the Commerce Commission 'know your rights' campaign
Our Energy	A longer implementation timeframe and different requirements based on the size of the retailer

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***Obligation should be for a subset of communications, not all communications***

- 2.46 Eleven submitters raised concerns about the proposal requiring retailers to include information about Utilities Disputes and Powerswitch on all communications.
- 2.47 There was a strong theme that including all communications within scope is too broad. There was a clear preference to limit the number of forms of communications that Utilities Disputes and Powerswitch are promoted in.
- 2.48 Contact Energy suggested that the scope of communications should be limited to relevant customer communications and only where practicable.
- 2.49 Electricity Retailers' Association of New Zealand raised concerns that overcommunication could drive consumer disengagement and could make the true purpose of the communication less effective.
- 2.50 Mercury believes that retailers should have discretion over which communications to include this information in, or at least have a say in the scope of the communications.
- 2.51 Smart Billing Solutions considers that the scope should be limited to correspondence which has a material effect on the consumer, and where the consumer may have a legitimate reason to complain (for example invoices, price change notifications, credit letters and changes to terms and conditions).
- 2.52 Nova raises concerns that applying the requirement to all consumer communications will create uncertainty for consumers regarding the purpose of the communication and is inconsistent with the principles of simple and appropriate.

*"Additionally, we cannot predict future forms of communication, and having "all" communications be subject to regulation may not be feasible for some future, as of yet unknown types of communication."*

**Electricity Retailers' Association of New Zealand**

*"...the role each plays for consumers materially differs, as does existing awareness levels and the appropriate way to maintain or raise further awareness"*

**Contact**

***UDL and Powerswitch should not be grouped together***

- 2.53 Four submitters raised concerns about applying the same requirements across both Utilities Disputes and Powerswitch given the different levels of awareness of benefits for consumers.<sup>18</sup>
- 2.54 Submitters considered that different approaches should be taken to increase consumer awareness of Utilities Disputes and of Powerswitch.

***Principle of 'prominence' is impractical***

- 2.55 Five submitters raised concerns about the requirement for information to be displayed prominently.
- 2.56 Utilities Disputes supports the requirement for information to be prominent but cautioned that it should not be too prominent or overshadow the key messages of the communication. Making information overly prominent may cloud the key message and increase the number of enquiries directed to Utilities Disputes that could have been handled by the retailer.
- 2.57 Contact Energy raised concerns that the principle of prominence, as described in the paper, may result in unintended consequences.

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<sup>18</sup> Contact Energy, Electricity Retailers' Association of New Zealand, Genesis Energy, Utilities Disputes

2.58 Several submitters believe that making this information prominent will over-shadow key messages and does not consider technology limitations, such as apps and dynamic content.

***Principles are confusing and contradict the Code***

2.59 Five submitters raised concerns that the principles are confusing and contradict the Code.

2.60 Meridian Energy raises concerns that the conflict between the principles and Code would leave retailers and distributors with uncertainty as to what is required to comply.

2.61 Aurora identified multiple inconsistencies between the proposed Code amendment, the guiding principles, and within the guiding principles themselves. Aurora considered the guiding principles were not clear and are in many instances overly prescriptive.

2.62 Electricity Networks Association notes that it is not clear from the Code drafting if all distributors are in scope.

2.63 Orion raises concerns that the guidance is not well written, and it is not clear if the principles apply to distributors.

***Requirements should apply equally to distributors and retailers***

2.64 Utilities Disputes and Meridian submitted that the requirements should apply equally to retailers and distributors.

2.65 Meridian raised concerns that applying different rules to distributors could create an uneven playing field.

2.66 Utilities Disputes believes that the obligation should be consistent with the Utilities Disputes scheme rules and consistent across all power providers, including distributors and Transpower.

***Obligation should only apply to residential consumers***

2.67 Two submitters raised concerns that the Code required promotion of Utilities Disputes and Powerswitch to non-residential consumers who would not find Powerswitch useful to compare plans.

2.68 Electricity Retailers' Association of New Zealand and Genesis believe the obligation should apply only to communication with residential consumers.

***Powerswitch promotion should only apply to contestable connections***

2.69 Smart Billing Solutions raised concerns that requiring retailers to provide information about Powerswitch on non-contestable connections would be inappropriate and cause confusion for the customer.

***Miscellaneous observations and suggestions***

2.70 In addition to the three key themes of 'level of support', 'robustness of cost benefit analysis' and 'suggested changes to the proposal' submitters also raised the following points:

*"Increasingly Meridian and Powershop see distributors looking to communicate directly with consumers. When they do so there is no reason why they should not be subject to exactly the same regulatory requirements as retailers."*  
**Meridian**

**Table 3: Summary of Miscellaneous observations and suggestions**

Submitter	Topic	Summary
Contact Energy Electricity Retailers' Association of New Zealand	Some retailers may not engage with customers due to regulations	A perverse outcome of the proposal may be to incentivise some providers to avoid communicating with consumers in order to avoid drawing their attention to Powerswitch.
Trustpower Electricity Retailers' Association of New Zealand	EA should acquire Powerswitch brand	The Authority should acquire rights to Powerswitch because it will give the Authority ownership of the brand and enable it to oversee the independence of the service and regularly tender for the provider.
Utilities Disputes	Some UDL members are not following the UDL scheme rules	A 'mystery shopper' campaign run in 2017 found 17 of 30 providers did not follow UDL rules and notify 'shopper' of existence of UDL when prompted.
Nova	Proposal overlaps with the Fair Trading Act	The proposal overlaps with the Fair Trading Act and overlap would create uncertainty as to who enforces the obligation.
Vocus	Problem is not as described, problem is an oligopolistic market	The underlying problem is the market is not fully competitive, with some consumers unaware or wary of the opportunities to switch.
Flick	It is misleading to call UDL a 'free' service	It is more accurate to say that the cost of UDL is spread across all consumers so is available at no additional charge.
Aurora	Incorporating principles into the Code creates quasi-regulation	Failing to have regard to the guiding principles would be a Code breach, however changes to the principles are not subject to the same rigour as the Code.
Contact	Adult literacy is a limiting factor in consumer education.	The principle of prominence requires a level of literacy that will disadvantage those New Zealanders that struggle with literacy.

### 3 General themes from consumer engagement

3.1 This section outlines the general themes from the consumer surveys. The Authority has endeavoured to summarise the themes however in places this survey compresses the views from the two surveys. The full survey report can be read in conjunction with this summary to obtain a full account of questions asked and consumer's views.<sup>19</sup>

3.2 Where the specific survey is not identified the UMR survey has been used.

#### Utilities Disputes

##### Most people have no issue with their power provider

3.3 23% of respondents stated they have had an issue with their power provider in the past.

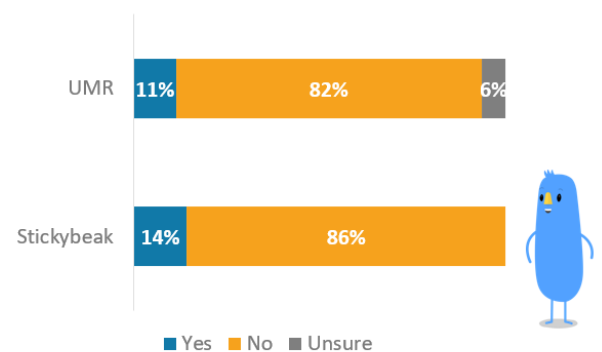
3.4 71% had never had an issue with their power provider.

##### There is very low consumer awareness of Utilities Disputes

3.5 82% (UMR survey) and 86% (Stickybeak) of consumers stated they had never heard of the Utilities Disputes service.

3.6 76% of consumers were not aware there is an independent and free service for helping resolve complaints about their electricity provider.

Before now, had you heard of the Utilities Disputes service?



Base: UMR respondents (n=1,000) and Stickybeak (n=659)

##### Lack of awareness of Utilities Disputes is a barrier to accessing support to resolve complaints

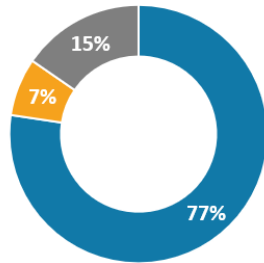
3.7 94% of respondents stated they had never used Utilities Disputes.

3.8 Of these, 39% indicated the reason they did not use Utilities Disputes is because they did not know the service existed. 40% indicated they had no reason to complain about their power provider. 19% stated they were not aware of Utilities Disputes, but also had no reason to complain about their power provider.

<sup>19</sup> The survey report covering both UMR and Stickybeak surveys can be found on the Authority's website: <https://www.ea.govt.nz/development/work-programme/consumer-choice-competition/raising-consumer-awareness-of-utilities-disputes-and-powerswitch-services/>

## There is support for increasing consumer awareness about Utilities Disputes

3.9 Would you find it helpful if your power company was to tell you about Utilities Disputes?



■ Yes ■ No ■ Unsure

Base: All respondents (n=1,000)

3.9 77% of consumers felt it would be helpful for power companies to tell them about Utilities Disputes.

3.10 82% of respondents in the UMR survey support or strongly support the proposal for power companies to inform consumers about Utilities Disputes when they talk to them. 1% of consumers opposed or strongly opposed the proposal.

3.11 76% of Stickybeak respondents think power companies should inform consumers about Utilities Disputes.

3.12 Most respondents felt power companies should inform them about Utilities Disputes via their power bill (62%) or e-mail (59%). There was also good support

for providing information on the power company's website (43%). 2% of respondents felt power companies should not have to tell consumers about Utilities Disputes.

## Increasing consumer awareness of Utilities Disputes will deliver better consumer outcomes

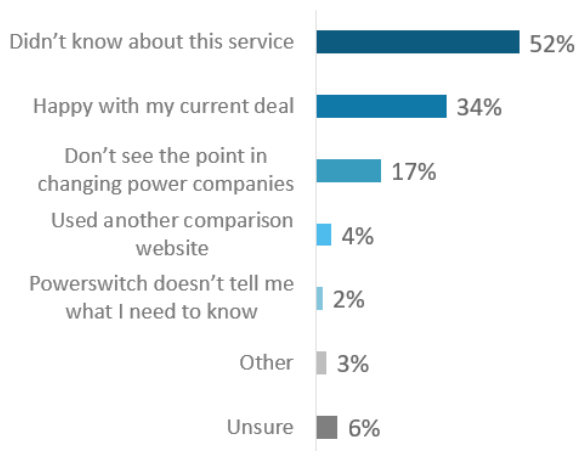
3.13 78% of respondents to the UMR survey thought if power companies had to tell consumers about Utilities Disputes it would prompt those companies to improve their approach to addressing complaints. 6% of respondents felt it would have no effect.

## Powerswitch

### There is moderate consumer awareness of Powerswitch

3.14 Approximately half of consumers (48% UMR and 42% Stickybeak) had heard of Powerswitch. However only 27% of respondents (UMR survey) had used Powerswitch.

3.15 What are the reasons you have not used Powerswitch?



Base: Respondents who had not used Utilities Disputes (n=669)

### Lack of awareness is a barrier to using Powerswitch

3.15 52% of respondents who had never used Powerswitch stated that a lack of awareness is the reason they have not used the service. 34% of respondents were happy with their current power deal.

3.16 4% of respondents use a different comparison website and 2% consider Powerswitch does not provide them with what they need to know.



### There is support for increasing consumer awareness of Powerswitch

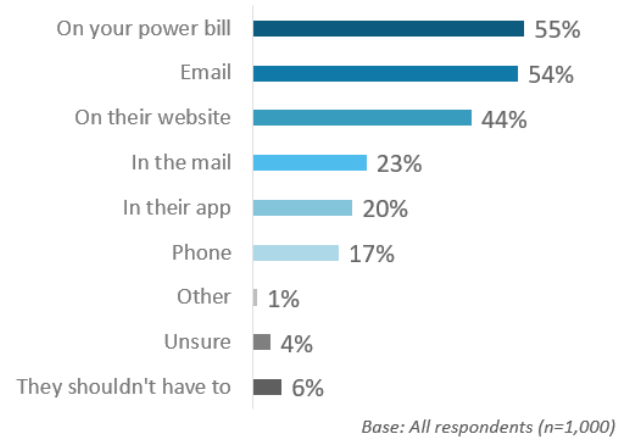
3.17 60% of respondents support their power company telling them about Powerswitch. 20% do not support this proposal.

3.18 61% support or strongly support the proposal for power companies to inform consumers about Powerswitch then they talk to them. 4% oppose or strongly opposed the proposal.

3.19 65% of Stickybeak respondents think power companies should inform consumers about Powerswitch.

3.20 Most respondents felt power companies should tell them about Powerswitch via their power bill (55%) or e-mail (54%). There was also strong support for providing information on the power company's website (44%). 6% of respondents felt power companies should not have to tell consumers about Powerswitch.

Q Regardless of your previous answer, if your power company had to inform you, how would you expect them to let you know about Powerswitch?



### Increasing consumer awareness of Powerswitch will lead to more competitive pricing plans and options

3.21 74% of respondents to the UMR survey thought if power companies had to tell consumers about Powerswitch it would prompt power companies to create more competitive pricing and electricity plan options. 10% of respondents felt it would have no effect.

## Appendix A List of submitters

Submitter	Description of submitter
Aurora Energy	Large distributor
Consumer NZ	Consumer representative
Contact	Large retailer
Electric Kiwi	Medium retailer
ENA	Industry advocate
ERANZ	Industry advocate
Federated Farmers of New Zealand	Consumer representative
Flick	Medium retailer
Genesis	Large retailer
Glimp	Switch service provider
Mercury	Large retailer
Meridian	Large retailer
Nova	Large retailer
Orion	Large distributor
Our Energy	Small retailer
Powerco	Large distributor
Saveawatt	Switch service provider
Smart Billing Solutions	Small retailer
Switch Me	Switch service provider
Trustpower	Large retailer
Utilities Disputes	Consumer representative
Vector	Large distributor

Vocus	Medium retailer
Wellington Electricity	Large distributor

## Appendix B Consultation questions

*	Question
Q1	Do you agree the issues identified by the Authority are worthy of attention?
Q2	Do you agree with the objectives of the proposed amendment? If not, why not?
Q3	Do you agree the benefits of the proposed amendment outweigh its costs?
Q4	Do you agree the proposed amendment is preferable to the other options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.
Q5	Do you agree the Authority's proposed amendment complies with section 32(1) of the Act?
Q6	Do you have any comments on the drafting of the proposed amendment?
Q7	Do you have any comments on the proposed principles?

## Glossary of abbreviations and terms

<b>Term</b>	<b>Definition</b>
Code	The Electricity Industry Participation Code 2010
Consumer Representative	An organisation representing a segment of consumers
EPR	Electricity Price Review
Industry Advocate	Electricity industry body representing a segment of the industry
Large Distributor	Distributor with more than 1,000 ICPs on its network
Large Retailer	Retailer trading more than 100,000 ICPs
Medium Retailer	Retailer trading between 1,000 and 100,000 ICPs
Small Retailer	Retailer trading less than 1,000 ICPs
Switch service provider	Organisation that provide switching services, including electricity plan comparison services
UDL	Utilities Disputes Limited