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Submitted via: retaildata@ea.govt.nz

Electricity Authority

Te Mana Hiko

Wellington

Re: Improving retail market monitoring: clause 2.16 information notice consultation paper

Sustainability Trust and our social retailer, Toast Electric welcome the opportunity to comment on the Electricity Authority Improving retail market monitoring: clause 2.16 information notice consultation paper. We strongly support the consolidation of data collection and the range of proposed data that will allow insight into outcomes for consumers.

We are in favour of gathering detailed information on prepay, bundling, disconnections, debt, price plans, consumer care (including referrals to community support agencies). This data will assist the industry, individual consumers, and the agencies who support vulnerable households in better policy development for creating a responsive, fair and competitive retail market.

We also look forward to this data being enrolled in the IDI to give us all a clearer picture of the link between electricity retail data and other indicators of energy hardship such as housing condition and health. We have seen an increasing willingness and proactive approach from electricity retailers to addressing energy hardship, and having access to better data will enable monitoring of the success or otherwise of our collective work as an industry and community to end energy hardship.

Sustainability Trust and Toast Electric

Sustainability Trust has been operating programmes that support households in energy hardship in the Wellington region since 2004. Over this time we have

engaged with thousands of vulnerable whānau from Wellington to Levin. This includes a range of in-home assessments, advice, and support services delivered internally or in partnership with range of government, community, research, industry, social, and health agencies. In September 2022 we launched Toast Electric as a social electricity-retailer to enable the Trust and our partners to provide an integrated energy hardship response. The response wraps electricity pricing, home energy advice and interventions, and the wrap around support provided by our referral agencies for their clients they refer to Toast.

In addition to the data requests listed in the consultation document, we have the additional recommendations and comments:

Notification of cheaper and/or more appropriate price plans:

- Whether or not the retailer has notified the customer they could pay less on a different plan in the reporting period. This to include both variable price plans and standard/low user designation.
- Whether or not the check of suitable offers included alerting the customer to alternative tariffs if their meter was upgraded to support a wider range of tariff structures;
- What information was relied on to make the recommendation. Practically this would include such things as usage volume, patterns etc
- How much the customer has been told they could save and the potential costs, e.g. the costs of upgrading the meter or switching the tariff
- Whether customers have switched to the plan recommended when alerted.

This could provide better visibility as to how transparent retailers are with their customers who could pay less for essential services.

Debt Collection:

- Information on any debt collection action and especially disconnections progressed in relation to sums owing which are not related to electricity supply. Households should not have energy services disconnected because of missed payments on bundled products and requesting this information should bring visibility as to if this is happening and if intervention is needed.

Bundling:

- Gathering information on whether retailers disconnect other bundled services if electricity supply is switched away. A number of retailers will disconnect broadband and other services if electricity supply is switched away. This creates a barrier for households in choosing to switch away for better electricity pricing.

Incentives and exit fees:

- Requiring retailers to provide detail on incentives and potential exit fees on customers' plans. This will improve visibility of the true cost of contracts when combined with the tariff data.

Metering Types

- We recommend that the Electricity Authority ensure it can analyse whether the outcomes assessed are impacted by metering type. This data will be readily available via the Registry and monitoring may provide evidence about the need to address barriers to metering changes.

Work and Income Benefit Redirects:

- Information on whether the customer has paid through a redirection from Work and Income in the last year. Redirections from Work and Income indicate a low income and may halt due to financial hardship. Where someone is disconnected or has another adverse outcome the consumer care in place has not succeeded and this should be monitored.

Refusal of Service:

- Whether a client was refused service for specific reasons. These may include issues such as credit check level, meter type (e.g. non-communicating meters) etc. this will assist in an understanding of barriers to sign up with different companies and by individual barrier.

Prepay

- Information gathered around how much of any prepay top up is allocated to debt repayment.
- Information on whether prepay arrangements with automatic disconnection are offered or recommended to someone in debt on post pay arrangements. This should be monitored as such a change could indicate how often diversion to prepay is used as a debt management tool by retailers.
- Ensure the definition of prepay leads to information clearly denoting whether low or zero balances lead to automatic disconnection or not.

Eligibility for plans:

- Whether there are any special conditions for accessing some plans. An example could be a plan only available households who apply via e.g in Toast's case for low-income households, through an authorised referral partner.

Frequency of reconnections and disconnections:

- Information on where there are multiple disconnections and reconnections in the reporting period. The reason for disconnection should also be gathered. Prepay automatic disconnection should be gathered. Regular disconnection is an indicator of energy hardship outcomes that need to be addressed.

Adjustments for the proposed notice for retail data

- Gathering the 'plan name' and 'tariff' so that there is visibility of how confusing or overwhelming the market of offers is for consumers. Such issues could lower the likelihood of switching for better outcomes and should be monitored.

Costs to Implement

- As a small retailer with just over 600 ICPs at 29 February 2024, we would bear a reasonably high proportionate cost to upgrade our data capture and reporting systems, especially as these data sets lie in a separate billing, CRM, and financial systems. We are supportive of continuing to maintain or increase the 1000 ICP threshold for the RFS to apply to the new data monitoring system, as we work towards upgrading our capability to meet the reporting requirements.

Thank you for the opportunity to comment, and happy to answer any questions.

Ngā mihi,



Philip Squire

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Manager - Toast Electric

