

2022/23 Consumer Care Guidelines Annual Alignment Statement report

1 February 2024

Executive summary

This report presents retailer self-assessed statements of alignment with the Consumer Care Guidelines (Guidelines) for the period 1 July 2022 to 30 June 2023. This is the second alignment report since the implementation of the Guidelines in July 2021.

In the *2022/23 Consumer Care Guidelines Annual Alignment Statement report (2022/23 Alignment report)* we contacted more retailers and made significant improvements to the data collection and reporting process. These changes respond to learnings from the 2021/22 Alignment report.

The 2022/23 Alignment report shows much greater levels of reported alignment with the Guidelines compared with results from the 2021/22 Alignment report, particularly among large and medium retailers.

Of the 14 large and medium retailers who provided self-assessments, 12 stated they were fully aligned. Of these, all six large retailers, and six out of eight medium retailers reported full alignment. The two outstanding medium retailers self-reported partial alignment with the Guidelines.

As large and medium retailers hold approximately 98% of all residential ICPs in New Zealand, these results indicate that the majority of domestic consumers are covered by retailers that consider themselves fully aligned with the Guidelines.

We have seen smaller retailers are engaging more with the Guidelines. While small retailers as a group are least aligned with the Guidelines, alignment is improving.

In terms of specific areas of improvement, we have seen greater alignment with the Guidelines for disconnections and medically dependant consumers.

This report contributes to the Authority's broader efforts to support consumers with their dealings with retailers. To ensure the Guidelines' purpose and intended outcomes are consistently delivered, while also supporting competition and innovation, the Authority has decided to mandate the whole of the Guidelines except Part 10 (Information disclosure and monitoring). Before mandating, the Authority will, in consultation with stakeholders, resolve clarity, workability and enforceability issues within the current Guidelines. The findings of both the 2021/22 and 2022/23 alignment reports informed the Authority's decision.

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1. Purpose

- 1.1. This report summarises the findings of electricity retailers' self-assessed statements of alignment with the recommendations of the Consumer Care Guidelines (Guidelines)¹ for the period 1 July 2022 to 30 June 2023.

2. Key results for 2022/23

- 2.1. Results of the *2022/23 Consumer Care Guidelines Annual Alignment Statement report* (2022/23 Alignment report), compared to 2021/22, show an overall improvement in retailer alignment and engagement. This includes:
 - (a) increased alignment by large and medium retailers, who cover approximately 98% of residential consumers
 - (b) large, medium, and small retailers who have reported full alignment with the Guidelines in 2022/23 account for about 95% of residential consumers. This represents over 1.84 million residential ICPs
 - (c) improved response rates, with all large and medium retailers providing self-assessment statements
 - (d) improved education and outreach helped more small retailers to engage with the Guidelines
 - (e) alignment improvements for parts relating to disconnection and medically dependent consumers, protecting more vulnerable consumers
 - (f) small retailers are least aligned with the Guidelines but improving, with full and partial alignment covering a greater number of residential consumers
 - (g) enhanced visibility of how some retailers use alternative actions to align with the Guidelines.

3. Introduction

- 3.1. The Consumer Care Guidelines came into effect on 1 July 2021. The Electricity Authority Te Mana Hiko (Authority) developed the Guidelines in collaboration with the industry and other stakeholders to ensure retailers deliver a consistent and supportive standard of care to domestic consumers in New Zealand.
- 3.2. The ten parts of the Guidelines are currently voluntary both in terms of alignment and reporting (see Appendix A for further details).
- 3.3. Under the Guidelines, retailers should provide the Authority with a Consumer Care Annual Alignment Statement (alignment statement), signed by their Chief Executive (or an equivalent) that outlines their level of alignment with the recommendations of the Guidelines over the course of each financial year (1 July to 30 June).
- 3.4. In June 2023, the Authority published the findings of the first alignment period (2021/22 Alignment report). This covers the first year since the introduction of the Guidelines up to 30 June 2022.

¹ The Guidelines can be found on our website: <https://www.ea.govt.nz/documents/2093/Consumer-Care-Guidelines.pdf>

- 3.5. The 2022/23 Alignment report presents the findings of the second alignment period (1 July 2022 to 30 June 2023) since the introduction of the Guidelines.
- 3.6. Both alignment reports provide the Authority with a better information base from which to assess the extent that the intended outcomes of the Guidelines are being achieved.²

4. 2022/23 Alignment report findings

- 4.1. Where appropriate, the findings of the 2022/23 Alignment report are presented in comparison to the findings of the 2021/22 Alignment report.
- 4.2. This report specifically requested information from individual retailers operating in the market, since some retailers operate multiple retail brands under the same ownership model. Except in one instance, all retailers submitted individual retail brand alignment statements.
- 4.3. As was the case for the 2021/22 Alignment report, the 2022/23 responses are divided into three size categories based on the number of residential information control points (ICPs) held by each retail brand as at 30 June 2023, using the following division:
- Large: brands with more than 100,000 ICPs
 - Medium: brands with between 99,999 and 10,000 ICPs
 - Small: brands with less than 10,000 ICPs.

A note on the definition of ‘partial alignment’ and ‘alternative action’

- 4.4. The term ‘partial alignment’ is used for retailers that:
- (a) in the 2022/23 Alignment report – selected ‘yes’ to some parts of the Guidelines and ‘no’ to others, or
 - (b) in the 2021/22 Alignment report – selected ‘does not align’ for one or more Parts of the Guidelines.
- 4.5. Any instance where a retailer has explained an ‘alternative action’ is taken as meaning the retailer is aligned with that Part. Where appropriate, a star icon is used in the tables below to indicate where a retailer provided an alternative action response.

We’ve seen greater alignment with the Guidelines by large and medium retailers

- 4.6. Large and medium retailers self-reported greater levels of alignment with the Guidelines compared with results from the 2021/22 Alignment report.
- 4.7. All 14 large and medium retailers provided self-assessments for the 2022/23 alignment period. This is an improvement from 2021/22 when two medium retailers did not provide alignment statements.

² Electricity Authority Te Mana Hiko, *Consumer Care Guidelines: Decision*, March 2021, 26.

- 4.8. Twelve retailers stated they were fully aligned and two were partially aligned. Of these, six out of six large retailers, and six out of eight medium retailers reported full alignment, with the remaining two medium retailers self-reporting partial alignment with the Guidelines.
- 4.9. These results indicate that the majority of all large and medium retailers consider themselves to be fully aligned with the Guidelines.

Figure 1: Number of retail brands by ICP count and alignment



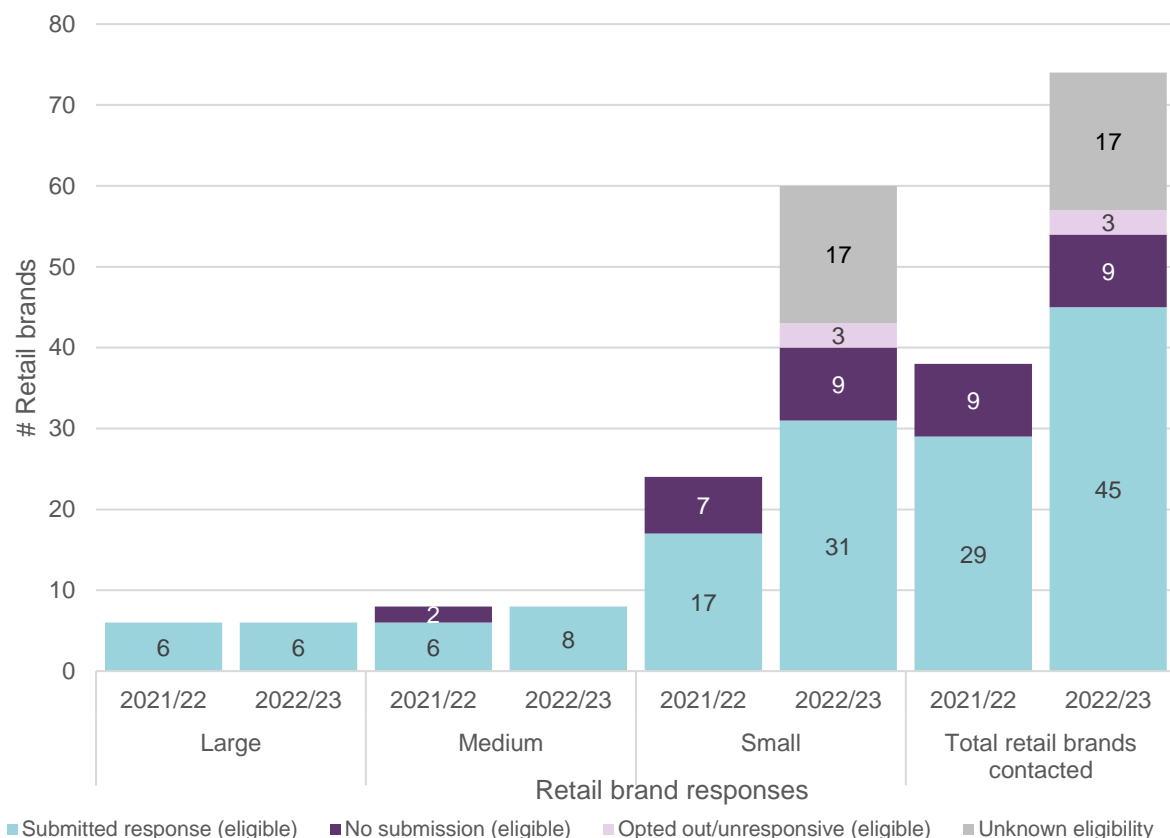
- 4.10. The full alignment of all six large retailers represents an improvement from the previous alignment period's results, where five large retailers reported full alignment and one partial alignment. Improvement from partial alignment to full alignment was made for Parts 5 (account management), 7 (disconnection), and 8 (medically dependent consumers).
- 4.11. The full alignment of six out of eight medium retailers and partial alignment of two represents an improvement from 2021/22 where only four out of the eight medium retailers self-reported full alignment, two partial alignment, and the remaining two did not respond.
- 4.12. Alignment improvements made by medium retailers include one retailer that did not respond in the previous alignment period, now stating they are fully aligned. Another medium retailer moved from non-alignment with Parts 4 (contracts), 5, 7 and 8 to full alignment (with alternative actions used for Parts 2 (publishing policy) and 7).
- 4.13. In terms of partial alignment among medium retailers, one self-reported non-alignment with Parts 6 (payment difficulties) and 7. This retailer did not submit a response in 2021/22. Another medium retailer was not aligned with Part 3 (information and records) for both alignment periods but improved their alignment from not aligned to aligned for Parts 4, 7 and 10 (disclosure and monitoring).

4.14. Large and medium retailers hold the majority of the market share of the electricity retail market. The findings presented above, and those below for small retailers, conclude that retailers who have self-reported full alignment with the Guidelines in 2022/23 service about 95% of all residential ICPs in New Zealand (or approximately 1.84 million of a total 1.94 million).

More retailers provided alignments statements in 2022/23

4.15. Changes we made to the alignment statement eligibility criteria expanded the number of retailers that responded to the 2022/23 Alignment report. This is described further in the methodology section.

Figure 2: Total retail brands contacted in 2021/22 and 2022/23



4.16. There were 57 known eligible retail brands operating in New Zealand (six large, eight medium, and 43 small) during the 2022/23 alignment period, of which 54 were asked to submit alignment statements. The remaining three eligible retailers were asked to submit a response but opted out of the process or became unresponsive to the Authority’s enquiries and were therefore not sent an alignment form to complete.³

³ All potentially eligible retailers were contacted by email and/or phone and asked to submit an alignment statement. Once eligibility was confirmed, each retail brand was sent a notification to complete their alignment statement online via the Authority’s Information Provision Platform. We recognise that a limitation of the Information Provision Platform is that respondents need to be willing to register themselves on the Platform to access and complete their alignment statement. Retailers that were not registered on the Platform were not sent or did not receive a notification to complete an alignment statement. See the Methodology section below for further details.

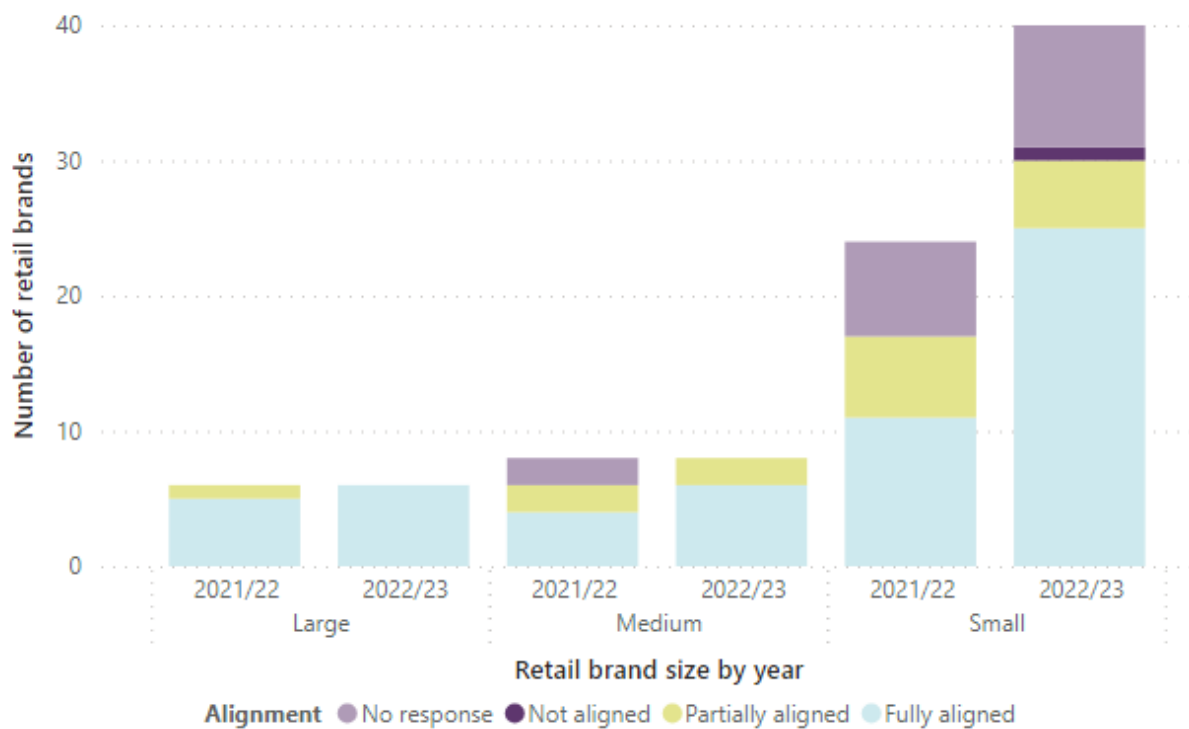
- 4.17. The number of large and medium retailers remained consistent across both years, with all growth occurring in the small retailer category due to the expanded eligibility criteria. This represents an increase in the total number of eligible respondents by 19,⁴ up from the 38 retailers contacted in the 2021/22 alignment period.
- 4.18. Thirty-five alignment statements were received by the 2022/23 alignment period deadline of 31 August 2023. Ten retailers submitted their statements late or requested extensions (one medium retailer and nine small retailers).
- 4.19. Nine small retailers that were sent alignment statements for 2022/23 did not complete their submission. These small retailers serviced an estimated 2,589 ICPs. This represents a significant response rate improvement from the 2021/22 period, when seven small retailers and two medium retailers (servicing 92,903 ICPs) did not submit alignment statements.
- 4.20. In addition to the 57 known eligible retailers in 2022/23, a further 17 retailers were contacted to confirm their eligibility to submit an alignment statement but were either unresponsive or became unresponsive after requests were made for them to complete an alignment statement. Some of these retail brands may not be required to submit a statement (eg, as they do not supply electricity to domestic consumers or were inactive during the alignment period). However, we were unable to determine their eligibility status after repeated contact attempts.
- 4.21. This group is classified as being of 'unknown eligibility' (see Figure 2 above). It is assumed that all unknown retailers fall into the small retail brand category, with no unknown eligibility retailers in the large or medium categories.
- 4.22. This brings the total number of known eligible and potentially eligible retailers contacted for the 2022/23 survey to 74. Between the 2021/22 and 2022/23 alignment periods, this represents an increase of 35 small retailers contacted by the Authority. However, these additional retailers cover only a small number of domestic consumers – estimated to be under 4,000 ICPs.

Smaller retailers are engaging more with the Guidelines

- 4.23. Due to a change in its approach to assessing retailer eligibility to submit an alignment statement, the Authority received a significantly greater number of responses from smaller retailers for the 2022/23 alignment period, as shown in Figure 3.

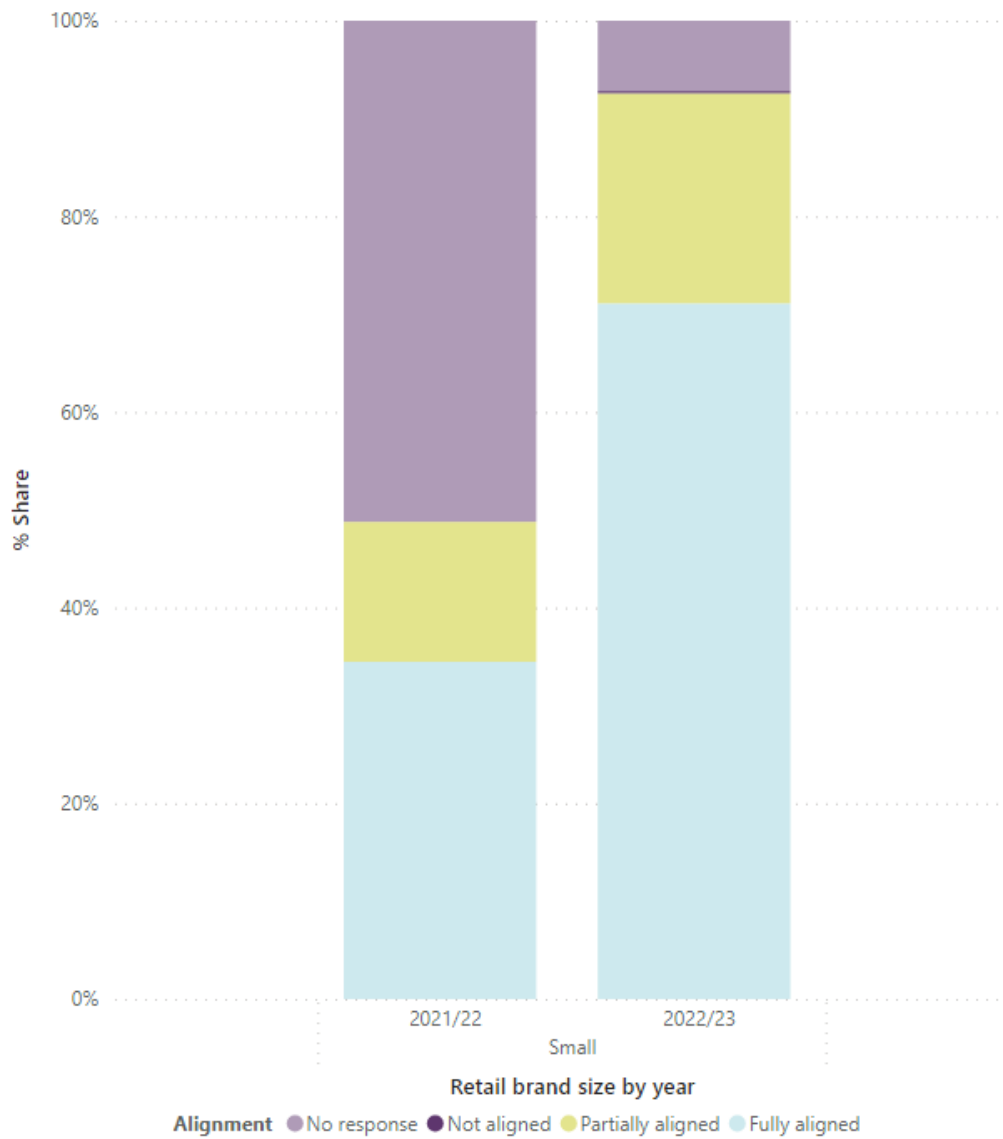
⁴ This number includes the three eligible retailers who were contacted but opted out or became unresponsive and 17 new eligible retailers contacted for the first time in 2022/23 (see Figure 6), bringing the total to 20. The difference of 19 between the two alignment periods is due to one unresponsive retailer included in the 2021/22 report that was found to be ineligible when contacted for a submission in 2022/23.

Figure 3: Number of retail brands by size and alignment



- 4.24. For 2021/22, we received alignment statements from 17 out of 24 small retailers. In comparison, 31 out of 40 eligible small retailers provided responses for the 2022/23 alignment period. This illustrates a response rate increase from 72% to 81% for small retailers across the two alignment reports.
- 4.25. The increased response rate is positive for two main reasons:
- (a) more small retailers are engaging with the Guidelines, and
 - (b) the specific small retailers who responded in 2022/23 included those who hold a large number of ICPs (for a small retailer) but did not respond during the 2021/22 alignment period.
- 4.26. Figure 4 below illustrates the market share of small retailers that were asked to provide alignment statements in both 2021/22 and 2022/23. This shows that the full and partial alignment responses received from small retailers in 2022/23 cover a greater number of ICPs (and therefore domestic consumers) than those received in the 2021/22 alignment period.
- 4.27. We note that the 31 small retailers who responded in 2022/23 service an estimated 33,350 ICPs while in 2021/22, the 17 small retailer respondents serviced 12,504 ICPs. Regarding non-respondents, the nine small retailers who did not respond in 2022/23 service an estimated 2,600 ICPs while in 2021/22, the seven non-respondent retailers serviced 13,130 ICPs. This represents a significant increase in the number of domestic consumers covered by responsive retailers between the two alignment periods.

Figure 4: Market share for small retailers by year and alignment



4.28. We consider the increased response from these small retailers important and appreciate the work and engagement undertaken by these retailers in collaboration with the Authority’s education and compliance team.

4.29. We acknowledge the different barriers electricity retailers face when committing to consultation commitments and view this increase in responses from smaller retailers highlights an increased awareness of the Guidelines.

Small retailers as a group are least aligned with the Guidelines but are improving

4.30. In comparison to the large and medium retailers, small retailers self-reported lower levels of alignment with the Guidelines. Of the 31 small retailers who responded,

five reported partial alignment and one reported total non-alignment across all Parts, representing an estimated 7,800 ICPs.

- 4.31. Of the five partially aligned small retailers, Parts 2, 3, 4, 5, 8 and 10 were identified as key areas of non-alignment. In some instances, retailers who had previously indicated alignment with these Parts in 2021/22 now indicated non-alignment.
- 4.32. While smaller retailers present greater partial or non-alignment in comparison with large and medium retailers, we have seen an overall increase of smaller retailers self-reporting they are fully aligned with the Guidelines.

Some retailers used alternative actions to align with the Guidelines

- 4.33. Some retailers identified in their alignment statements where they considered they were aligned with a Part of the Guidelines but had achieved alignment through alternative actions. The star icon in Figures 5 and 6 below indicates where retailers adopted alternative actions for specific Parts.
- 4.34. In general, Parts 3, 4, 5 and 7 had the greatest number of retailers self-reporting alignment through alternative actions.
- 4.35. In reference to Part 3, retailers highlighted issues with asking customers for their preferred language of communication. Retailers noted their preference to accommodate various languages that could be reasonably anticipated over needing to resource availability of possibly every language.
- 4.36. Some retailers considered recommendations in Part 4 regarding how retailers should deal with customers with poor credit may result in a negative experience if followed. These retailers noted that their alternative actions enabled alignment and better consumer experiences for their customers.
- 4.37. Retailers highlighted various matters with Part 5, with the main issue noted being the recommendation that retailers be aware of their competitors' options being unrealistic and that plan comparison services such as Powerswitch are better situated to supply this service.
- 4.38. Comments raised about Part 7 were mostly in response to the Guidelines recommendations of traceable forms of contact being provided prior to a disconnection. Retailers adopted alternative actions they considered better provided certainty for reconnections and avoided unnecessary hinderance for the consumer.

Figure 5: Large and medium retail brand alignment by Part for 2021/22 and 2022/23

Alignment by Question - 2022

Question	Part 2: Publish Policy		Part 3: Info Records		Part 4: Contracts		Part 5: Account Management		Part 6: Payment Difficulties		Part 7: Disconnection		Part 8: MDCs		Part 9: Fees/Bonds		Part 10: Disclosure and Monitoring		
	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	
Size																			
Large																			
Contact Energy Limited				☆		☆		☆				☆				☆			
Genesis Energy Limited				☆								☆							
Mercury NZ Limited																			
Meridian Energy Limited																			
Powershop																			
Trustpower																			
Medium																			
Ecotricity Limited Partnership				☆		☆		☆											
Electric Kiwi Limited																			
Flick Energy Limited																			
Frank Energy				☆								☆							
Glo-Bug Limited																			
Nova Energy Limited				☆		☆		☆		☆		☆							
Pulse Energy Alliance LP																			
Switch Utilities Limited																			

Figure 6: Small retail brand alignment by Part for 2021/22 and 2022/23

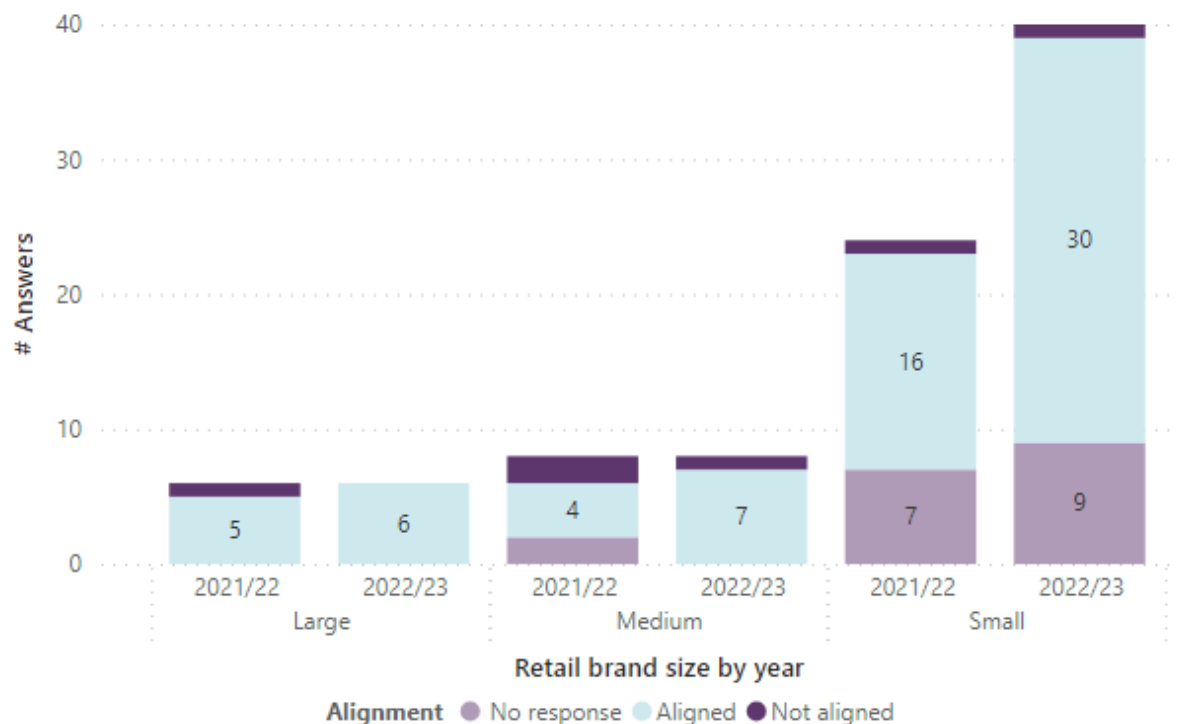
Question	Part 2: Publish Policy		Part 3: Info Records		Part 4: Contracts		Part 5: Account Management		Part 6: Payment Difficulties		Part 7: Disconnection		Part 8: MDCs		Part 9: Fees/Bonds		Part 10: Disclosure and Monitoring	
	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23
Retail brand ▲																		
AA Power Limited																		
Compass Communications Limited																		
Comtricity Limited																		
Deep Energy Limited																		
Ecosmart New Zealand Limited																		
Electricity Direct Limited																		
ForOurGood Limited																		
Hanergy Limited																		
K Power Limited																		
Kakariki Power Limited																		
Kea Energy Limited																		
Liberta Systems Limited																		
Lvg Utilities Limited																		
Mons Ampere Limited																		
Nova Megatel																		
NZ Electricity Lines Limited																		
Octopus Energy NZ Limited																		
Orange Services Limited																		
Our Energy Limited																		
Ourpower Limited																		
Paua to the People Limited																		
Pioneer Energy Limited																		
Plains Power Limited																		
Platinum Power Retail Limited																		
Plus Energy Limited																		
Power Edge Limited																		
Prime Energy Limited																		
Simply Energy Limited																		
Smart Billing Solutions Limited																		
Softpower Limited																		
Solar Energy Services Ltd																		
South Pacific Energy Limited																		
Southpark Utilities Limited																		
Stack Power Limited																		
Stewart Island Electricity Supply Authority																		
Sustainability Trust																		
Tensor NZ Limited																		
TMF Liverpool Limited																		
TMF Waikumete Limited																		
Wise Prepay																		
Z Energy Limited																		

Alignment ● No response ● Not aligned ● Fully aligned ● Not asked

Improvements were seen for disconnections and medically dependant consumers

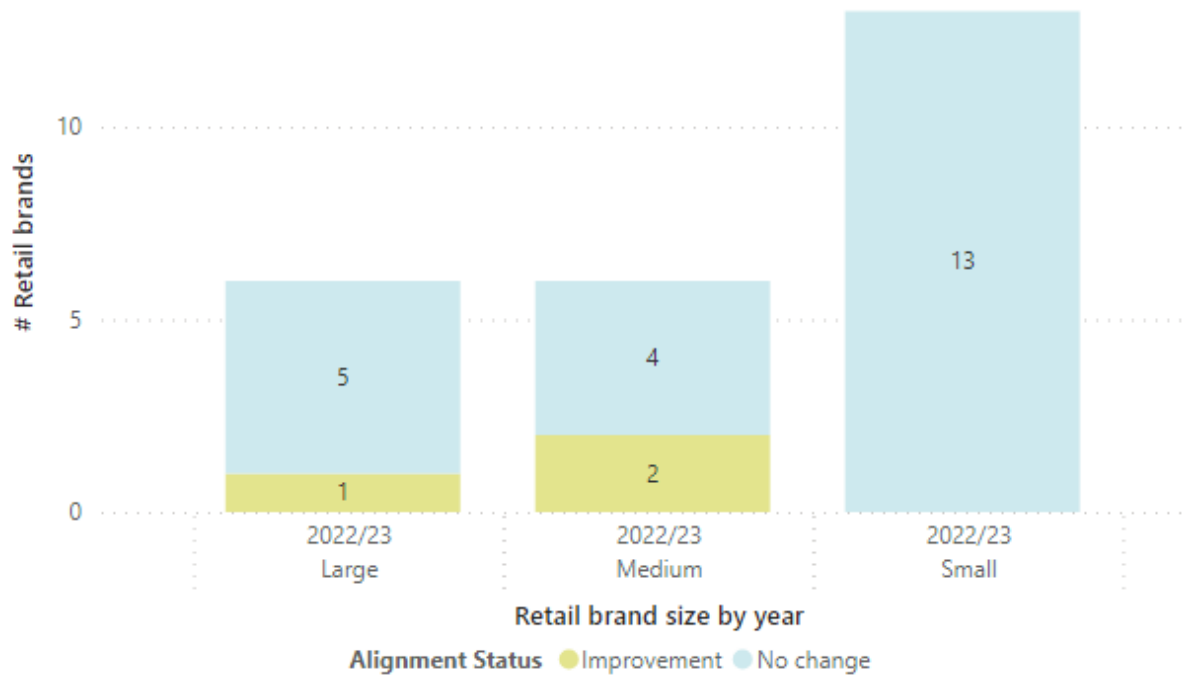
- 4.39. While all parts of the Guidelines are important, there is strong interest in Part 7 (disconnection) and Part 8 (medically dependent consumers), given the high risk and implications of poor alignment with these areas.
- 4.40. There was considerable concern regarding lack of alignment by one large and two medium retailers with Parts 5, 7 and 8 in the 2021/22 Alignment report due to the market share represented by these retailers. Part 5 deals with business-as-usual account management practices that affect all residential consumers, while Parts 7 and 8 are most likely to impact consumers in states of financial and/or health-related vulnerability.
- 4.41. Responses for 2022/23 indicate significant improvements have been made regarding retailer alignment with Parts 7 and 8.
- 4.42. Figure 8 and Figure 10 illustrate where retailer alignment has changed between the two reporting periods. We note that these graphs only display where retailers have provided alignment reports for both this reporting period and the previous reporting period. For example, only a retailer who reported non-alignment in the 2021/22 reporting period, and alignment in the 2022/23 reporting period will show as an improvement.

Figure 7: Alignment for Part 7: Disconnection



4.43. Figure 7 shows that all six large retailers and seven medium retailers were aligned with Part 7. One medium and one small retailer remain unaligned with this Part in 2022/23.

Figure 8: Change in alignment for Part 7



4.44. No large or medium retailers reported non-alignment with Part 8 in 2022/23. This marks a significant improvement from 2021/22, as shown in Figure 9, with one large and two medium retailers improving from not aligned or unresponsive to aligned.

4.45. The number of small retailers indicating non-alignment with Part 8 remained consistent across both years, as indicated in Figure 10.

Figure 9: Alignment for Part 8: Medically Dependent Consumers

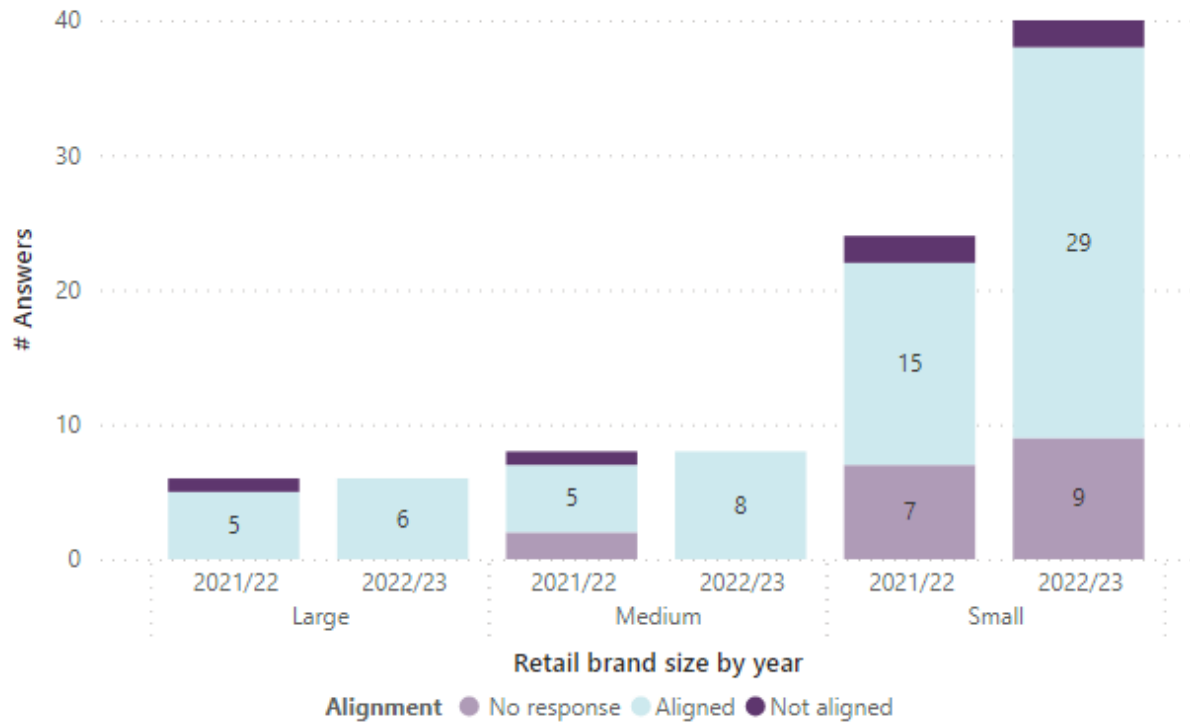
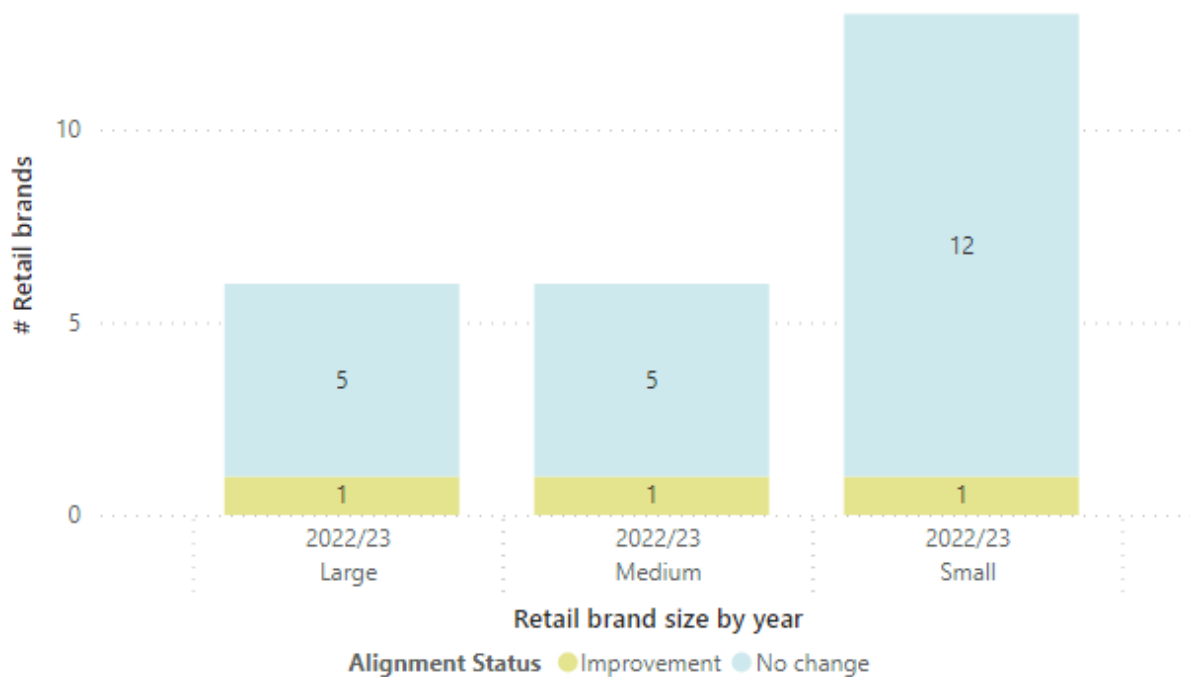


Figure 10: Change in alignment for Part 8



5. Methodological improvements were made for the 2022/23 Alignment report

- 5.1. Several key changes to the data collection process were implemented for the 2022/23 alignment period, responding to learnings from the 2021/22 Alignment report. This included:
- (a) expanding our criteria for retailer eligibility
 - (b) using a new platform to collect retailer responses
 - (c) revising the alignment statement form to include further detail on extent of alignment or alternative actions used.

We expanded the retailer eligibility criteria

- 5.2. The Guidelines apply to retailers, as defined by the Electricity Industry Act 2010 (Act), for the supply of electricity used fully or partly for domestic purposes.⁵
- 5.3. Informed by limitations of the 2021/22 Alignment report process (discussed below), we expanded our assessment criteria for retailer eligibility for the 2022/23 Alignment report.
- 5.4. For the 2022/23 alignment period, retailer eligibility to submit an alignment statement was based on three factors:
- (a) Whether they were operational during the alignment period (1 July 2022 to 30 June 2023).
 - (b) If, during this period, they supplied electricity directly to domestic consumers.
 - (c) If, their organisation met the definition of 'domestic purposes' in the Guidelines and/or 'domestic consumer' under the Act.
- 5.5. Retailers that did not meet one or more of the criteria stated above were not required to submit an annual alignment statement.
- 5.6. The Authority's Participant Register⁶ was used to locate all participants classified as 'electricity retailers'. These retailers were then contacted to assess their eligibility to submit an alignment statement using the above criteria.
- 5.7. This represents a change from the 2021/22 Alignment report that based retailer eligibility on the list of retail brands with residential installation control points (ICPs)⁷ as shown on the Authority's *Electricity Market Information* website (EMI) at the end of the alignment period (30 June 2022).⁸ However, EMI data only captures those retail brands that purchase electricity directly from the wholesale electricity market.

⁵ The Guidelines also apply to distributors that directly invoice their customers for the supply of electricity and/or the provision of distribution services used fully or partly for domestic purposes. However, since the publication of the Guidelines, this type of distributor arrangement is no longer operational in the New Zealand market.

⁶ "Participant Register: A register of all participants in New Zealand's electricity industry", Electricity Authority Te Mana Hiko, accessed December 2023. <https://register.ea.govt.nz/>

⁷ ICP is defined as the point of connection at which the electrical installation for a retailer's customer is connected to an electricity network. Each ICP (eg, household connection) is assigned a unique identifying number. Residential ICPs generally represent places of domestic residence, such as houses, apartment buildings or other types of dwelling where domestic consumers reside.

⁸ "Market share snapshot: Traders sorted by residential ICP as at 30 June 2022", Electricity Authority: Electricity Market Information, 2023. <https://www.emi.ea.govt.nz/r/1gkas>

- 5.8. Such an improvement identified some smaller retailers that purchase their electricity directly from larger retailers rather than on the wholesale market. The residential ICPs (eg, customers) supplied by this type of small retailer are not linked to individual retail brands on EMI. Instead, these ICPs are included within the total residential ICPs of the larger retailer from which the small retailer purchases their electricity.
- 5.9. To ensure that the customers of these small retail brands are receiving an appropriate level of consumer care, the 2022/23 Alignment report was expanded to include alignment statements from this type of retailer. This resulted in a larger number of respondents to the 2022/23 Alignment report.

We used a new approach to collect retailer alignment statements

- 5.10. The 2022/23 Alignment report used the Authority's Information Provision Platform to collect alignment statement from eligible retailers, with the aim of streamlining data collection.
- 5.11. This responded to the known limitations of using non-editable, paper alignment forms and requesting retailers to submit scanned copies of their signed alignment responses via email, as was done for the first alignment period.
- 5.12. Using the Information Provision Platform improved the alignment statement data collection process by helping the Authority to accurately and efficiently process the responses collected from each retailer.
- 5.13. It also provided retailers with greater certainty regarding their submissions, as each received an automated PDF copy of their response for their records and to assist with fact-checking the presentation of their submissions in the 2022/23 Alignment report.

We redesigned the alignment statement form to improve reporting

- 5.14. The *Certificate of alignment with the Consumer Care Guidelines* (Certificate), used for the 2021/22 Alignment report, was redesigned to suit the online format of the Information Provision Platform.

More detailed alignment reporting was requested from retailers

- 5.15. The 2021/22 Certificate asked retailer to self-assess their alignment with Parts 2 to 10 of the Guidelines. The possible responses were 'aligns' or 'does not align', with a short section under each Part to outline 'extent of non-alignment' (see Appendix B).
- 5.16. The new 2022/23 online alignment statement form expanded the possible responses available to respondents (see Appendix C). When stating their alignment with each Part, retailers could select 'yes', 'no' or 'alternative action'.
- 5.17. If responding 'yes' to a Part, no further questions were asked. If responding 'no' to a Part, retailers were asked to outline the specific paragraphs where they were not aligned, their reasons for non-alignment, how they intended to resolve non-alignment, and by what date. This was done to better align the statement responses with paragraph 126(a) and (b) of the Guidelines that asks retailers to:

“describe the extent to which their alignment with the Guidelines has been achieved and, where alignment has not been achieved, to explain the reason for this non-alignment and describe a plan and a commitment to achieve alignment.”⁹

- 5.18. The option to explain ‘alternative actions’ acknowledges Guidelines paragraph ix, which allows retailers to align with the recommendations of the Guidelines ‘by taking alternative actions that achieve the purpose and outcomes in Part 1.’¹⁰
- 5.19. The intention of these changes was to provide us with more detailed information on how workable the current wording of the Guidelines is for retailers and where potential improvements could be made to encourage widespread alignment.

Additional improvements

- 5.20. All eligible retailers were asked to supply statements for each individual retail brand they operate in the New Zealand retail market. This meant that those retailers that operate more than one retail brand submitted multiple alignment statements.
- 5.21. As requested under Part 10 paragraph 126 of the Guidelines, the responses of each retailer should be signed by the Chief Executive (or a suitable equivalent) in each organisation to verify the statement. For the new online form, respondents uploaded a signature and declared their submission accurate and complete.
- 5.22. Retailers were also requested, under Part 10 paragraph 121, to provide the Authority with copies of all consumer care policies in effect during the 12 month alignment period (1 July 2022 to 30 June 2023). If more than one policy was in effect during this period, the most recent policy should be clearly identified.
- 5.23. Extensive instructions on how to complete the new form were included with each submission form (see Appendix C). Authority staff worked with all respondents to assist them, as needed.

Alignment statements are voluntary and self-assessed

- 5.24. Due to the voluntary nature of the Guidelines, not all eligible respondents submitted alignment statements for the 2022/23 alignment period. The Authority encouraged all known eligible retail brands to submit a statement and worked with those less familiar with the Guidelines or the Authority’s information systems, to answer questions and provide assistance wherever possible.
- 5.25. The results presented in this report are based on a self-reporting process. Each eligible retail brand was asked to state their alignment with the recommendations in Parts 2 to 10 of the Guidelines. All statements provided have been certified by the Chief Executive or a suitable equivalent in the organisation of each eligible retail brand.
- 5.26. The Authority acknowledges that self-reporting is subjective, and variations can emerge, eg, retailers may have divergent interpretations of the Guidelines’

⁹ See Part 10, paragraph 126 a) and b).

Electricity Authority, *Consumer Care Guidelines*, 2021, 32.

¹⁰ Electricity Authority, *Consumer Care Guidelines*, 2021, 4.

recommendations and what they consider to be an acceptable minimum standard of conduct.

- 5.27. In this context, self-reporting biases may be included in this report. However, the responses provided are presented as submitted. Retailers were given an opportunity to fact check their responses along with any content related to their organisation contained in this report prior to its publication.

6. Next steps

- 6.1. The 2022/23 Alignment report indicates better overall alignment with the recommendations of the Guidelines.

Alignment statements helped inform our decision to mandate the Guidelines

- 6.2. Since the introduction of the Guidelines, the Electricity Industry Amendment Act 2022 introduced an additional statutory objective and function for the Authority, which directs us to protect the interests of domestic consumers and small business consumers in relation to the supply of electricity to those consumers. This only applies to the dealings of industry participants with domestic consumers and the small consumers.¹¹
- 6.3. The Authority's main objective is to promote competition in, reliable supply by, and the efficient operation of, the electricity industry for the long-term benefit of consumers.¹²
- 6.4. The Authority ran a consultation on four options to update and strengthen the current Guidelines between September and October 2023.
- 6.5. The findings of both the 2021/22 and 2022/23 Alignment reports informed the Authority's consultation paper and decision following that consultation to progress with Option four and mandate the Guidelines.
- 6.6. As we work to mandate the Guidelines into the Code, the Authority expects all retailers to maintain alignment with the Guidelines, and any non-alignment reported be addressed during this time. We will be undertaking the next alignment report for the period 1 July 2023 to 30 June 2024 in the second half of 2024 and expect retailers to resolve outstanding non-alignment.
- 6.7. As required in the Guidelines, any instance of self-reported non-alignment requires the respondent to explain the reason and describe a plan and commitment to achieve alignment. The partially aligned and non-aligned retailers noted in this report each provided an explanation of their stated non-alignment and, where appropriate, included plans on how they will resolve their non-alignment during the 2023/24 alignment period.
- 6.8. The Authority may, under paragraph 127 of the Guidelines, publish the names of retailers that do not provide annual alignment statements.

¹¹ Electricity Industry Act 2010 – Sections 15(2)(3) and 16(1)(ia).

¹² Electricity Industry Act 2010 – Sections 15(1).

7. Attachments

7.1. The following appendices are attached to this paper:

Appendix A Summary of the Consumer Care Guidelines

Appendix B 2021/22 Certificate of alignment

Appendix C 2022/23 Annual Alignment Statement response form

Appendix A Summary of the Consumer Care Guidelines

Part	Overview	Description
Part 1	Purpose	Acts as a guide to retailers in: <ul style="list-style-type: none"> adopting behaviours and processes that foster positive relationships with domestic consumers; and helping domestic consumers maximise their potential to access and afford a constant electricity supply suitable for their needs; and helping domestic consumers minimise harm caused by insufficient access to electricity or by payment difficulties.
Part 2	Retailers to publish a consumer care policy	Commitment to publish consumer care policies, produce consumer-facing website information, and processes for initial communications with customers.
Part 3	Information and records relating to consumer care	Specific actions to collect and record consumer care information, for the purpose of enabling a retailer to proactively support, as effectively as possible, any customers who may have difficulty paying their electricity bill or maintaining connection to electricity.
Part 4	When a customer signs up or is denied a contract	What to do when a customer is signed up or a person enquiring with a retailer is denied a contract, following contract law principles
Part 5	Business as usual account management	Best practice measures during business-as-usual account management.
Part 6	When payment difficulties are anticipated or arise	How to respond when a customer anticipates payment difficulties, is having payment difficulties and/or is in payment arrears.
Part 7	Progressing to disconnection for non-payment of electricity invoices and reconnection	Specific actions to take prior to, at, and following the disconnection and reconnection of post-pay and pre-pay customers for non-payment of electricity invoices or during planned disconnections (eg, for maintenance activity).
Part 8	Additional recommendations for Medically Dependent Consumers	Specific actions to follow when supplying electricity to MDCs, including identifying and recording MDCs as soon as possible, and ensuring they are not disconnected for non-payment.
Part 9	Fees and bonds	On fees, bonds and how these should be set so that they reflect reasonable costs.
Part 10	Information and Disclosure Monitoring	Makes recommendations to retailers concerning information disclosure to enable better monitoring of alignment and outcomes. Actions described in this part are the primary focus of this report.

Appendix B 2021/22 Certificate of alignment

Certificate of alignment with the consumer care guidelines

Provided in accordance with Part 10 of the consumer care guidelines

Please provide the completed form (including the following pages) to the Authority via the upload facility

Trading name of disclosing participant _____

Participant identifier of the disclosing participant _____

Contact details of the disclosing participant _____

Relating to alignment during the period from __/__/__ to __/__/__

The Chief Executive of the disclosing participant certifies that the information given in this alignment disclosure is accurate and complete.

Signed (CEO) _____ Date __/__/__

Printed name _____

Witnessed _____ Date __/__/__

Printed name _____

Part 2: Retailers to publish a consumer care policy

- (a) Aligns Does not align
(b) Extent of non-alignment _____

Part 3: Information and records relating to consumer care

- (c) Aligns Does not align
(d) Extent of non-alignment _____

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

- (e) Aligns Does not align
(f) Extent of non-alignment _____

Part 5: Business-as-usual account management

- (g) Aligns Does not align
(h) Extent of non-alignment _____

Part 6: When payment difficulties are anticipated or arise

- (i) Aligns Does not align
(j) Extent of non-alignment _____

Part 7: Progressing to disconnection for non-payment of debt and electrical reconnection

- (k) Aligns Does not align
(l) Extent of non-alignment _____

Part 8: Additional recommendations for medically dependent consumers

- (m) Aligns Does not align
(n) Extent of non-alignment _____

Part 9: Fees and bonds

- (o) Aligns Does not align
(p) Extent of non-alignment _____

Part 10: Information disclosure and monitoring


- (q) Aligns Does not align
(r) Extent of non-alignment _____

Appendix C 2022/23 Annual Alignment Statement response form



Information Provision

[Make a submission](#) / Consumer Care Guidelines Annual Alignment Statement

 Save progress

Consumer Care Guidelines Annual Alignment Statement

The Electricity Authority expects retail participants to provide their Consumer Care Guidelines Annual Alignment Statements for 2022-23 between 31 July and 31 August 2023.

This statement is provided in accordance with Part 10, paragraphs 126-127 of the Consumer Care Guidelines (see page 32).

The information requested covers the period 1 July 2022 to 30 June 2023.

Please refer to the full Consumer Care Guidelines when considering your responses: <https://www.ea.govt.nz/documents/2093/Consumer-Care-Guidelines.pdf>

How to complete this form

We suggest that you download and print out a copy of these instructions to assist you in completing this form.

There are three sections, and multiple responses required in this form. All fields require a response, unless specified.

Please allow plenty of time to complete your response. You can save and return to your response as required, prior to the due date.

When you have finished, please submit by pressing the 'Send to the Authority' button.

This notice applies to all retail electricity suppliers

The expectation under the Consumer Care Guidelines is that all retailers (as defined in the Electricity Industry Act 2010) submit an Annual Alignment Statement.

If your organisation does not supply electricity to domestic consumers, you are not required to complete an Alignment Statement. Please let us know through the Information Provision Platform correspondence system if you do not currently supply electricity to domestic consumers.

If your organisation operates more than one retail brand, you will need to submit a statement for each brand.

All information must be provided by 31 August

This year, you have until 31 August 2023 to complete your submission.

The Electricity Authority is using our Information Provision system for this year's alignment statements.

We have allowed the submission period to be from 31 July 2023 to 31 August 2023 to give respondents more time to complete their responses.

If your organisation requires an extension, please contact us through the Information Provision Platform.

Reminders will be sent through the Information Provision Platform to your nominated staff member to complete this form by the required date.

Provide the information using the Information Provision system

Participants who are requested to comply with this request must upload the information to the Authority's Information Provision Platform at <https://info.ea.govt.nz/>.

If your organisation is responsible for more than one retail brand, you will be directed to complete multiple Alignment Statements when logging on to the Information Provision Platform.

If the correct amount of statement requests is not visible, please advise us through the Information Provision Platform.

Provide all three sections on information to complete your assessment

Please provide all information pertaining to the sections indicated below to the Authority.

- **Section A:** participant information
- **Section B:** declaration of alignment with Parts 2 to 10 of the Consumer Care Guidelines
- **Section C:** certification by the Chief Executive (or equivalent).

Please check that all the details are correct **before** submitting your statement.

Submitting the form to the Authority

When you finish your responses to the required questions, select the 'Send to the Authority' button.

When you submit your statement, the form submitter will receive a copy of your organisation's response. You are also able to cc in all other principal respondents or other members of your organisation. The principal respondent for each organisation can manage these preferences when they are logged into the Information Provision Platform.

Please keep a copy of your organisation's response for your records.

As stated in Section B above, you may be asked to discuss your response with the Authority's Compliance team.

How the Authority will use this information

The Authority will use the information gathered to produce a report on retailer alignment with the Consumer Care Guidelines for the period June 2022 to July 2023. Our intention is to publish this report later in the year.

Complete Section A - Your participant information

All retailers that supply electricity to domestic consumers are requested to submit an Annual Alignment Statement for each retail brand that they operate.

Questions 1 and 2:

As the disclosing participant, you are asked to identify the trading name (eg, retail brand) and the participant identifier (four letter code) that this statement applies to in questions 1 and 2.

Please check that the prepopulated answers in questions 1 and 2 contain the correct information. If incorrect, these answers can be adjusted by using the drop-down menus and selecting the appropriate information.

If your organisation operates more than one retail brand, you will need to submit a separate statement for each brand. In questions 1 and 2, please identify which brand the statement applies to by selecting the correct trading name and participant identifier code associated with the retail brand that this statement applies to.

Your organisation may not have a participant identifier (four letter code) if it does not purchase electricity direct from the wholesale market. If so, for question 2, please identify the trading name of the participant through which your organisation purchases electricity on the wholesale market.

To help us understand the market share of participants without participant identifiers, please enter the approximate number of domestic customers, measured by installation control points (ICPs) serviced by the retail brand as at 30 June 2023. This question only applies to disclosing participants that do not have a participant identifier.

Question 3:

Please check that the prepopulated address details in question 3 are correct for the retail brand in question. If they are incorrect, it is your responsibility to update these details in the Participant Register <https://register.ea.govt.nz/>

Question 4:

This Annual Alignment Statement applies for the period 1 July 2022 to 30 June 2023. The form is prepopulated to show these dates. If the retail brand in question has only operated for part of this period, please indicate the exact dates of its operation in your response to this question.

Complete Section B - the declaration of alignment with Parts 2 to 10 of the Consumer Care Guidelines

This section asks you to declare the alignment of the retail brand in question with the recommendations of the Consumer Care Guidelines.

You are asked to make a separate declaration of alignment for each Part of the Guidelines (2 through 10).

The term 'paragraph' referenced below, means the specific numbered recommendations listed in each Part of the Guidelines (eg, Part 3, paragraphs 14 – 17).

Please refer to the content of the Consumer Care Guidelines while making your submissions. The full Guidelines are available here: <https://www.ea.govt.nz/documents/2093/Consumer-Care-Guidelines.pdf>

When making your declarations, you will be asked to choose from three options: Yes, No, and Alternative action. An explanation of what these each response means is specified below.

If Declaring 'Yes':

By selecting the option 'Yes', you declare that the retail brand in question has aligned with this Part of the Guidelines by following the specific actions described in each paragraph.

Please note that we may choose to contact those who declare full alignment with some or all Parts of the Guidelines to ask for evidence of their alignment.

If Declaring 'No':

If the retail brand in question is not meeting the specific written recommendations for a Part of the Guidelines, you can declare 'No'. You will then be prompted to submit further information on why you do not feel the retail brand is aligned with this Part.

Please outline areas of non-alignment by paragraph of the Consumer Care Guidelines, and in the following box, explain the reasons, for this non-alignment. In the next boxes, you can then choose to explain if you intend to resolve any of the paragraphs listed as non-aligned, and by what date you expect to resolve this non-alignment.

Please note that we may choose to contact those who declare non-alignment with some or all Parts of the Guidelines to discuss their non-alignment.

If Declaring 'Alternative action':

The Consumer Care Guidelines allows for retail brands to align with the Guidelines by taking alternative actions which achieve the [purposes and outcomes set out in Part 1.](#)

If your organisation has achieved alignment with a Part of the Guidelines without following the specific written recommendations in the Guidelines, you should select the 'Alternative action' option.

If you choose this option, you are requested to explain the actions your organisation is taking to achieve the intended outcomes of the Guidelines.

For further information, see paragraph xi on page 4 of the Guidelines, available here: <https://www.ea.govt.nz/documents/2093/Consumer-Care-Guidelines.pdf>

Please note that we may choose to contact those who declare alignment with the intended outcomes of some or all Parts of the Guidelines to discuss their actions.

Additional content requested:

In addition to providing a declaration of alignment under Part 2 of this form, you are requested to provide the Authority with all customer care policies used by this retail brand in the last 12-month period (1 July 2022 to 30 June 2023). This ensures retailer alignment with paragraph 121 of the Guidelines (see page 31).

An upload facility is provided in this section to complete this process. You can submit multiple policies by selecting the 'add another' box.

Please label uploaded the file with the dates to which it applies (eg, 'customer_care_policy_01.07.22-30.06.23.pdf').

When the form is submitted, the copy you receive will only show the file name uploaded, so clear file labelling will help you ensure the right information has been submitted to us.

In instances where more than one policy was in effect during this alignment statement period, clear file labelling will help us identify which is the most recent policy.

Complete Section C: Certification by the Chief Executive (or equivalent)

The Consumer Care Guidelines requires this Annual Alignment Statement be certified by your organisation's Chief Executive Officer (or a suitable equivalent).

To complete this declaration, respond to the Yes/No question to certify that the information provided is accurate and complete.

Upload a JPEG file of the Chief Executive Officer (or equivalent's) signature.

When submitting the signature file, please ensure the file is cropped to show only the signature text. Clearly label this file to indicate its contents (eg, 'CEO signature, xx August 2023.jpeg').

When the form is submitted, the copy you receive will only show the file name uploaded, so clear file labelling will help you ensure the right information has been submitted to us.

Finally, please state the full name and job description of the signatory.

[Download request letter](#)

Alignment Statement Section A: participant information

Question 1: Trading name of disclosing participant? (select appropriate trading name from the drop down list below)

Question 2: Participant identifier/s of the disclosing participant

If the disclosing participant does not have a participant identifier, indicate the trading name of the participant/s through which your organisation purchases electricity on the wholesale market (select trading name/s from drop down list below)

If the disclosing participant does not have a participant identifier, please indicate the approximate number of domestic customers (ICPs) serviced by your organisation as at 30 June 2023

Question 3: Are the contact details of the disclosing participant below correct?

If not, please update your details in the Participant Register: <https://register.ea.govt.nz/>

Question 4: This declaration relates to alignment during the period:

From

To

Alignment Statement Section B: declaration of alignment with Parts 2 to 10 of the Consumer Care Guidelines

Part 2: Retailers to publish a consumer care policy

a) Aligned

Yes

Customer care policy/s Upload all customer care policies used by this retail brand in the last 12-month period (1 July 2022 to 30 June 2023). Please clearly label the uploaded the file/s with the dates to which it applies (eg, 'customer_care_policy_01.07.22-30.06.23.pdf').

Drag and drop a file, or [select a file](#) max size 100MB

[+ Add another](#)

Part 3: Information and records relating to consumer care

a) Aligned

No

b) Outline non-alignment by paragraph of the Consumer Care Guidelines

c) Reasons for non-alignment by paragraph listed in b) above

d) Which, if any, of the paragraphs listed in b) above, do you intend to resolve non-alignment with?

e) Of the paragraphs you intend to resolve, by what date do you expect to resolve non-alignment?

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

a) Aligned

Alternative action

f) If you consider your organisation is aligned with this Part but you are not following the specific recommended actions in the Guidelines, please state what actions you are taking for this Part to achieve the intended outcomes of the Guidelines (as set out in in Part 1). See paragraph ix on page 4 of the Guidelines for further details.

Part 5: Business-as-usual account management

a) Aligned

Part 6: When payment difficulties are anticipated or arise

a) Aligned

Part 7: Progressing to disconnection for non-payment of debt and electrical reconnection

a) Aligned

 No

b) Outline non-alignment by paragraph of the Consumer Care Guidelines

c) Reasons for non-alignment by paragraph listed in b) above

d) Which, if any, of the paragraphs listed in b) above, do you intend to resolve non-alignment with?

e) Of the paragraphs you intend to resolve, by what date do you expect to resolve non-alignment?

Part 8: Additional recommendations for medically dependent consumers

a) Aligned

 Alternative action

f) If you consider your organisation is aligned with this Part but you are not following the specific recommended actions in the Guidelines, please state what actions you are taking for this Part to achieve the intended outcomes of the Guidelines (as set out in in Part 1). See paragraph ix on page 4 of the Guidelines for further details.

Part 9: Fees and bonds

a) Aligned

