

# Introducing the Consumer Care Obligations

Decision paper

3 December 2024

## Executive summary

The Electricity Authority Te Mana Hiko (Authority) is pleased to publish our final decisions in our process to mandate the Consumer Care Guidelines (Guidelines).

The Authority introduced the Guidelines in 2021 to replace earlier guidelines on arrangements for retailers to assist medically dependent and vulnerable consumers. We developed the Guidelines in collaboration with industry and consumer representatives, with a commitment to review their voluntary status to ensure protections were being consistently delivered.

In September 2023, the Authority released a consultation seeking feedback on options to improve the Guidelines, which received overwhelming feedback from consumers in Aotearoa to make them mandatory. Many retailers also indicated support for this, and in February 2024 the Authority announced its decision to mandate the Guidelines under the Electricity Industry Participation Code 2010 (Code) (subject to amendments including for reasons of workability and clarity).

Over the past year we have engaged with industry participants, consumers, consumer groups and other organisations in our process to mandate the Guidelines, as amended. Our aim has been to create clear, workable, and enforceable obligations that ensure consumers receive a standard level of care that is consistently applied across the electricity industry.

### Introducing Consumer Care Obligations

The Consumer Care Obligations (Obligations) are a set of minimum standards that all retailers must comply with if they sell electricity to residential consumers. They underscore the Authority's commitment to electricity consumers receiving the care and protection needed in today's world where electricity is vital to achieving healthy and prosperous lives.

With new technologies, service offerings and innovative products coming online, the Obligations will provide a solid foundation that safeguards consumer protections as the electricity system continues to evolve. They will support retailers to provide a consistent standard of care to their customers, and ensure the right support is available, particularly during critical moments in the retailer-customer relationship.

The Obligations will provide retailers and distributors with clarity of their consumer care responsibilities and operational improvements will make it easier to achieve the mandated protections.

### Amending the Code

The Authority has decided to mandate the Obligations by introducing a new Part 11A: *Consumer Care* into the Code from 1 January 2025. The *Consumer Care Obligations* will be included as a new Schedule under Part 11A. This Part will set out the regulatory framework for enhancing consumer protections in the electricity market.

The Code will be amended to include the new Part and Schedule no later than 4 December 2024.

### A staged approach to implementation

We will begin implementing the Obligations from 1 January 2025, with the introduction of two protections:

- Clause 37: Prohibiting retailers from disconnecting post-pay customers where they know a medically dependent consumer may be residing at that premises. If such a disconnection does occur, the retailer must notify the Authority immediately using the prescribed form.
- Clause 68: Requiring any fees charged by a retailer to be reasonable and reflective of actual costs.

Retailers must comply with Clauses 37 and 68 from 1 January 2025.

The remaining obligations will take effect from 1 April 2025 to ensure retailers and distributors have the necessary operational changes in place to implement the new requirements for their customers.

Retailers and distributors must comply with the remaining obligations no later than 1 April 2025.

### **Working together for a successful implementation of the Obligations**

As a kaitiaki of electricity, the Authority will support retailers and distributors in understanding and complying with the requirements as the Obligations are implemented across the sector. We are also committed to ensuring consumers are well informed about their rights and know the steps they can take to seek help when needed.

We are developing clear and accessible materials for consumers, which will explain their rights under the new Obligations and guide them through the process of what to do if they encounter an issue. Retailer guidance on Clauses 37 and 68 will be prioritised ahead of 1 January 2025, and guidance for the remaining obligations will be made available to support retailers before 1 April 2025.

The Authority would like to thank all those who have engaged with us throughout our journey to deliver the Obligations. We look forward to supporting the implementation of the Obligations in 2025 and seeing these protections embedded as a standard across the electricity sector for all electricity consumers.

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## 1. Purpose

- 1.1. The purpose of this paper is to inform consumers and industry stakeholders of the Authority's decisions to amend the Electricity Industry Participation Code 2010 (Code) to include the Consumer Care Obligations (Obligations).
- 1.2. This paper:
  - (a) sets out the Authority's final decision on the Code amendment that will mandate the Obligations,
  - (b) explains the changes made to the Code amendment as proposed in August 2024 (proposed Code amendment) to respond to feedback received in consultation, and
  - (c) outlines the next steps we will take to implement our decision.

## 2. Our journey from Guidelines to Obligations

- 2.1. The voluntary Consumer Care Guidelines (Guidelines) were introduced in March 2021, with effect from 1 July 2021.<sup>1</sup> These Guidelines were developed through engagement across the industry and with consumer groups to ensure consistent and supportive care standards for consumers.
- 2.2. The Guidelines provided a set of minimum recommended actions that retailers should take at critical points in their relationship with consumers, where vulnerabilities may emerge, and where unsupportive practices could inadvertently cause harm.
- 2.3. By introducing the Guidelines, the Authority aimed to foster better market practices. We committed to monitoring retailer alignment with the Guidelines and indicated that if voluntary Guidelines did not satisfactorily deliver their intended outcomes, we would consider mandating them (or aspects of them) in the future.

### A new statutory function to protect consumers

- 2.4. In 2022, the Electricity Industry Act 2010 (Act) was amended, and the Authority was given a new statutory objective (and related function): to protect the interests of domestic and small business consumers in relation to the supply of electricity to those consumers.<sup>2</sup> This objective applies to the Authority's activities in relation to the dealings of industry participants with these consumers.<sup>3</sup>
- 2.5. Mandating the Guidelines is a significant Code amendment under our new additional objective to protect domestic consumers.

### Inconsistent application of the Guidelines led us to mandate them

- 2.6. Having monitored retailer alignment with the Guidelines since their introduction, and after consultation and analysis, the Authority concluded that making the Guidelines mandatory was necessary or desirable to enhance consumer protections.

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<sup>1</sup> The Guidelines replaced long-standing industry guidelines first introduced in 2005: the *Guideline on arrangements to assist vulnerable consumers*, and the *Guideline on arrangements to assist medically dependent consumers*.

<sup>2</sup> Electricity Industry Amendment Act 2022, sections 10 and 11.

<sup>3</sup> Electricity Industry Act 2010, sections 15 and 16.

- 2.7. Our reviews of retailers' self-assessed alignment with the Guidelines had shown that implementation had not been as consistent as expected across the retail market, and that there was a need for more robust and enforceable standards, as highlighted in our [2023 consultation paper](#) and subsequent [decision paper](#) published February 2024.
- 2.8. More recently, the 2023/24 alignment report has revealed varying interpretations of the Guidelines and differences in how retailers apply them in practice. Retailers' ability to align using alternative actions has also likely contributed to differences in how retailers who report full alignment with the Guidelines are doing so. These findings reinforce the importance of mandating the Guidelines to provide clear, certain and consistent consumer protections, as well as to ensure accountability across the industry.

### **We reviewed the Guidelines to make them clear for consumers and workable for retailers**

- 2.9. Retailers' submissions on our 2023 consultation paper emphasised the need for a thorough operational review, to address practical challenges they encountered in implementing the Guidelines.
- 2.10. We committed to addressing the workability issues raised by retailers, and over the past 10 months we have conducted a detailed operational review of the Guidelines. The objective of this review has been to ensure the Obligations are clear and workable, while maintaining the policy intent and consumer protections present in the Guidelines. Consumers are best protected by obligations that are clear and workable. We also want to ensure flexibility for retailers to innovate and exceed the minimum mandated requirements.

### **We have collaborated with stakeholders to best promote consumer protection while enabling innovation**

- 2.11. During our operational review of the Guidelines we collaborated with key stakeholders, including consumer groups and industry representatives. We held two workshops in April 2024 which helped identify areas for improvement. Feedback from these discussions informed the proposed Obligations, published alongside a consultation paper in August 2024.
- 2.12. The consultation paper proposed operational changes to ensure the Obligations would be clear and workable. Improvements included:
- (a) making the scope of some obligations clearer
  - (b) improving definitions
  - (c) simplifying some prescriptive obligations
  - (d) reducing repetition and removing unnecessary wording
  - (e) improving practicability for some obligations
  - (f) using clearer, consistent and simpler wording
  - (g) addressing some gaps in the Guidelines, and
  - (h) retaining some flexibility where this best promoted consumer protection.

## Submissions on the consultation paper

2.13. We received a total of 361 submissions on the consultation paper from the submitters listed in Table 1: List of submitters.

2.14. A full list of submitters, and their submissions, are available on our [website](#).

**Table 1: List of submitters**

Category	Submitters
Retailers and industry organisations (13)	Contact Energy, Electric Kiwi, ERANZ, Flick Electric, For Our Good, Genesis, Independent Retailers, <sup>4</sup> Manawa Energy, Mercury, Meridian, Nova Energy, Stack Energy, Sustainability Trust – Toast Electric
Distributors and industry organisations (11)	EA Networks, Electra, Electricity Networks Aotearoa, MainPower and Marlborough Lines, Network Waitaki, Orion, The Lines Company, Unison and Centralines, Vector, Waipā Networks, Wellington Electricity
Consumer advocacy groups (5)	Citizens Advice Bureau New Zealand   Ngā Pou Whakawhirinaki o Aotearoa, Common Grace Aotearoa, Community Law, Salvation Army, Takahiwai Māori Committee
Other organisations and individuals (7)	Bruce Palmer, Disabled Persons Assembly, Entrust, FinCap, Ministry of Social Development, Momentous Consulting, Utilities Disputes Limited
Consumers (325)	19 written submissions 306 consumer survey responses from individuals

2.15. This paper summarises submissions made on key issues. However, while all submissions have been considered as part of the Authority's process, for practical reasons the summaries are not exhaustive and necessarily compress the information provided in submissions. Please refer to the individual submissions on the Authority's website for a full account of submitters' views.

## 3. The Authority has decided to make the proposed Code amendment, with some changes

3.1. We have decided to introduce Consumer Care into the Code under a new Part 11A, as proposed in our consultation paper. Some changes have been made to the final content of this Part in response to feedback from submitters.

3.2. This section outlines the Authority's decisions and addresses the main themes identified in the consultation feedback.

<sup>4</sup> The Independent Retailers are 2degrees, Electric Kiwi, Flick Electric, and Pulse Energy, who submitted jointly as the 'Independent Electricity Retailers' We refer to them as 'Independent Retailers' in this paper.



## **Further operational changes have been made to the Obligations to respond to submitter feedback**

- 3.3. Most submitters agreed with the Authority's approach to making operational improvements to the Guidelines, to ensure the Obligations are clear and workable.<sup>5</sup>
- 3.4. A strong theme of submissions from retailers, however, was that further operational improvements to specific clauses were needed. We received detailed feedback from retailers on some clauses which can be broadly summarised as raising the following concerns:
- (a) Some proposed obligations would require significant operational changes and/or impose additional costs on retailers, for little perceived consumer benefit. Retailers submitted these clauses needed further refinement to ensure they are workable and effective and provided specific suggestions for improvement.
  - (b) Some proposed obligations were overly prescriptive and could hinder innovation and limit retailers' ability to offer flexible, high-quality services, benefiting consumers. Retailers raising these issues called for a more flexible approach to meet the intended outcomes of some of the proposed obligations.
  - (c) Some proposed obligations were considered to be too general and did not provide clear requirements for retailers to follow. This would impact retailers' ability to meet the obligations, and customers' ability to receive a consistent standard of care from their retailer.
- 3.5. The Authority has addressed these concerns on a clause-by-clause basis (see section 4 below). We have made changes to certain obligations where we were satisfied that changes would promote consumer protection and the long-term benefit of consumers through clear, workable and effective protections that do not stifle innovation or undermine competition in the electricity retail market.

## **Retailers will be required to comply with the Obligations**

- 3.6. Currently, retailers can align with the Guidelines by adopting the recommended actions or by taking 'alternative actions' that achieve the purpose and outcomes of the Guidelines.<sup>6</sup>
- 3.7. Some retailers did not support the removal of the ability to align using alternative actions, or suggested building a mechanism into the Obligations to allow retailers to demonstrate their process meets the intent of the Obligations and the intended outcome of the relevant clause. These retailers were concerned that removing this flexibility could increase compliance costs and preclude lower cost options or alternatives that might better protect consumers.
- 3.8. Mandating the Obligations as they are means that retailers will no longer be able to align using alternative actions. We consider consumers should receive a standard and consistent level of care from their electricity provider. The Obligations are a set of minimum standards of care we expect all retailers to comply with. Allowing retailers to

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<sup>5</sup> Of submitters who commented on this question in their submission, this included over 95% of respondents to the consumer survey.

<sup>6</sup> As explained in paragraph ix of the explanatory note to the [Consumer Care Guidelines](#).

align using alternative actions would likely result in uncertainty for consumers and could impact regulatory certainty and enforceability of the Obligations.

- 3.9. Instead of providing for retailers to align with the Obligations using alternative actions, we have responded to these concerns by addressing retailers' issues on a clause-by-clause basis, to ensure less prescriptive obligations that will allow more operational flexibility for retailers. We are also giving retailers time to transition to the Obligations, as discussed below.

### **Changes have been made to obligations relevant to distributors**

- 3.10. Distributors provided detailed feedback on the clauses of the Obligations that affect them. They submitted that changes were needed to ensure the obligations on distributors are effective, workable, and align with existing regulatory frameworks, such as the Default Distributor Agreements and Default Price Path regime.
- 3.11. We have made changes to the Obligations to respond to this feedback (see discussion in paragraphs 4.57 to 4.59 below). We will also be consulting on a new electricity information exchange protocol (EIEP) for the provision of information about medically dependent consumers by retailers to distributors under the Obligations. Regulating the exchange of this information will ensure its consistency and reliability. A short consultation on the form and content of the EIEP will be announced shortly to ensure the new EIEP is in place when the Obligations come into effect.

### **We will take a staged approach to transitioning to the Obligations**

#### **Key provisions will come into effect on 1 January 2025 with a transitional period for more operational changes**

- 3.12. Another theme of submissions from industry participants was the need for a transition period to enable them to make the necessary operational changes to comply with the Obligations. Most retailers requested a transition period, with a period of at least six months being the most requested timeframe.
- 3.13. Most retailers have self-assessed as aligning with the Guidelines.<sup>7</sup> However, retailers highlighted the operational changes that had been made to the Obligations to make them clear and workable, and the current ability to align with the Guidelines using alternative actions, which will no longer be an option under the Obligations. In our recent alignment report, we also observed varying interpretations of the Guidelines and differences in how retailers apply them in practice.
- 3.14. These factors mean retailers will need to make changes to align current practice with the Obligations. Retailers submitted that staff training and system updates would require more time than the proposed 28 days' notice,<sup>8</sup> particularly given the holiday season.
- 3.15. In response to this feedback, the Authority has decided to adopt a staged approach to introducing the Obligations and provide a three-month transition period for most obligations, ensuring industry participants have adequate time for training and

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<sup>7</sup> Of the 48 retailers who provided alignment statements for the 2023/24 reporting period, 43 self-reported full alignment with the Guidelines. See full alignment report here [2023/24 Consumer Care Guidelines Annual Alignment Statement Report](#)

<sup>8</sup> Under the Act, the Authority must publish a Code amendment at least 28 days before it comes into force.

undertaking operational adjustments. This will ensure the Obligations are in force by winter 2025.

- 3.16. The staged approach to implementing the Obligations will ensure consumers have the benefit of protections as soon as reasonably possible while ensuring the transition is manageable for retailers.
- 3.17. Under this staged approach:
- (a) New Part 11: Consumer Care will come into force from **1 January 2025**. This new Part of the Code provides the regulatory framework for enhancing consumer protections in the electricity industry and will:
    - (i) outline the purpose of the new Consumer Care framework
    - (ii) establish new defined terms to ensure clarity and consistency
    - (iii) include a new annual compliance framework, requiring the first compliance report to be submitted by 30 September 2025 for the period covering 1 January 2025 to 30 June 2025
    - (iv) set out the obligations on both retailers and distributors to comply with the Obligations and how these are to be phased in as set out below.
  - (b) The following clauses of the Obligations will be effective and enforceable from **1 January 2025**:
    - (i) clause 37: post-pay customer premises at which a retailer knows a medically dependent consumer may be residing must not be disconnected
    - (ii) clause 68: fees must be reasonable and costs reflective.
  - (c) The remaining Obligations will be effective from **1 April 2025**.

#### **Medically dependent consumers must not be disconnected**

- 3.18. Under the Obligations a retailer must not disconnect a post-pay customer's premises if they know that a medically dependent consumer may be permanently or temporarily residing there. The Authority regards this as a key protection and no material concerns were raised with this obligation during consultation. As we explain in section 4 below, retailers will be required to notify the Authority as soon as they become aware of any such disconnections.
- 3.19. Making this obligation effective from 1 January 2025 serves as a critical step to protect medically dependent consumers. It aligns with the current Guidelines, and we do not expect any material operational changes or training will be necessary to give effect to this obligation from 1 January.

#### **Fees must be reasonable and cost reflective**

- 3.20. The Obligations will require retailers to ensure that any fees charged to customers:
- (a) do not exceed reasonable estimates of the costs the fee is contributing to
  - (b) are otherwise reasonable, balancing precision with administrative and practical efficiency
  - (c) are not used to offset future costs, and

- (d) do not attempt to recover any deficit from a previous under-recovery.
- 3.21. These obligations closely align with the existing recommended actions under the Guidelines. No material concerns were raised by retailers with this obligation during consultation and bringing this into force from 1 January is not expected to introduce unreasonable compliance costs. Retailers will need to be able to demonstrate that their fees meet these principles.
- 3.22. We will publish guidance for retailers outlining how to interpret and comply with these obligations, alongside user friendly resources for consumers to ensure they understand their rights.

### **Our consumer care work programme is ongoing**

- 3.23. The Authority's current priority is to mandate the key existing provisions of the Guidelines. Mandating the Guidelines is the cornerstone of an ongoing journey to further strengthen and expand our work to meet our consumer protection objective and function. The Authority will continue to consider additional consumer protection initiatives and opportunities to improve the Obligations in 2025.
- 3.24. Several submitters, including consumers, consumer advocacy groups and other organisations, submitted that further measures are needed to adequately protect consumers. Suggestions for further measures included:
  - (a) banning fees for disconnection and reconnection in relation to unpaid bills
  - (b) further protections for prepay customers, such as prohibiting companies from charging more for prepay than post-pay product offerings
  - (c) further protections for medically dependent consumers who may not be able to access post-pay product offerings, such as a retailer of last resort offering
  - (d) requirements on retailers to check every six months that customers are on the cheapest plan and inform them if they offer a cheaper option
  - (e) requirements on retailers to include standard information on bills.
- 3.25. The Authority's ongoing consumer protection work will be supported by the Authority's retail data project. The Authority is improving its collection of retail data by removing multiple overlapping requests and replacing them with a single comprehensive and continuing request for information using our information gathering powers under the Code. The Authority recently consulted on an amended notice<sup>9</sup> which aims to facilitate active monitoring of the retail market including collecting data relevant, but not limited to, monitoring implementation of the Obligations.
- 3.26. The Authority has proposed that the amended notice would require retail data to be provided from 1 January 2025, with a five to six-month implementation period. A notice issued on 1 February 2025, for example, would require retailers to make their first data delivery on 31 July 2025, covering the period from 1 January 2025 to 30 June 2025, followed by monthly reports thereafter.<sup>10</sup>

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<sup>9</sup> Further information on this project can be found here: [Amended information notice and updated analysis | Our consultations | Our projects | Electricity Authority](#)

<sup>10</sup> As explained in the Authority's consultation paper, *Improving retail market monitoring: amended information notice and updated analysis*.

- 3.27. We are also improving consumer mobility. This workstream aims to ensure that consumers have the information and tools on hand to accurately assess their electricity consumption and determine their own best fit plan. It aims to reduce barriers consumers may face when comparing electricity plans including access to consumption data, billing information and comparison services.

## **4. Changes to the Obligations in response to submissions**

- 4.1. We are grateful for the detailed feedback we received on the proposed Code amendment. Appendix B includes our response to issues raised in submissions and explains the changes we have made to the Code amendment as a result. Material changes we have made to the Obligations are summarised below. We start with Part 2, as no changes have been made to Part 1: Interpretation.

### **Part 2: Consumer Care Policy and related matters**

- 4.2. This Part of the Obligations will require retailers to:
- (a) develop and publish a consumer care policy which must include specified matters
  - (b) use reasonable endeavours to work with customers in a respectful, collaborative and constructive manner, and to communicate in a manner which is understandable, timely, clear and accessible
  - (c) have in place processes for referring customers to support agencies within five business days of the customer giving their consent
  - (d) use reasonable endeavours to work with any support agencies and health practitioners they liaise with in accordance with the Obligations in a cooperative, constructive and timely manner
  - (e) clearly and prominently publish certain information in a dedicated section of its customer-facing website.

### **Clarifying expectations on retailers in relation to language preferences**

- 4.3. Several retailers sought clarification that the proposed obligation to communicate in a manner which is 'understandable' (and a related requirement to record a customer's language preferences) does not require retailers to communicate in all languages. This is not our expectation; we accept that would be impractical.
- 4.4. We have clarified that one way a retailer might meet this obligation is by ensuring that, if a person who is not sufficiently familiar with the English language to communicate without assistance, they have the opportunity to nominate and use a support person to assist them with understanding and communicating with the retailer.

### **Part 3: Signing up customers and contract denials**

- 4.5. This Part of the Obligations will require retailers to:
- (a) provide specified information, advice and assistance to residential consumers before they sign up, about the retailer's relevant product offerings and related

pricing plans, to help consumers understand the most suitable product for their household circumstances

- (b) ensure consumers have the option to review the retailer's terms and conditions and easy access to information about the retailer's available payment options, before they sign up
- (c) provide information to residential consumers who are declined a contract, including reasons for being declined and information on one or more support agencies from which the consumer could seek assistance
- (d) provide information to new customers about the retailer's consumer care policy, available payment options and the importance of notifying the retailer if any medically dependent consumers may be residing at the premises.

### **Better targeting the protections**

4.6. We have made some changes to the obligations in Part 3 to better target the protections in response to submitters' feedback. We have:

- (a) clarified that retailers are only required to provide advice about their product offerings and pricing plans that are *relevant* to that person's current household circumstances, to avoid the provision of unnecessary information that would make the obligation more onerous for retailers and less helpful for consumers
- (b) clarified that information about payment options must be easily accessible to residential consumers considering signing up with a retailer, but that retailers do not have to give advice on payment options until after a customer has signed up – we agree that this information is more relevant post-sign up, to avoid overwhelming consumers with information when they are considering signing up with a retailer
- (c) simplified the information that must be given to new customers about how the retailer will support them if they face payment difficulties in the future, so that this information is provided through the consumer care policy, a copy of which must be provided to each new customer – we accept that requiring retailers to provide more detailed information to new customers about the process that will be followed if a customer does not pay their bill in the future is unlikely to be an effective support and may have a negative impact on the retailer-customer relationship.

### **Clarifying information to be provided on prepay and post-pay cost differences**

4.7. We have clarified that the obligation to provide information about any differences between fees, bonds and rates for electricity under relevant post-pay and prepay product offerings before a residential consumer signs up to a prepay contract includes post-pay plans offered by a related retailer. This better aligns with the Guidelines and will ensure the policy intent of the obligation is not undermined by how retailers choose to structure their business. It reflects that, in practice, some retailers choose to operate prepay product offerings through separate retail brands.

### **Removing some clauses where costs likely outweigh benefits**

4.8. We have removed the obligations on retailers that require them to consider all relevant information before declining a consumer who has a poor credit record, and to



give advice to consumers it declines. We accept the costs of mandating these obligations in their current form are likely to outweigh their benefits.

#### **The proposed obligation to consider ‘all relevant information’**

- 4.9. Some retailers expressed concerns that requiring them to consider ‘all relevant information’ before declining a customer could lead to significant additional costs as it would require changes to existing systems. There was also a concern that requesting relevant information such as a history of working with a support agency might inadvertently disadvantage higher-risk customers by flagging them as such, as a result of the information provided.
- 4.10. While we encourage retailers to put in place appropriate processes to consider relevant information beyond just credit history, we recognise these processes require careful testing, implementation and monitoring to ensure that they genuinely support consumer protection. We have not, therefore, mandated an obligation at this stage.

#### **The proposed obligation to advise declined consumers**

- 4.11. Some submitters raised concerns about the practicality of the proposed obligation to give advice to declined consumers, including advice about what they could do to reduce the risk of a retailer deciding not to enter into such a contract in future, and whether the retailer is willing to reconsider entering a contract with that person after they engage with a support agency. Retailers submitted that they cannot reliably predict whether they, or another retailer might accept that consumer as a customer in future. They also highlighted privacy issues related to the increased exchange of information, as well as the potential risk of creating false expectations for consumers about their chances of being accepted later. We recognise these concerns and that, in its current form, the risks of the proposed obligation being unworkable and ineffective likely outweigh any consumer protection benefits.

### **Part 4: Information and records relating to consumer care**

- 4.12. This part of the Obligations will require retailers to:
- (a) request communication information from customers, including contact information for at least two communication channels, whether the customer wishes to use an alternate contact person or support person, and any other information the customer wishes to provide which may be relevant to engaging with that customer
  - (b) use the information provided to inform the retailer’s communication practices with the customer to the extent reasonably possible
  - (c) advise the customer if the alternative contact person they nominated no longer agrees to act in that capacity.

#### **Reducing prescription in the customer information retailers must request and use**

- 4.13. The proposed Code amendment as consulted on would have required retailers to record detailed information about a customer’s communication and invoicing preferences, as recommended in the Guidelines. We received significant feedback from retailers who were concerned that implementing these detailed requirements would require system changes at substantial cost. Retailers also submitted that:

- (a) some of the information required would have only limited consumer benefits (requiring retailers to record preferred day(s) and times(s) to be contacted, for example, would have short-lived benefits as people's personal situations may often change)
  - (b) retailers should be able to use all communication channels available when communicating with a customer on matters such as disconnection, not just preferred communication channels
  - (c) the requirement to record invoicing preferences is redundant, as all retailers must necessarily record this information to operate their business.
- 4.14. In response to feedback, we have simplified the obligation to require retailers to record at least two communication channels for each customer, and clarify that retailers may use all available communication channels when communicating with that customer. Retailers will be also required to give customers the opportunity to provide additional information which may be relevant to engaging with that customer. We have removed the remaining detailed requirements as we accept the operational costs likely outweigh the limited benefits of requiring retailers to record this information.
- 4.15. We have also clarified that, for existing customers, retailers can request this information (if they haven't already) at the first annual customer check-in under Part 5.

### **Clarifying the role of alternate contact persons**

- 4.16. In response to submitters' concerns, we have clarified and simplified the role of alternate contact person, to ensure it does not prevent retailers from contacting its customers directly. Under the Obligations, a customer can nominate an alternate contact person, and when they do so the retailer may engage with that alternate contact person when they are unable to contact the consumer directly. We agree with submitters that this contact should not replace the retailer's primary relationship with the customer and have clarified this in the Obligations.
- 4.17. We have also simplified the obligations that relate to alternative contact persons, removing prescription about when to use alternate contact persons and obtaining their consent. We accept this level of prescription is unnecessary. These revisions will maintain customer support while improving workability for retailers.

## **Part 5: Business-as-usual account management**

- 4.18. This Part of the Obligations will require retailers to:
- (a) contact customers at least annually to advise the customer that they can request access to consumption information, advise the customer of the existence of a consumer care policy and to ask the customer to confirm that the customer's information remains accurate
  - (b) provide advice and information to customers enquiring with the retailer about changing a pricing plan or product offering, including advice on relevant product offerings, pricing plans and payment options, and assistance to identify the most suitable option for that customer



- (c) use actual meter readings for invoicing whenever practicable unless otherwise agreed by the customer
- (d) include certain information on invoices, including a breakdown of the amount owed, due date or dates for payment, available payment options and, if bundled goods or services have been received, the amounts owing for each good or service
- (e) notify prepay customers when credit decreases below the equivalent of a reasonable estimation of two days of standard usage, so that customers know to top up their account to avoid disconnection.

### **Replacing requirement for standard invoice timeframes with more targeted protections**

- 4.19. The proposed Code amendment had included an obligation to allow a minimum of 14 days for payment of all invoices issued on a monthly cycle. This reflected an existing recommendation in the Guidelines that retailers should, before taking further steps in relation to non-payment of an invoice, allow a minimum of 14 days for payment.
- 4.20. Several retailers expressed concerns with this clause centred around the potential for this clause to negatively impact affordability and competition. Retailers submitted that system changes would be necessary to comply with this clause and would impose significant operational costs, and this obligation would have a financial impact on working capital for some retailers. It was also noted that this would reduce retailers' ability to offer innovative products to consumers, and would reduce flexibility to tailor support for customers in hardship.
- 4.21. The intent of this clause was to give customers sufficient time to pay their invoices before any non-payment processes leading to disconnection are initiated. In response to the feedback and to maintain the policy intent, we have removed the requirement for standard invoice timeframes, but have clarified elsewhere that retailers cannot start the contact attempts that initiate the process under Part 6 (potentially leading to disconnection) until 14 days after the invoice is issued. This achieves the intent of providing customers adequate time to pay, without imposing a rigid 14-day payment timeframe, forcing retailers to change their existing business models.

### **Part 6: When payment difficulties are anticipated or arise**

- 4.22. This Part of the Obligations will introduce obligations to support consumers who may be experiencing payment difficulties. This will include obligations on retailers to:
  - (a) take reasonable steps to support customers who fail to pay an invoice to resolve payment issues and avoid disconnections, including sending a reminder notice after a notice becomes overdue and attempting to contact the customer if the invoice has not been paid within 14 days
  - (b) use best endeavours to engage with customers who may be experiencing payment difficulties and take a series of actions for the purposes of resolving payment difficulties, such as providing information and advice on matters such as changes a customer could make to their consumption pattern and available pricing plans that could lower their cost of electricity, offering to make a

referral to a support agency for assistance, and offering to discuss payment support plans that may be suitable for the customer's circumstances

- (c) for customers on payment support plans, take steps to continue to support these customers, including six-month check-ins to discuss whether the payment support plan continues to meet their needs, advising customers of any significant and sudden increase in consumption the retailer identifies to avoid bill shock, and offering to review the payment support plan if the customer's circumstances change
- (d) for pre-pay customers, monitoring frequency and duration of electrical disconnections and discussing options with the customer if the retailer identifies a significant and sudden increase in consumption or if the customer runs out of credit frequently or for relatively long durations.

### **Clarifying when Part 6 applies**

- 4.23. In response to retailers' requests for clarification as to when this Part applies, we have clarified that a retailer may use information provided by the customer to identify when a customer may be experiencing payment difficulties, or use information gathered through the use of a process or methodology to identify when customers may be experiencing payment difficulties, such as processes/methods which analyse payment history and changes in consumption. This ensures that while factors such as consumption changes can be part of a broader methodology for identifying customers who may benefit from support, they are not relied on in isolation (as changes in consumption can be for a range of reasons).
- 4.24. We have also clarified that the 'bright line' for when a retailer is deemed to know that a customer may be experiencing payment difficulties is when a customer fails to pay an invoice for more than one billing cycle in a six-month period. This change addresses retailer concerns that the previous wording was too broad and could inadvertently capture customers missing isolated payments over a longer period for non-financial reasons (eg, holidays).

### **Increased operational flexibility for retailers to decide processes on non-payment of invoices**

- 4.25. The steps retailers must take when a customer fails to pay an invoice have been simplified in response to concerns that these steps were overly prescriptive and would change existing processes that may not necessarily benefit consumers. The changes we have made will give retailers more operational flexibility to accommodate individual customer circumstances, while still maintaining a level of standardisation across retailers to ensure the process is accessible and easy to follow for consumers.
- 4.26. Key changes include:
  - (a) replacing prescriptive requirements about when and how retailers engage with customers with a general obligation to take reasonable steps to support customers to resolve payment issues, which must include (as a minimum) issuing a reminder notice and making further attempts to contact the customer if payment has still not been made

- (b) clarifying that a reminder notice must be issued as soon as reasonably practicable after an invoice becomes overdue, ensuring that customers have the best opportunity to resolve payment issues as soon as possible
- (c) clarifying that the requirement for three contact attempts spread over seven or more days must only be complied with before initiating the disconnection process for non-payment in Part 7.

#### **Clarifying retailers' obligations in relation to support agencies**

- 4.27. Some submitters, including the Ministry of Social Development, raised concerns relating to the requirements on retailers to refer customers experiencing payment difficulties to support agencies, and the utility of the obligation to offer to pause further steps to disconnect a customer while a customer is seeking assistance. Concerns included that the support available from support agencies (including Work and Income) may be limited in practice, and even if support is available, a pause of up to 14 days is not enough time for support agencies to work with its clients.
- 4.28. We have clarified that the obligation is to offer referrals 'where appropriate' to support agencies. We agree that retailers should not be required to make a referral if the retailer knows that a support agency is unlikely to be able to provide effective support to that customer, for whatever reason. This will ensure that support is appropriately targeted to the customer.
- 4.29. In relation to timing of any pause, we have clarified that the 14-day timeframe is a minimum, and we acknowledge that some retailers exceed this in practice. We have also removed the requirement for confirmation from support agencies to extend any pause from 7 to 14 days, providing retailers with the discretion to determine whether a customer is making reasonable efforts to engage with support without needing third-party confirmation. The revised wording ensures that retailers can rely on information provided directly by customers, reducing pressure on those agencies to confirm assistance within a set timeframe.

#### **Increased operational flexibility for retailers supporting customers on payment support plans**

- 4.30. We have simplified some of the obligations in respect of customers on payment support plans, to ensure the protections are appropriately targeted and do not impose unnecessary costs on retailers:
  - (a) the obligation to contact a customer if a retailer identifies a material and sudden increase in consumption has been clarified to focus on preventing 'bill shock'
  - (b) the minimum frequency for making regular contact with customers on a payment support plan to discuss whether the plan is continuing to meet their needs has been changed from once every three months to once every six months, in response to concerns that once every three months is onerous relative to the benefit this will likely achieve – the Obligations still require retailers to offer to review the payment support plan whenever a customer indicates they are experiencing payment difficulties

- (c) retailers' obligations relating to referrals to support agencies have been clarified and aligned with the obligations elsewhere in the Obligations to ensure a consistent and clear process.

### **Removing some clauses where costs likely outweigh benefits**

- 4.31. We have removed the proposed obligations relating to part payment of bundled goods and services, and monitoring customer consumption. The Authority accepts the costs of mandating these obligations in their current form are likely to outweigh their benefits.

### **The proposed obligation relating to part payment of bundles**

- 4.32. The proposed Code amendment included an obligation that retailers offer customers the option of nominating any part payment is applied to the electricity components of a bundled plan.
- 4.33. Concerns raised in consultation highlighted this obligation may not best protect consumers (as the alternative of putting part payments against oldest debt first can instead improve a customer's credit position and support them to get out of debt faster), and that it raised workability issues as it does not reflect the commercial reality of bundled products. It was submitted that further consideration was needed to determine if and how payments against bundled products should be regulated. For these reasons we have decided to remove this obligation at this stage.

### **The proposed obligation to monitor customer consumption**

- 4.34. The proposed Code amendment included a general obligation on retailers to work towards the capability to monitor individual customer consumption, and take action when it identifies a material decrease in electricity use. This was intended to support retailers to provide proactive assistance to consumers who may benefit from such assistance, and was supported by some consumer advocacy groups. However, some retailers and consumers raised concerns with this proposed obligation.
- 4.35. Some retailers were concerned this would be highly intrusive, may negatively impact on the customer-retailer relationship, and would be costly and difficult to implement. Developing and maintaining this capability would require significant investment in systems and staffing and might disproportionately impact smaller retailers.
- 4.36. Submitters also questioned the benefits of monitoring reductions in consumption, noting this may not necessarily be an indicator of financial hardship. Rather, it could be attributed to consumers going on holiday or voluntarily reducing their energy use. Retailers were also mindful of not overwhelming consumers with unnecessary communication, as frequent and irrelevant messaging can reduce engagement and diminish the impact of genuinely critical information.
- 4.37. While most respondents to the consumer survey did not express concerns with retailers monitoring their electricity consumption, a significant minority (34%) did have concerns.<sup>11</sup> These consumers often noted the potential for this to raise privacy concerns, and their ability to monitor their own consumption through apps. One

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<sup>11</sup> Of submitters who responded to the question in the consumer survey "Do you have any concerns about retailers monitoring your electricity usage?", 34% responded 'yes', while 66% responded 'no'.

consumer advocacy group noted that the proposal may raise privacy issues, but felt these were outweighed by the intent of the clause.

- 4.38. Taking this feedback into account, we have decided to remove this clause at this stage. We encourage retailers to explore ways to identify and respond to indicators of potential hardship among payment support customers, in ways that do not involve systematic monitoring of all consumption changes. This approach respects consumer privacy and choice while balancing the costs and operational feasibility for retailers.

## **Part 7: Disconnection and reconnection of residential premises**

- 4.39. This Part of the Obligations will introduce obligations relating to the disconnection and reconnection of premises. This will include obligations on retailers to:

- (a) use best endeavours to ensure that electrical disconnection of a post-pay customer's premises for non-payment is a measure of last resort, and only disconnect if the retailer has complied with all relevant obligations in Part 6, made at least five separate attempts to contact the customer, and issued two disconnection notices
- (b) only disconnect uncontracted premises if certain steps have been taken (discussed below)
- (c) not disconnect a post-pay customer if the retailer knows a medically dependent consumer may be residing at the customer's premises (this does not apply to emergency disconnections or planned service interruptions, which are initiated by a distributor).

- 4.40. Part 7 otherwise regulates the disconnection and reconnection of a customer's premises.

- 4.41. This Part also imposes obligations on distributors who directly invoice residential consumers for distribution services. Distributors must not disconnect a residential consumer for non-payment if they have been notified of an application or a decision to record a person residing there as a medically dependent consumer, or otherwise before providing notice to the relevant retailer.

## **More operational flexibility for retailers to satisfy the five contact attempts requirement**

- 4.42. We have made some changes to the steps retailers must take before disconnecting a post-pay customer for non-payment, to provide more operational flexibility for retailers to choose the best way to comply with the obligation to make five contact attempts before proceeding with a disconnection.
- 4.43. This is in response to extensive feedback on the workability, effectiveness and cost of the proposed Code amendment
- 4.44. Several retailers submitted that the proposed requirement for mandatory in-person visits and 'traceable' forms of communication would impose significant operational costs.
- 4.45. Some retailers considered that such costly obligations may not yield successful customer engagement, if a customer is avoiding engaging with a retailer. Health and safety concerns may arise if they are required to visit premises prior to disconnection. Finally, some retailers argued that the cost of such requirements could limit their

ability to invest in other consumer care initiatives, ultimately affecting the level of support they can offer across their customer base. These retailers supported more flexibility to allocate resources in a way that supports more sustainable, ongoing engagement.

- 4.46. Consumer advocacy groups underscored the importance of home visits in particular, especially for those customers difficult to engage with. These groups have noted that individuals facing financial hardship may avoid contact with their energy providers, making face-to-face interactions crucial for preventing disconnection and further deepening their hardship. They argue that for these consumers, face-to-face interactions can provide a more reliable and personal way to ensure critical messages are received.
- 4.47. Key changes include:
- (a) clarifying retailers can use any communication channels available to contact the customer
  - (b) removing the requirement for 'traceable' forms of communication, noting the limited effectiveness and high costs of these compared with other forms of contact
  - (c) replacing the requirement for in-person visits to a customer's premises with an obligation to use communication channels that are reasonable in the circumstances and which the retailer reasonably considers are most likely to result in the relevant information being communicated to the customer. This recognises that in-person visits may not always be appropriate, noting the high cost of in-person visits and health and safety concerns identified by some retailers
  - (d) as a consequence of (c), removing the associated obligations applying to in-person visits, noting that the information that was proposed to be provided during in-person visits is largely covered elsewhere in the information provided else under Part 7 of the Obligations.
- 4.48. These changes aim to maintain consumer protection by ensuring customers are properly informed and have a reasonable opportunity to respond before they are disconnected, while allowing more operational flexibility and reducing prescription where it carries a significant operational cost. While we acknowledge the submissions from consumer advocacy groups, we consider these changes will best support retailers to adopt the most appropriate communication channels based on specific circumstances, aiming to encourage adequate and fit-for-purpose engagement.

#### **Requiring immediate reporting of customer disconnections of medically dependent consumers**

- 4.49. As noted above, this Part includes a prohibition on disconnecting a post-pay customer if the retailer knows a medically dependent consumer may be residing at the customer's premises. We have included an obligation on retailers to notify the Authority as soon as they become aware of disconnecting a medically dependent consumer contrary to this prohibition (including accidental or inadvertent disconnections), in response to requests from some submitters.



- 4.50. We consider that immediate reporting of medically dependent consumer disconnections is important to ensure the Authority can effectively exercise its monitoring functions. While the Obligations do include annual compliance reporting, this obligation will enable the Authority to monitor retailers more effectively, including ensuring the retailer complies with their obligation to reconnect medically dependent consumers who are disconnected as soon as possible at no cost.

### **Simplifying obligations in relation to uncontracted premises**

- 4.51. We have made changes to the provisions relating to disconnection of uncontracted premises to respond to the practical concerns raised by retailers while ensuring core consumer protections remain and are appropriate to the context.
- 4.52. Key changes include:
- (a) replacing the requirement for a traceable form of communication or in-person visit (noting the same concerns with these contact methods as discussed above) with a requirement to issue a notice to any residential consumers at the premises and providing at least seven days' notice of disconnection – this approach protects residential consumers who may be relying on uncontracted electricity supply from immediate disconnection and gives them a reasonable opportunity to sign up with a retailer, while ensuring that consumer non-engagement cannot be indefinitely used as a strategy to avoid entering into a contract with a retailer
  - (b) clarifying that (a) does not apply if a retailer disconnects a property within 48 hours of its customer vacating the property – a retailer may decide not to maintain a supply of electricity to vacant premises, and disconnection of vacant premises before new residential consumers move in would incentivise them to sign up with a retailer and obtain the protections under the Obligations, and avoid reliance on uncontracted electricity supply which is at risk of disconnection
  - (c) replacing the prohibition on disconnection of medically dependent consumers at uncontracted premises with a more proportionate obligation to use best endeavours to encourage residential consumers at the premise to sign up with a retailer and avoid disconnection, and if that is unsuccessful, the retailer must ensure that disconnection is undertaken in a way that does not endanger the wellbeing of any medically dependent consumer residing at that premises.

## **Part 8: Protecting medically dependent consumers**

- 4.53. This Part of the Obligations will require retailers to:
- (a) request information to identify whether any customer or residential consumer residing with a customer may be a medically dependent consumer
  - (b) request applications for medically dependent consumer status if the retailer becomes aware of information indicating a customer or residential consumer may be a medically dependent consumer
  - (c) record that a person has medically dependent consumer status, if their status is confirmed by a health practitioner or if the retailer otherwise decides to record that person as a medically dependent consumer

- (d) follow prescribed processes when it receives and considers applications for medically dependent consumer status, and reviews medically dependent consumer status
- (e) advise medically dependent consumers that supply of electricity cannot be guaranteed and of the importance of the customer or residential consumer arranging for the development of an individual emergency response plan
- (f) not recommend prepay product offerings, and use best endeavours to encourage the customer to choose a post-pay product offering, if the retailer knows a medically dependent consumer may reside at that premises
- (g) share relevant information about medically dependent consumers with distributors and metering equipment providers and coordinate on planned service interruptions and electrical disconnections that will affect medically dependent consumers.

### Reducing uncertainty in the Obligations

- 4.54. This Part of the Obligations contains detailed requirements to support the effective identification and management of information about medically dependent consumers, to support the obligation on retailers to not disconnect medically dependent consumers (see Part 7) and ensure medically dependent consumers receive appropriate care and consideration in relation to planned and unplanned outages (discussed further below).
- 4.55. Feedback in submissions raised concerns with the workability of having detailed requirements in this Part alongside a more general obligation on retailers to ‘use best endeavours’ to avoid disconnecting a medically dependent consumer. The concern was that it was unclear what retailers would be expected to do to meet this general obligation, beyond complying with the detailed requirements in this Part.
- 4.56. After careful consideration we have decided to remove the general obligation, as we agree that it does not provide retailers with sufficient certainty about what they must do to comply. Our preference is to require retailers to take specific, concrete steps to ensure that medically dependent consumers are not disconnected. In removing this general obligation, we have made minor changes to the detailed obligations to address specific gaps that we consider this general obligation would have addressed. We have made changes to:
- (a) require retailers when requesting an application for medically dependent consumer status to explain the potential consequences if they do not receive an application in the specified timeframe
  - (b) require retailers to tell an applicant for medically dependent consumer status to contact them if there is a reason why they cannot provide a confirmation of status form within the specified period (for example, if they cannot arrange to see their GP in time), and for retailers to take this information into account before deciding whether to decline an application on the grounds that no valid confirmation has been received
  - (c) require the retailer to notify any person it no longer regards as a medically dependent consumer of that decision (so that they have a further opportunity to engage with the retailer if, for example, the retailer has made a mistake in



removing their status or the person wants to make an application but hasn't managed to do so in the specified time period).

### **Improving obligations to share information with other participants**

- 4.57. An important purpose of retailers recording medically dependent consumers is to ensure the identification of residents where an interruption in electricity supply (for whatever reason) may have significant consequences. To this end, the Obligations include a requirement on retailers and traders<sup>12</sup> to share relevant information with the distributor.
- 4.58. Distributors provided detailed feedback on this clause, noting that requiring regular exchange of information would be costly, may not be required, and that the existing electricity information exchange protocol (EIEP) that provides for the sharing of customer information with distributors (EIEP4: Customer Information) is unregulated, only provides monthly snapshots, and is used inconsistently. It is also unsuited to the task of providing information on medically dependent consumers for the purpose of the Obligations, because it includes detailed customer information that is unnecessary, especially if the distributor is not responsible under its default distributor agreements for notifying customers of outages.
- 4.59. We consider it is important for distributors to receive information about the presence of medically dependent consumers at an ICP level, regardless of whether they are responsible for notifying consumers of outages. We agree, however, that a tailored EIEP is needed to support this obligation, and will undertake a short consultation on the form of a the new EIEP4A: Medically Dependent Consumer Information, shortly.
- 4.60. We have also clarified retailers' obligations to share information with metering equipment providers (MEPs). MEPs only require this information when working on a meter at an ICP, so we have replaced the requirement for regular information sharing about all medically dependent consumers, with a simpler obligation to notify the MEP if they are undertaking any work at premises where a medically dependent consumer may reside.

### **Better targeting obligations on distributors**

- 4.61. The proposed Code amendment included an obligation on distributors to visit customers being disconnected in an emergency, 'if practicable and if there is sufficient time'. This obligation reflects an existing recommendation in the Guidelines. However, distributors did not support this obligation and recommended it be removed. They noted the obligation has limited utility as it is unlikely to ever be practical to make such a visit given the nature of emergency events. Distributors were also concerned this obligation could create a misleading or incorrect expectation that medically dependent consumers will always be notified before any emergency disconnection, which may mean they are less likely to take appropriate actions to safeguard themselves through the development and initiation of an emergency management plan.
- 4.62. Given these concerns, we have removed this obligation. Distributors and retailers should continue to notify customers of emergency outages in accordance with any

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<sup>12</sup> If a retailer is not the trader recorded as responsible for an ICP in the registry, they must still share information about medically dependent consumers with the responsible trader.

arrangements agreed under the default distributor agreements (DDA). A recent Code amendment will, when in force, require retailers and distributors to have in place arrangements for notifying customers of unplanned service interruptions, under their distribution agreements, by 25 November 2027.<sup>13</sup> While the Authority will, as part of increasing consumer awareness of the Obligations, emphasise the importance of medically dependent consumers developing their own emergency response plan, this does not remove the need for distributors/retailers to continue to notify customers in accordance with the DDA.

- 4.63. We have also removed unnecessary prescription from the obligation on retailers and distributors to coordinate on planned outages. The proposed Code amendment had included an obligation on distributors to not vary the time or date of a planned service interruption that would affect medically dependent consumers without first consulting that retailer. We accept, however, that this is unnecessarily prescriptive, especially considering existing regulatory obligations and arrangements for notification of decisions to change a planned service interruption. It is unclear what protection is achieved by including an additional obligation to consult before making such decisions.

## **Part 9: Regulating fees and bonds**

- 4.64. This Part of the Obligations will require retailers to:

- (a) clearly disclose information on all fees, conditional discounts and bonds and, if applicable, the method or calculation and the maximum limit of that fee
- (b) only charge a customer a fee where the retailer is reasonably satisfied that the customer is aware of the amount of the fee
- (c) ensure any fee charged must not exceed the reasonable costs the fee is identified as contributing to, and must otherwise be reasonable – this includes a prohibition on a fee being used to offset future costs or to attempt to recover any deficit that may have arisen because of previous under recovery
- (d) use reasonable endeavours to ensure that customers are aware of the amount of any conditional discount available and how a customer can receive that conditional discount
- (e) ensure conditional discounts reflect a reasonable estimate of the costs incurred, or likely to be incurred, by the retailer as a result of a customer not meeting the conditions of that discount
- (f) ensure any bond is reasonable, taking into account a reasonable estimate of the customer's expected invoice amount for a billing cycle
- (g) refund any bond no later than after the expiry of a 12-month period of the customer paying all invoices on time.

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<sup>13</sup> See our decision paper for more information: [\*Changes to the default distributor agreement template, consumption data template, and related Part 12A clauses.\*](#)

## Changes to the Obligations as a result of consultation

4.65. The Authority decided to make three key changes to this Part of the Code amendment as consulted on:

- (a) We have clarified that the obligation to include a stated maximum limit where a fee is determined via a method or calculation (clause 77) only applies 'where practicable'. This recognises that, in some situations such as for bespoke work, setting a maximum limit on a fee upfront may be impractical, due to variable inputs outside the retailer's control such as third-party contractor costs. Retailers must still comply with other obligations under this Part, including ensuring that a customer was aware of the amount of the fee before it was charged, and that the fee is reasonable.
- (b) We have removed the proposed obligation to offer to spread the payment of fees over a period of at least five months where that fee exceeds a particular threshold (clause 79). To some extent, this would have duplicated the protection for customers who are, or may be, experiencing payment difficulties in Part 6 of the Obligations. Under that Part, a retailer must offer to discuss payment plans with any such customers, which would include plans that allow the customer to pay off any debt relating to fees charged by the retailer. Removing former clause 79 will ensure that the protections in the Obligations are better targeted to customers who may be experiencing payment difficulties, rather than applying to all customers charged with a significant fee.
- (c) We have removed the proposed obligation to consider and advise a customer who is no longer entitled to a conditional discount of any available pricing plans that would reduce the customer's invoices (clause 81(2)). The Authority is separately considering retailers' obligations to ensure customers are on the best plan for their circumstances.

## 5. The amendment promotes our statutory objectives

- 5.1. The Authority's main objective is to promote competition in, reliable supply by, and efficient operation of, the electricity industry for the long-term benefit of consumers. The Authority's additional objective is to protect the interests of domestic and small business consumers in relation to their electricity supply.<sup>14</sup>
- 5.2. After considering submissions on the proposed Code amendment, the Authority considers the final Code amendment is consistent with the Authority's statutory objectives, as it would promote:
  - (a) the protection of the interests of domestic consumers in relation to retailers' direct dealings with them, by establishing an enforceable regulatory framework that ensures comprehensive, consistent and supportive consumer care protections across the electricity sector
  - (b) competition in the electricity industry for the long-term benefit of consumers, by creating a level playing field and requiring all retailers to comply with the Obligations in respect of all residential consumers, giving some consumers more confidence to switch retailers if they want to

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<sup>14</sup> See [section 15](#) of the Act.

- (c) reliable supply by the electricity industry for the long-term benefit of consumers, by establishing obligations which signal that medically dependent consumers should not be disconnected and that disconnection of residential premises in all other contexts is a measure of last resort
- (d) efficient operation in the electricity industry for the long-term benefit of consumers, by mandating clear and workable obligations that consistently apply to all retailers who contract with residential consumers, reducing uncertainty and enabling retailers to more efficiently target resources at the specific areas and issues outlined by the Obligations
- (e) the performance by the Authority of its functions, by enhancing the Authority's ability to monitor retailers' compliance and enforce the Obligations to ensure consumer protections.

5.3. Further benefits of individual clauses of the Obligations are addressed in section 4 above, as well as in Appendix B and the Authority's consultation paper.

### **The benefits of the Code amendment are greater than the costs**

5.4. The consultation paper included our assessment that the benefits of the proposed Code amendment as a whole are expected to outweigh the costs.

### **Feedback on the cost and benefit analysis**

- 5.5. A significant majority of consumers and consumer advocacy groups agreed that the benefits of the proposed Code amendment outweighed its costs.<sup>15</sup> These submitters supported the shift to mandatory consumer care obligations. Recurring themes in these submissions included the existing lack of protections and the perceived benefits of mandating the Guidelines, particularly for consumers experiencing energy hardship and medically dependent consumers. Some also pointed to reported profits of the larger retailers, arguing that retailers are well placed to absorb any additional operational costs associated with complying with the proposed Obligations.
- 5.6. Feedback received from other submitters was mixed. Some retailers broadly agreed with the Authority's assessment of costs and benefits, subject to their comments on specific clauses being addressed, but others raised the following concerns:
- (a) Some disagreed with the assumption in the consultation paper that the costs of shifting from voluntary Guidelines to mandatory Obligations was likely to be 'very low for the majority of retailers who are already fully aligned with the Guidelines'. Some noted the existing ability to align using alternative means and the operational changes proposed to the Guidelines to make the Obligations clear and workable.
  - (b) Some retailers argued the assessment of costs and benefits should have assessed the costs and benefits clause by clause. As noted above, some retailers had concerns about the costs and benefits of specific clauses and argued a more granular analysis is required to understand the impact of the changes proposed.

<sup>15</sup> Of the submitters who addressed this in their submission. This includes responses to the consumer survey. Of the 278 survey respondents who answered the question "Do you agree with our assessment, that the benefits of mandating the Consumer Care Guidelines will outweigh the costs?" 94% responded 'yes' and 6% responded 'no'.

- (c) Some retailers questioned the assumption that the Obligations would improve engagement between retailers and customers and considered that the assessment should have taken account of the cost to consumers in terms of reduced customer experience owing to prescriptive obligations.
  - (d) Some retailers questioned the conclusion that mandating the Guidelines would result in a net benefit, noting that the increased compliance costs will translate to higher electricity prices for all residential consumers. Some considered that only a small group might see direct benefits, such as those facing payment difficulties. Others considered the proposed Code amendment would have a negative impact on efficiency and competition.
  - (e) There was a concern that smaller retailers could bear disproportionate costs if the Obligations are developed based on larger retailers' capabilities.
- 5.7. Distributors generally disagreed that the benefits of the proposed clauses applicable to them would outweigh the costs, given their concerns with these clauses discussed in the sections above.

### Response to submissions

- 5.8. We have carefully considered the feedback on the consultation paper's cost and benefit analysis of the proposed Code amendment.
- 5.9. In relation to the concerns raised by some retailers and distributors, we note that we have addressed submitters' concerns in relation to the costs and benefits of individual clauses as part of the more specific analysis provided in section 4 and the clause-by-clause assessment in Appendix B.
- 5.10. Where concerns were raised in consultation that the costs associated with a particular clause may outweigh the benefits to be gained from it, including operational costs and costs in the form of reduced consumer experience and reduced retailer flexibility to innovate, the Authority has assessed these and made amendments as needed (up to and including removing the particular clause where appropriate).
- 5.11. In light of these changes, and for many of the reasons indicated in the consultation paper, the Authority is satisfied that the benefits of the final Code amendment outweigh its costs, and that incorporating it into the Code will promote its statutory objectives.

## 6. Next steps – implementation of decisions and supporting actions

### Key dates

- 6.1. To allow retailers time to make the necessary operational adjustments and train staff, the Authority has adopted a staged implementation approach.
- 6.2. From **1 January 2025**, retailers will be:
- (a) prohibited from disconnecting a post-pay customer's premises where they know a medically dependent consumer resides at the premises (clause 37 of the Obligations, formerly clause 45(b) as consulted on)

- (b) required to notify us as soon as they become aware of a disconnection contrary to this prohibition
  - (c) required to ensure that any fee charged (clause 68 of the Obligations, formerly clause 78 as consulted on):
    - (i) does not exceed reasonable estimates of the costs the fee is identified as contributing to
    - (ii) is otherwise reasonable, balancing precision with administrative efficiency
    - (iii) is not used to offset future costs
    - (iv) does not attempt to recover any deficit from a previous under-recovery.
- 6.3. All other Obligations will come into effect on **1 April 2025**, giving retailers time to comply with the full set of legal requirements under the Obligations.
- 6.4. Retailers must make their first compliance report by **30 September 2025**. The Authority will publish the prescribed form for this report, but it will cover:
- (a) compliance with clauses 45 and 78 from 1 January 2025 to 30 June 2025
  - (b) compliance with all remaining clauses of the Obligation from 1 April 2025 to 30 June 2025.

## Guidance and support materials

- 6.5. We will shortly be publishing guidance to help retailers understand how we will assess whether a fee is reasonable, and consulting on a new EIEP to support retailers' obligations to share information about medically dependent consumers with distributors. This consultation will be notified in Market Brief.
- 6.6. New forms for confirming medical dependency are under development. We are considering further guidance to support retailers' implementation of the Obligations ahead of 1 April 2025.
- 6.7. We will also be publishing information for consumers on our website to help consumers understand their rights under the new rules. This will include guidance on what to do if they believe their retailer is in breach of the Obligations and how to seek support.

## Monitoring and enforcement

- 6.8. The Authority's role under the Act is to monitor and enforce compliance with the Code, which will now include the Obligations.
- 6.9. The Authority's primary functions in relation to the Obligations going forward will include:
- (a) monitoring compliance with the Obligations to identify trends and patterns that may indicate systemic issues
  - (b) trend analysis to ensure that the obligations are functioning as intended and benefiting consumers without imposing undue costs on industry participants
  - (c) enforcement of serious breaches, where appropriate through the established Rulings Panel.



- 6.10. We will be publishing the results of the Obligations monitoring function where appropriate.
- 6.11. We adopt a targeted enforcement approach undertaken in accordance with the Electricity Industry (Enforcement) Regulations 2010 (Regulations) and relevant enforcement and compliance policies. Not all reported breaches are investigated, and the applicable processes can take some time. Only the Rulings Panel has the ability to order pecuniary penalty for breaches of the Code, of up to \$2 million, and make compensation orders in respect of any person.

### Ensuring clear dispute resolution pathways

- 6.12. The Authority's role discussed above is distinct from the role of Utilities Disputes Limited (UDL), which has a critical role as a mandated dispute resolution scheme under the Act, for resolving disputes and complaints between consumers and electricity providers.
- 6.13. The roles of the Authority and UDL are separate yet complementary. We will continue to work with UDL to coordinate our approach under the Obligations for the benefit of all consumers and providers.
- 6.14. UDL remains the designated dispute resolution scheme for resolving consumer disputes with retailers. While a Code breach report could be made by the consumer to the Authority at the same time, consumers can resolve the matter through UDL in the first instance.<sup>16</sup>
- 6.15. The Authority and UDL will work together to manage their respective roles and, as noted in paragraph 6.7 above, we will be publishing information for consumers to help them understand the Authority's and UDL's roles.

### Ongoing consumer care work programme

- 6.16. The Authority will continue to consider additional consumer protection initiatives and opportunities to improve the Obligations, as part of its ongoing consumer protection work programme.

## 7. Attachments

- 7.1. The following appendices are attached to this paper:
1. **Appendix A** Final Code amendment
  2. **Appendix B** Changes to Code amendment made in response to submissions

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<sup>16</sup> If a consumer chooses not to report to the Authority, aggregated breach information will still be received from UDL on a regular basis for monitoring purposes.

## Appendix A    Final Code amendment



## **Appendix B      Changes to Code amendment made in response to submissions**

# Appendix A Final Code amendment

## Part 11A Consumer Care

### Contents

- 11A.1 Purpose of this Part
- 11A.2 Interpretation
- 11A.3 Participants subject to Consumer Care Obligations
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- 11A.5 Retailers and distributors to provide certain information upon request
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- 11A.7 Authority may require independent review
- 11A.8 Nomination of independent person to undertake review
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- 11A.10 Carrying out of review by independent person
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### Schedule 11A.1 Consumer Care Obligations

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#### *Purpose and interpretation*

##### **11A.1 Purpose of this Part**

The purpose of this Part is to impose a set of minimum standards on **retailers** requiring them to:

- (a) adopt behaviours and processes that foster positive relationships with residential consumers;
- (b) support residential consumers in accessing and maintaining an affordable and constant **electricity** supply suitable for their needs; and
- (c) help minimise harm to residential consumers caused by insufficient access to **electricity** or by payment difficulties.

##### **11A.2 Interpretation**

In this Part, unless the context otherwise requires,—

**alternate contact person** means any person authorised by a customer, or by a medically dependent consumer who permanently or temporarily resides at a customer's premises, to operate as an alternate contact person if a **retailer** is unable to contact the customer or medically dependent consumer, provided any alternate contact person is independent of the customer's **retailer**

**bond** means an upfront payment of a lump sum to provide security to a **retailer** for the performance of a customer's obligations under their contract with the **retailer**

**conditional discount** means the amount by which a price payable by a customer is reduced, or would be reduced, as a consequence of the customer satisfying a payment condition

**confirmation of status form** means a form, which may be in the **prescribed form**, completed by a health practitioner with an appropriate scope of practice, which confirms the status of a person as a medically dependent consumer

**Consumer Care Obligations** means the obligations set out in Schedule 11A.1

**consumer care policy** is the policy a **retailer** is required to **publish** under clause 3(1) of Schedule 11A.1

**customer** means a residential consumer who has entered into a contract with a **retailer** for the supply of **electricity** to the residential consumer's premises, where the **electricity** supplied is used fully or partly for residential purposes

**electricity plan comparison platform** means an electricity plan comparison website or other platform prescribed by the **Authority** and **published** on the **Authority's** website

**fee** means an amount that a **retailer** charges a customer in connection with the supply of **electricity** other than a rate which constitutes a pricing plan, and includes a break fee for a fixed term contract or a fee for **electrical disconnection** or reconnection

**health practitioner** has the meaning given to it by section 5 of the Health Practitioners Competence Assurance Act 2003

**invoice** means an invoice issued by a **retailer** to a post-pay customer in relation to the supply of **electricity** to that customer

**medically dependent consumer** means a residential consumer who depends on mains **electricity** for critical medical support, such that loss of **electricity** supply may result in loss of life or serious harm, including a residential consumer who depends on medical or other electrical equipment to support a medical treatment regime (which may include use of a microwave to heat fluids for renal dialysis and similar use of electrical equipment)

**payment condition** means a provision that relates to the timing or method of payment or delivery of an invoice

**payment options** means the payment methods and options offered by a **retailer** in relation to a product offering or contract

**payment support plan** means an agreed plan between a **retailer** and a customer who is anticipating or experiencing payment difficulty, for payment in relation to the supply of **electricity** to that customer

**post-pay** means a product offering or contract where the **retailer** charges the customer for **electricity** after it has been consumed and includes pay-ahead plans, being pricing plans under which a customer can purchase an amount of **electricity** in advance with the **retailer** then managing under- and over-payments as required

**prepay** means a product offering or contract where the customer pays the **retailer** for **electricity** before the **electricity** is consumed, and the customer is **electrically disconnected** if the customer's pre-paid credit expires or any approved arrears limit is reached

**pricing plan** means the rate or rates charged for **electricity** supplied to the customer under their contract or offered as part of a product offering, and includes rates charged per kWh (such as night, daily, anytime rates), any fixed rates or fixed or variable charges (such as a daily fixed charge), as well as any costs related to the supply of **electricity** which are passed through to the customer

**product offering** means an offer for the supply of **electricity** at an **ICP** offered by a **retailer**

**reconfirmation form** means a form, which may be in the **prescribed form**, which a **retailer** may request to be completed by a health practitioner with an appropriate scope of practice, which reconfirms the status of a person as a medically dependent consumer

**reconnection** means an **electrical connection** following an **electrical disconnection**

**residential consumer** means a person who uses **electricity** in respect of residential premises

**residential premises** means any premises used or intended for occupation by any person as a place of residence

**support agency** means a government or non-government agency that provides assistance to low-income residential consumers or residential consumers facing payment difficulties, including agencies providing financial mentoring services or advice on the efficient use of **electricity**

**support person** means any person authorised by a customer, or by a residential consumer with whom a **retailer** interacts, to assist the customer or residential consumer to engage with the **retailer**, provided any support person is independent of the customer's **retailer**

**uncontracted premises** means any residential premises where the **retailer** is recorded in the **registry** as accepting responsibility for the **ICP**, but for which the **retailer** does not have a contract with a customer

### *Application of the Consumer Care Obligations*

#### **11A.3 Participants subject to Consumer Care Obligations**

- (1) Every **retailer** who sells **electricity** to residential consumers must comply with the Consumer Care Obligations described in column 1 from the date set out in column 2:

<b>Column 1 – Consumer Care Obligations</b>	<b>Column 2 – Date</b>
Clauses 37 and 68 of the Consumer Care Obligations	1 January 2025
All remaining clauses of the Consumer Care Obligations	1 April 2025

- (2) Every **distributor** must comply with clauses 35 and 60(1) of the Consumer Care Obligations from 1 April 2025.
- (3) Every **trader** must comply with clauses 51(2), 51(3) and 61 of the Consumer Care Obligations from 1 April 2025.

**11A.4 Retailer must report compliance with Consumer Care Obligations**

- (1) Each **retailer** who sells **electricity** to residential consumers in a year beginning 1 July must submit a compliance report to the **Authority** in respect of that year within 3 months of the end of that year.
- (2) Each compliance report must be in the **prescribed form** and contain the following information for the year in respect of which the compliance report is submitted:
  - (a) all versions of the **retailer's** consumer care policy which were in force at any time during that year;
  - (b) a statement as to whether or not the **retailer** complied with all requirements in the Consumer Care Obligations during that year;
  - (c) a summary of any instances of non-compliance identified by the **retailer** and any remedial action taken; and
  - (d) any other information required by the **Authority**.
- (3) The **retailer** must take all practicable steps to ensure that the information contained in the compliance report is:
  - (a) complete and accurate;
  - (b) not misleading or deceptive; and
  - (c) not likely to mislead or deceive.
- (4) Each compliance report must be accompanied by a certification signed and dated by a director or the chief executive officer of the **retailer**, or a person holding a position equivalent to one of those positions, that the person considers, on reasonable grounds and to the best of that person's belief, that the compliance report is a complete and accurate record of the matters stated in the compliance report.
- (5) If the **retailer** becomes aware that any information the **retailer** provided in the compliance report is not complete or accurate, is misleading or deceptive, or is likely to mislead or deceive, the **retailer** must as soon as practicable provide to the **Authority** such further information as is necessary to ensure that the information provided is complete and accurate, is not misleading or deceptive and is not likely to mislead or deceive, even if the certification under subclause (4) has previously been issued on reasonable grounds.
- (6) Notwithstanding anything else in this clause, a **retailer** is not required to include in the compliance report any information in respect of which the **retailer** claims legal professional privilege.
- (7) The **Authority** may **publish** any information submitted to it in a compliance report, and the certification provided under subclause (4).
- (8) For the avoidance of doubt, a **retailer** who sells **electricity** to residential consumers in the period between this clause coming into force and 30 June 2025 must submit a compliance report under subclause (1) covering at least that period within 3 months of 30 June 2025.

**11A.5 Retailers and distributors to provide certain information upon request**

Each **retailer** and **distributor** to whom clause 11A.3 applies must, if required to do so by the **Authority**, provide, within the timeframe specified by the **Authority**:

- (a) a description of the policies (other than a consumer care policy), procedures and processes the **retailer** or **distributor** has implemented for the purpose of complying with 1 or more of the Consumer Care Obligations; and

- (b) in relation to a **retailer**, such other supporting evidence the **retailer** has relied on to make the compliance report as the **Authority** may require.

#### **11A.6 Retention of records**

- (1) A **retailer** must ensure it maintains records of any activity regulated under the Consumer Care Obligations, including records of:
  - (a) communications with customers (including information and advice provided to the customer under the Consumer Care Obligations);
  - (b) applications to be recorded as a medically dependent consumer and associated matters; and
  - (c) **electrical disconnections** and reconnections.
- (2) A **retailer** must retain records under subclause (1) for a period of 5 years from, as applicable:
  - (a) the date the relevant customer contract is terminated; or
  - (b) the date the uncontracted premises are disconnected.

#### **11A.7 Authority may require independent review**

The **Authority** may, at its discretion, require a review by an independent person of whether a **retailer** has complied with its obligations under clause 11A.4.

#### **11A.8 Nomination of independent person to undertake review**

- (1) If the **Authority** requires a review under clause 11A.7—
  - (a) the **Authority** must require the **retailer** to nominate an appropriate independent person to undertake the review; and
  - (b) the **retailer** must provide that nomination within a reasonable timeframe.
- (2) The **Authority** may direct the **retailer** to appoint the person nominated under subclause (1) or to nominate another person for approval.
- (3) If the **retailer** fails to nominate an appropriate person under subclause (1) within 5 **business days**, the **Authority** may direct the **retailer** to appoint a person of the **Authority's** choice.
- (4) The **retailer** must appoint a person to undertake the review in accordance with a direction made under subclause (2) or subclause (3).

#### **11A.9 Factors relevant to direction under clause 11A.8**

- (1) In making a direction under clause 11A.8(2) or clause 11A.8(3), the **Authority** may have regard to any factors it considers relevant in the circumstances, including the following:
  - (a) the degree of independence between the **retailer** and the person nominated under clause 11A.8(1);
  - (b) the expected quality of the review; and
  - (c) the expected costs of the review.
- (2) For the purpose of subclause (1)(a), the **Authority** may have regard to the special definition of independent under clause 1.4 but is not bound by that definition.

#### **11A.10 Carrying out of review by independent person**

- (1) A **retailer** subject to a review under clause 11A.7 must, on request from the person undertaking the review, provide that person with such information as the person reasonably requires in order to carry out the review.

- (2) The **retailer** must provide the information no later than 15 **business days** after receiving a request from the person for the information.
- (3) The **retailer** must ensure that the person undertaking the review—
  - (a) produces a report on whether, in the opinion of that person, the **retailer** may not have complied with clause 11A.4; and
  - (b) submits the report to the **Authority** within the timeframe specified by the **Authority**.
- (4) The report produced under subclause (3)(a) must include any other information that the **Authority** may reasonably require.
- (5) Before the report is submitted to the **Authority**, any identified failure of the **retailer** to comply with clause 11A.4 must be referred back to the **retailer** for comment.
- (6) The comments of the **retailer** must be included in the report.
- (7) The **retailer** may require that the person undertaking the review does not provide the **Authority** with a copy of any information that the **retailer** has provided to the person in accordance with subclause (2).

#### **11A.11 Payment of review costs**

- (1) If a report received under clause 11A.10(3)(a) establishes, to the **Authority's** reasonable satisfaction, that the **retailer** may not have complied with clause 11A.4, the **retailer** must pay the costs of the person who undertook the review.
- (2) Despite subclause (1), if a report establishes, to the **Authority's** reasonable satisfaction that any non-compliance of the **retailer** is minor, the **Authority** may, at its discretion, determine the proportion of the person's costs that the **retailer** must pay, and the **retailer** must pay those costs.
- (3) If a report establishes to the **Authority's** reasonable satisfaction that the **retailer** has complied with clause 11A.4, the **Authority** must pay the person's costs.

# Schedule 11A.1

## Consumer Care Obligations

cl 11A.3

### Part 1

#### Interpretation

#### 1 Interpretation

In the **Consumer Care Obligations**, words and phrases appear in bold to alert the reader to the fact that they are defined in clause 1.1 or 11A.2.

### Part 2

#### Consumer Care Policy and related matters

#### 2 Purpose of this Part

This Part of the **Consumer Care Obligations** requires **retailers** to **publish** their **consumer care policy** and other information, and sets expectations as to **retailers'** communication with **customers** and **residential consumers**, in order to promote the purpose in clause 11A.1.

#### 3 Consumer care policy

- (1) Each **retailer** must develop and **publish** a **consumer care policy** which sets out the **retailer's** policies in relation to **residential consumer** care, including the matters covered in the **Consumer Care Obligations**.
- (2) Without limiting subclause (1), the **consumer care policy** must explain, in clear and accessible language:
  - (a) that **electricity** supply makes an essential contribution to the wellbeing of **residential consumers**;
  - (b) that the **retailer** will work with its **customers** in a respectful, collaborative and constructive manner;
  - (c) that the **retailer** will communicate with its **customers** and other **residential consumers** it interacts with in a manner which is understandable, timely, clear and accessible;
  - (d) how the **retailer** can assist **customers** to understand the most suitable pricing plan for their circumstances;
  - (e) that a **customer** can request access to information about their consumption of **electricity** in accordance with this Code, including clause 11.32A, to help them make decisions about which **pricing plan** suits them;
  - (f) how the **retailer** will work with **customers** experiencing payment difficulties to resolve those payment difficulties as far as possible;
  - (g) how the **retailer** will work with **post-pay customers** experiencing payment difficulties to ensure that **electrical disconnection** is a measure of last resort;
  - (h) how the **retailer** will reflect on any issues which arise in relation to **residential consumer** care and use those experiences to continually improve the extent to which its policies promote the purpose in clause 11A.1; and
  - (i) the information required in relation to **fees**, **conditional discounts** and **bonds** under clause 65.



- (3) When developing its **consumer care policy**, a **retailer** must seek to avoid disparate outcomes arising from differences in language, ethnicity, educational achievement, culture, gender, disability, age, health, income and wealth.
- (4) A **retailer** must review, and if the **retailer** considers it necessary or desirable update, its **consumer care policy** at least every 2 years.

#### **4 Communications with customers and residential consumers**

- (1) Each **retailer** must use reasonable endeavours to:
  - (a) work with its **customers** in a respectful, collaborative and constructive manner; and
  - (b) communicate with its **customers** and any other **residential consumers** it interacts with in a manner which is understandable, timely, clear and accessible.
- (2) Each **retailer** must use reasonable endeavours to adapt its communications based on the needs of the **customers** or **residential consumers** receiving them.
- (3) If a **customer** or **residential consumer** is not sufficiently familiar with the English language to communicate without assistance, a **retailer** may meet the requirement in subclause (1)(b) by ensuring the **customer** or **residential consumer** has the opportunity to nominate and use a **support person** to assist them with understanding and communicating with the **retailer**.

#### **5 Working with support agencies and health practitioners**

Each **retailer** must:

- (a) have in place processes for, where a **customer** may be experiencing payment difficulties, or where otherwise required by these **Consumer Care Obligations**:
  - (i) seeking that **customer's** consent to refer that **customer** to 1 or more **support agencies**; and
  - (ii) having obtained consent, referring that **customer** to the **support agency** or **agencies**, within 5 **business days**; and
- (b) use reasonable endeavours to work with any **support agencies** and **health practitioners** it liaises with in accordance with these **Consumer Care Obligations** in a cooperative, constructive and timely manner.

#### **6 Customer-facing website requirements**

Each **retailer** must clearly and prominently **publish** the following information in a dedicated section of their **customer-facing website**:

- (a) a statement that the **retailer** has a **consumer care policy** which complies with the **Consumer Care Obligations**;
- (b) the **retailer's consumer care policy** or a direct hyperlink to it;
- (c) how to contact the **retailer** with any questions regarding the **retailer's consumer care policy** or the **retailer's** compliance with the **Consumer Care Obligations**;
- (d) a hyperlink to the page of the **Authority's** website prescribed for the purposes of this clause; and
- (e) information, including hyperlinks to the websites and contact details of:
  - (i) one or more **support agencies** offering advice on the efficient use of **electricity**;
  - (ii) one or more **support agencies** offering financial mentoring services; and
  - (iii) the dispute resolution scheme identified under clause 3 of Schedule 4 of the **Act**.

## Part 3

### Signing up customers and contract denials

#### 7 Purpose of this Part

This Part of the **Consumer Care Obligations** sets out requirements for **retailers** when signing up a **customer** or when a **residential consumer** enquiring with the **retailer** is denied a contract, for the purpose of ensuring **residential consumers** are fully informed before and after contracting with a **retailer** and that **residential consumers** who may be denied a contract are supported.

#### *Information to be provided prior to sign up*

#### 8 Information to be provided prior to sign up

- (1) Before signing up a **residential consumer** as a new **customer**, a **retailer** must ensure that either:
  - (a) in the course of an oral communication, that person receives:
    - (i) advice regarding the **retailer's** available **product offerings** and related **pricing plans** that are relevant to that person's current household circumstances; and
    - (ii) assistance to understand the most suitable **product offering** for that person's current household circumstances, including any conditions the person must meet in order to obtain the greatest benefit from the **product offering** and the drawbacks of any particular **product offering**, including any **fees** the person may incur or **bonds** the person may be required to pay; or
  - (b) where that person is engaging with an online platform, that person has easy access to information about the **retailer's** available **product offerings** and related **pricing plans**, any conditions which must be met in order to obtain the greatest benefit from a **product offering** and the drawbacks of any particular **product offering**, including any **fees** the person may incur or **bonds** the person may be required to pay.
- (2) A **retailer** must ensure that a **residential consumer** considering becoming a **customer** of that **retailer** has:
  - (a) the option to review the **retailer's** terms and conditions; and
  - (b) easy access to information about the **retailer's** available **payment options**.
- (3) A **retailer** must ensure that its terms and conditions are provided in plain English.

#### 9 Information to be provided before entering prepay contracts

Before a **retailer** enters into a new **prepay** contract, the **retailer** must confirm with the **residential consumer** seeking the contract that they are aware:

- (a) of any differences between **fees, bonds** and the rate or rates charged for **electricity** under relevant **post-pay** and **prepay product offerings** offered by the **retailer** or any related **retailer**;
- (b) that when credit under a **prepay** contract reduces to zero or any approved arrears limit is reached, **electrical disconnection** will occur;
- (c) of the warnings the **customer** will receive prior to the credit for the **meter** expiring; and

- (d) of how to purchase additional or emergency credit under the **prepay** contract.

*Considering and declining contracts*

**10 Declining to enter into a contract**

If a **retailer** decides not to enter into a **prepay** or **post-pay** contract with a **residential consumer** seeking such a contract, the **retailer** must provide the person with:

- (a) information about 1 or more **electricity plan comparison platforms**;
- (b) reasons for the **retailer's** decision; and
- (c) information, including hyperlinks to the websites and contact details, of 1 or more **support agencies** from which the **residential consumer** could seek assistance.

*Information to be provided to new customers*

**11 Information to be provided to new customers**

A **retailer** must advise any new **customer** of:

- (a) the existence of the **retailer's consumer care policy** and provide a copy of the **consumer care policy** or a direct hyperlink to it;
- (b) the **retailer's** available **payment options**; and
- (c) the importance of notifying the **retailer** if they, or another **residential consumer** who permanently or temporarily resides at the premises, is a **medically dependent consumer** and where to obtain information on how to apply to be recorded as a **medically dependent consumer**.

**Part 4**

**Information and records relating to customer care**

**12 Purpose of this Part**

This Part of the **Consumer Care Obligations** imposes obligations on **retailers** regarding the collection, recording, and use of information relating to **customer** care for the purpose of enabling **retailers** to proactively and effectively support their **customers**, including those who may experience payment difficulties.

**13 Retailers to request communication information from customers**

- (1) A **retailer** must request the following information relating to communication from each new **customer**:
  - (a) contact information for at least 2 communication channels, which may include email, post, phone, text message, or the use of in-app messages;
  - (b) any other information the **customer** wishes to provide which may be relevant to engaging with that **customer**;
  - (c) whether the **customer** wishes to use an **alternate contact person** and, if so, the **alternate contact person's** contact information; and
  - (d) whether, and if so, when, the **customer** wishes to use a **support person**.
- (2) Whenever a **customer** provides the information specified in subclause (1), the **retailer** must use the **customer's** information to inform the **retailer's** communication practices with that **customer** to the extent reasonably possible.
- (3) A **retailer** must, if it has not already done so, request the information in subclause (1) from existing **customers** when first contacting that **customer** under clause 16.

## *Alternate contact persons*

### **14 Alternate contact person**

- (1) If a **customer** nominates an **alternate contact person**, the **retailer** may contact that **alternate contact person** if the **retailer** is unable to contact the **customer**.
- (2) If at any time a **customer's** nominated **alternate contact person** advises the **retailer** that they no longer agree to act in that capacity, the **retailer** must record that information and, when liaising with the **customer** for the first time after being so advised by the nominated **alternate contact person**, notify the **customer**.

## **Part 5**

### **Business-as-usual account management**

### **15 Purpose of this Part**

This Part of the **Consumer Care Obligations** imposes obligations on **retailers** regarding business-as-usual account management for the purpose of ensuring that **customers** remain informed, in order to promote the purpose in clause 11A.1.

### **16 Retailers to contact customers at least annually**

At least once a year, a **retailer** must contact each of its **customers** to:

- (a) advise the **customer** that they can request access to information about their consumption of **electricity** in accordance with this Code, including clause 11.32A;
- (b) advise the **customer** of the existence of the **retailer's consumer care policy** and provide a copy of the **consumer care policy** or a direct hyperlink to it; and
- (c) ask the **customer** to confirm the **customer's** information, as recorded by the **retailer** in accordance with Part 4 and Part 8 of the **Consumer Care Obligations**, remains accurate.

### **17 Retailers to provide further information prior to customers making changes**

- (1) If a **customer** enquires with the **retailer** about changing a **pricing plan** or signing up to a different **product offering**, before making any change the **retailer** must:
  - (a) advise the **customer** of the **retailer's** available **product offerings**, and related **pricing plans** and **payment options** that are relevant to the **customer's** current household circumstances;
  - (b) use reasonable endeavours to assist the **customer** in understanding the most suitable option for the **customer's** current household circumstances, including any conditions the **customer** must meet in order to obtain the greatest benefit from a **product offering** and the drawbacks of any particular option including any **fees** the person may incur; and
  - (c) provide information about 1 or more **electricity plan comparison platforms**.
- (2) Subclause (1) does not apply to **customer** changes made through an online platform, provided the **customer** has easy access to information about the **retailer's** available **product offerings** and related **pricing plans** and **payment options** that may be relevant to the **customer's** current household circumstances.

### *Account management for post-pay customers*

#### **18 Retailers to use meter readings for invoicing**

A **retailer** must use **meter readings** and not **estimated readings** for invoicing whenever practicable, unless otherwise agreed by the **customer** for the purpose of their preferred **payment option** (such as Smooth Pay or redirection of income) or **payment support plan**.

#### **19 Information required on invoices**

In addition to any applicable requirements in clauses 11.30 to 11.30B, a **retailer** must clearly set out on each **invoice**:

- (a) a breakdown of the total amount owed, distinguishing between the current invoicing period and any overdue amounts;
- (b) the due date or dates for payment;
- (c) available **payment options**, or advice on where to find information regarding available **payment options** in supporting documentation (which may include the **retailer's** website or app); and
- (d) if bundled goods or services have been received by the **customer**, the amounts owing for each good or service.

### *Account management for prepay customers*

#### **20 Retailers to notify prepay customers when credit balance reaches a certain level**

- (1) A **retailer** must notify a **prepay customer** immediately after the **prepay customer's** credit balance decreases below the equivalent of a reasonable estimation of 2 days of standard usage for the **prepay customer**.
- (2) A **retailer** must ensure that the notification to a **customer** in accordance with subclause (1) includes:
  - (a) the **customer's** current credit balance;
  - (b) a recommendation that the **customer** top-up the **customer's** account to avoid interruption in the supply of **electricity**; and
  - (c) a statement that when credit reduces to zero or any approved arrears limit is reached, **electrical disconnection** will occur.

## **Part 6**

### **When payment difficulties are anticipated or arise**

#### **21 Purpose of this Part and knowledge of payment difficulties**

- (1) This Part of the **Consumer Care Obligations** requires a **retailer** to take specific actions when a **customer** is in arrears or the **retailer** knows that the **customer** may be experiencing payment difficulties for the purpose of supporting those **customers** in accessing and maintaining an affordable and constant **electricity** supply suitable for their needs.
- (2) For the purposes of these **Consumer Care Obligations**, a **retailer** is deemed to know that a **customer** may be experiencing payment difficulties when:
  - (a) a **customer** tells the **retailer** that they anticipate challenges in meeting **invoice** due dates due to factors such as reduced income, upcoming financial commitments, or shifts in their financial circumstances;

- (b) a **customer** fails to pay an **invoice** by the **invoice** due date for more than 1 billing cycle in a 6-month period; or
  - (c) the **retailer** becomes aware of information that a reasonable **retailer** would consider indicates anticipated or actual payment difficulty.
- (3) Each **retailer** must record and use information relevant to the matters listed in subclause (2), to identify **customers** who may be experiencing payment difficulties.
  - (4) Information under subclause (2)(c) may include information provided by the **customer** or information gathered by the **retailer** through the use of a methodology or process to identify when **customers** may be experiencing payment difficulties based on information such as payment history and changes in consumption.
  - (5) A **retailer** is not required to treat a **customer** as experiencing payment difficulties if the **customer** confirms that they are not experiencing payment difficulties, unless the **retailer** subsequently becomes aware of new information that meets one of subclauses (2)(a) to (c).

## **22 Retailers' obligations if customer fails to pay invoice**

- (1) Each **retailer** must take reasonable steps to support **customers** who fail to pay an **invoice** to resolve payment issues and avoid **electrical disconnection**.
- (2) The steps under subclause (1) must include:
  - (a) issuing a reminder notice to a **customer** who fails to pay an **invoice** by the **invoice** due date as soon as reasonably practicable after the **invoice** becomes overdue; and
  - (b) if payment has not been made within 14 days of the **invoice** being issued, making further attempts to contact the **customer** or the **customer's alternate contact person** (if applicable and as appropriate) for the purpose of seeking payment and avoiding **electrical disconnection**.
- (3) Any notice issued under subclause (2)(a) must include:
  - (a) a statement that the **retailer** has a **consumer care policy**; and
  - (b) a copy of the **consumer care policy** or a direct hyperlink to it.
- (4) Any contact attempts under subclause (2)(b) involving written communication, and any successful contact attempts involving oral communication, made 4 days or more after the initiation of contact attempts under subclause (2)(b), must include an offer to discuss with the **customer payment support plans** that appear suitable to the **customer's** circumstances.
- (5) A **retailer** must make at least 3 separate contact attempts under subclause (2)(b), spread over 7 or more days, before initiating the disconnection for non-payment process in clause 31.

## **23 Retailers to engage with customers experiencing payment difficulties**

Where a **retailer** knows that a **post-pay customer** not on a **payment support plan** may be experiencing payment difficulties, the **retailer** must:

- (a) use best endeavours to engage with the **customer** for the purposes of resolving the payment difficulties;
- (b) communicate the steps the **retailer** will follow to assist the **customer** to resolve their payment difficulties and the timeframes for those steps;
- (c) remind the **customer** that:
  - (i) they may nominate a **support person** or an **alternate contact person**; and

- (ii) the **retailer** has a **consumer care policy**, which explains what the **retailer** can and will do to support the **customer**;
- (d) provide the **customer** with relevant information to assist them to improve energy efficiency at their premises, or the information referred to in clause 6(e)(i);
- (e) offer advice, and if the **customer** agrees, advise on changes that could be made to:
  - (i) the **customer's** consumption profile (which may include increasing the proportion of **electricity** used at off-peak times); or
  - (ii) the metering at the **customer's** premises (which may include taking steps to support changes to the **customer's** consumption profile, or to enable load control),
 that might reasonably be expected to reduce the amount of the **customer's** future **invoices**, after accounting for the cost of implementing such changes (which may include the cost of changing the **metering** at the **customer's** premises);
- (f) consider whether, based on the **customer's** consumption over the past 12 months, and any advice given under paragraph (e), the **retailer** has 1 or more **pricing plans** that could provide a lower cost of **electricity** to the **customer** and, if so:
  - (i) advise the **customer** of that plan or those plans that the **retailer** reasonably considers are most suitable for that **customer's** current household circumstances (provided that the **retailer** does not need to advise the **customer** of more than 3 **pricing plans**), any conditions the person must meet in order to obtain the greatest benefit from any **pricing plan** and the drawbacks of any particular plan including any **fees** the person may incur; and
  - (ii) where the **retailer** advises the **customer** of more than 1 **pricing plan**, identify the **pricing plan** which the **retailer** reasonably considers is the lowest cost option for the **customer**, taking into account those aspects of the **customer's** circumstances of which the **retailer** has knowledge;
- (g) provided the **customer** has engaged with the **retailer**:
  - (i) satisfy itself, acting reasonably, that the **customer** is aware or has been reminded of the availability of financial assistance, financial mentoring services and **electricity** efficiency advice from **support agencies**; and
  - (ii) offer to refer the **customer** to any of those **support agencies** where appropriate, with the **customer's** agreement;
- (h) if a referral is made under paragraph (g) or a **customer** advises the **retailer** that they have contacted a **support agency** directly:
  - (i) advise the **customer** of the option to pause further steps in respect of any unpaid **invoices** but that, if the **customer** selects this option, any pause could cause the **customer** to go into more debt with the **retailer**;
  - (ii) if the **customer** opts to pause further steps, wait at least 7 days before taking any further steps under clauses 22 or 31; and
  - (iii) if, the **retailer** is satisfied that the **customer** is making reasonable efforts to engage with the **support agency** or **agencies**, wait a further period of at least 7 days after the initial period has elapsed; and
- (i) offer to discuss, and, if the **customer** agrees, discuss with the **customer payment support plans** that appear suitable to the **customer's** circumstances, including 1 or more **payment support plans** that a reasonable **retailer** would consider:

- (i) offer the best way for the **customer** to pay off any debt owed to the **retailer** while accommodating the **customer's** expected ongoing **electricity** use; and
- (ii) are most likely to help avoid the **customer** falling into debt, or further into debt, with the **retailer**.

## **24 No unilateral change to payment support plan**

A **retailer** with a **customer** on a **payment support plan** must not unilaterally change the **customer's payment support plan**, other than in accordance with the **retailer's** terms and conditions.

## **25 Retailer's obligations in respect of customers on payment support plans**

- (1) If a **retailer** identifies a significant and sudden increase in consumption by a **customer** on a **payment support plan** that is not explained by circumstances of which the **retailer** is aware (including seasonal factors), the **retailer** must:
  - (a) notify the **customer** of the change in consumption in order to avoid bill shock; and
  - (b) if appropriate, advise the **customer** of any **pricing plans** that the **retailer** reasonably expects would reduce the amount of the **customer's invoices** taking into account the increased consumption and any change in circumstances.
- (2) A **retailer** must, for a **customer** on a **payment support plan**, monitor the **customer's** debt repayments at a frequency appropriate to the **payment support plan**.
- (3) A **retailer** must contact a **customer** on a **payment support plan**:
  - (a) if a part payment has been made, to assess whether the **payment support plan** should be reviewed; and
  - (b) on a regular basis, and not less than once every 6 months, to discuss with the **customer** whether their current **payment support plan** is meeting their needs.
- (4) If a **customer** on a **payment support plan** indicates they are experiencing payment difficulties, the **retailer** must offer to:
  - (a) discuss with the **customer** what the **customer** can afford in terms of repayments;
  - (b) based on the discussion in paragraph (a), review the **payment support plan**; and
  - (c) refer the **customer** to 1 or more **support agencies** offering financial assistance, financial mentoring services or **electricity** efficiency advice where appropriate, with the **customer's** consent.
- (5) A **retailer** must, within 5 **business days** of a **customer** on a **payment support plan** falling behind in their repayments, contact the **customer**, and:
  - (a) inform the **customer** that they have fallen behind in their repayments;
  - (b) offer to discuss with the **customer** what the **customer** can afford and to review the **payment support plan** if the **customer's** circumstances have changed;
  - (c) offer to refer the **customer** to 1 or more **support agencies** offering financial assistance, financial mentoring services or **electricity** efficiency advice where appropriate, with the **customer's** agreement; and
  - (d) explain the next steps if repayment is not made.
- (6) If a referral is made under subclause (4)(c) or (5)(c), or a **customer** advises the **retailer** that they have contacted a **support agency** directly, the **retailer** must:
  - (a) advise the **customer** of the option to pause further steps in respect of any **payment support plan** repayments but that, if the **customer** selects this option, any pause could cause the **customer** to go into more debt with the **retailer**;



- (b) if the **customer** opts to pause further steps, wait 7 days before initiating the disconnection for non-payment process in clause 31; and
- (c) if the **retailer** is satisfied that the **customer** is making reasonable efforts to engage with the **support agency** or **agencies**, wait a further period of at least 7 days after the initial period has elapsed.

## 26 **Retailer obligations in respect of representatives**

A **retailer** must ensure its representatives who engage with **customers** about invoicing or debt repayments:

- (a) receive appropriate training that includes:
  - (i) building rapport with **customers**; and
  - (ii) recognising signs of anticipated or actual payment difficulties when interacting with **customers**, including through review of changes in consumption as well as account history data; and
- (b) are able to provide targeted assistance to **customers** to help them avoid payment arrears or resolve payment difficulties as far as possible, including in relation to the matters specified in clause 23.

### *Obligations in respect of prepay customers*

## 27 **Retailers to monitor the frequency and duration of prepay electrical disconnections**

A **retailer** must monitor the frequency and duration of **electrical disconnections** of **prepay customers'** premises.

## 28 **Retailers to contact prepay customers**

- (1) This clause applies if a **retailer** has a **prepay customer** and:
  - (a) the **retailer** identifies a significant and sudden increase in consumption that is not explained by circumstances of which the **retailer** is aware (including seasonal factors); or
  - (b) the **prepay customer** runs out of credit frequently (for example, on average 1 day in 7 days) or for relatively long durations (for example, for several days at a time).
- (2) Where this clause applies, a **retailer** must contact the **customer** and offer to:
  - (a) discuss options with the **customer** that may reduce or avoid instances of **electrical disconnection**; and
  - (b) refer the **customer** to 1 or more **support agencies** offering financial assistance, financial mentoring services or **electricity** efficiency advice where appropriate, with the **customer's** agreement.

## Part 7

### Disconnection and reconnection of residential premises

## 29 **Purpose of this Part**

This Part of the **Consumer Care Obligations** sets out obligations on **retailers** before, at and after **electrical disconnection** of **residential premises**, for the purpose of minimising harm to **residential consumers** caused by insufficient access to **electricity**.

**30 Disconnection a measure of last resort**

A **retailer** must use best endeavours to ensure that **electrical disconnection** of a **post-pay customer's** premises for non-payment of **invoices** is a measure of last resort.

**31 Conditions for disconnection for non-payment**

- (1) A **retailer** must not **electrically disconnect** a **post-pay customer's** premises for non-payment of an **invoice**, unless:
- (a) the **retailer** has the right to **electrically disconnect** the premises under its contract with the **customer**;
  - (b) the **retailer** has complied with all relevant and applicable obligations in Part 6 of the **Consumer Care Obligations**;
  - (c) if any unpaid **invoice** uses an **estimated reading**, the conditions in clause 32 are met;
  - (d) the **customer**:
    - (i) has not agreed to a **payment support plan**; or
    - (ii) is not substantially adhering to a **payment support plan**;
  - (e) the **retailer** has used its best endeavours to satisfy itself that the **customer**, and any **residential consumer** who permanently or temporarily resides at the **customer's** premises, is not a **medically dependent consumer**;
  - (f) the **retailer** has:
    - (i) made at least 5 separate attempts to contact the **customer**;
    - (ii) issued the **customer** with an initial notice of disconnection, no earlier than 28 days after the **invoice** was issued;
    - (iii) issued the **customer** with a final notice of disconnection, which must be issued:
      - (A) only after an initial disconnection notice has been issued and the **retailer** has not received payment in full, or in accordance with a **payment support plan**;
      - (B) no earlier than 44 days after the **invoice** was issued;
      - (C) no less than 24 hours or more than 10 days before **electrical disconnection**; and
    - (iv) in the case of a physical **electrical disconnection**, ensured that information on how to contact the **retailer** to **reconnect** the premises is provided to the **customer**, or left at the **customer's** premises, by the person visiting the premises to action the **electrical disconnection**; and
  - (g) following the contact attempts required by paragraph (f)(i), the **retailer** has not received payment in full for the **invoice** or **invoices**.
- (2) The contact attempts required under subclause (1)(f)(i):
- (a) may comprise up to 3 attempts made under clause 22(2)(b); and
  - (b) except for the contact attempts made under clause 22(2)(b), must:
    - (i) seek to explain the pending **electrical disconnection** of the **customer's** premises and the potential consequences of not responding to the **retailer's** contact attempts in a manner the **customer** is reasonably likely to understand, having regard to any relevant communication information recorded about the **customer** under clause 13; and

- (ii) use communication channels that are reasonable in the circumstances and which the **retailer** reasonably considers are most likely to result in the relevant information being communicated to the **customer**, which may include phone calls, emails, posted letters or a representative of the **retailer** visiting the **customer's** premises, subject to any health and safety risks to the representative, the **customer** or any other person at the premises.

### 32 Additional conditions for invoices using estimated readings

- (1) A **retailer** must not **electrically disconnect** a **post-pay customer's** premises for non-payment of an **invoice** that uses an **estimated reading** unless the **retailer** is reasonably satisfied that:
  - (a) the **estimated** reading used in that **invoice** is a reasonable estimation of actual consumption; and
  - (b) at least 1 of the following applies:
    - (i) a **meter reading** is not available due to:
      - (A) the **customer** obtaining **electricity** by or involving deception;
      - (B) vandalism; or
      - (C) an issue with the **metering installation**;
    - (ii) the **retailer** cannot obtain a **meter reading** due to its, or another person's, obligations under the Health and Safety at Work Act 2015; or
    - (iii) both of the following apply:
      - (A) the **customer** has, for at least 20 **business days**, failed to respond to or refused requests from the **retailer**, or the **retailer's** agent, for access to a **metering installation** at the **customer's** premises for the purpose of obtaining a **meter reading** or carrying out a **metering installation** repair, replacement or certification; and
      - (B) the **retailer** does not accept any meter reading provided by the **customer** because any of the circumstances in subclause (2) apply.
- (2) The circumstances referred to in subclause (1)(b)(iii)(B) are:
  - (a) the **meter reading** does not lie within an acceptable range compared with the expected pattern, previous pattern or trend of consumption;
  - (b) the **meter reading** does not relate to that **customer**;
  - (c) the **customer** does not provide sufficient information to enable the **retailer** to identify the **meter**; or
  - (d) the **customer** supplies a cumulative **meter** register reading when the **retailer** requires absolute half-hourly **meter readings** that are only available electronically.

### 33 Failure to disconnect within timeframe

If a **retailer** does not **electrically disconnect** a **customer's** premises within the timeframe set out in a final notice of disconnection, the **retailer** must:

- (a) before **electrically disconnecting** the premises, issue a further final notice of disconnection; and
- (b) issue that notice no less than 24 hours or more than 10 days before **electrical disconnection**.

### 34 Notices issued to a post-pay customer

- (1) Any notice issued to a **post-pay customer** under this Part of the **Consumer Care Obligations** must be in writing and include information about how to contact the **retailer** to discuss payment of the debt.
- (2) The following information must be included in at least 1 notice issued under this Part:
  - (a) a statement that, if the **customer** makes contact with the **retailer** before the point of **electrical disconnection**, the **retailer** will actively work with them to resolve any payment difficulties and avoid **electrical disconnection** occurring, even if the **customer** has failed to act on prior attempts by the **retailer** to engage with them;
  - (b) information regarding **payment options** available (which may include Smooth Pay or redirection of income);
  - (c) information regarding the **retailer's** internal dispute resolution process and the dispute resolution scheme identified under clause 3 of Schedule 4 of the **Act**;
  - (d) details of all **fees** that must be paid:
    - (i) in the event of **electrical disconnection**; and
    - (ii) if **electrical disconnection** occurs, in order for the **customer's** premises to be **reconnected**;
  - (e) contact details of Work and Income; and
  - (f) where to obtain information on how to apply to be recorded as a **medically dependent consumer** and a summary of what it means to be a **medically dependent consumer**.

### **35 Restriction on disconnection for non-payment by distributor**

- (1) This clause applies if a **distributor** directly invoices **residential consumers** for **distribution** services.
- (2) A **distributor** must not **electrically disconnect** a **residential consumer's** premises for non-payment in respect of **distribution** services if that **distributor** has been notified of an application or a decision to record a person as a **medically dependent consumer** in relation to those premises under clause 51.
- (3) A **distributor** must not otherwise **electrically disconnect** a **residential consumer's** premises for non-payment in respect of **distribution** services unless the **distributor** has provided at least 5 **business days'** notice to the **retailer** who is the **trader** recorded in the **registry** as being responsible for the relevant **ICP**.

#### *Disconnecting uncontracted premises*

### **36 Disconnection of uncontracted premises**

- (1) A **retailer** must not **electrically disconnect uncontracted premises**, unless:
  - (a) the **retailer** has confirmed that the premises are not being switched to another **retailer**;
  - (b) the **retailer** has issued a notice to any **residential consumers** at the premises encouraging them to contact a **retailer** to sign up as a new **customer**;
  - (c) the **retailer** has given any **residential consumers** at the premises no less than 7 days' notice of **electrical disconnection**;
  - (d) the **electrical disconnection** is to be carried out at a time that would not endanger the wellbeing of any **residential consumer** at the premises (which may require **electrical disconnection** to occur at times other than just before nightfall or during a severe weather event) or at a time at which it would be unreasonably

- difficult for any **residential consumer** to seek rapid **reconnection** (which may require **electrical disconnection** to occur at times other than after midday on the day before a non-**business day**, on a non-**business day**, at night, during a severe weather event or during a civil emergency); and
- (e) in the case of remote **electrical disconnection** of the premises, the **electricity meter** or disconnection device to be used can safely **electrically disconnect** the premises.
- (2) A **retailer** need not comply with subclause (1)(b) or (1)(c) if:
    - (a) the **retailer electrically disconnects** the **uncontracted premises** within 48 hours of a **customer** vacating the property; or
    - (b) half-hour metered **electricity** consumption data is available for the premises and analysis of that data does not indicate a **residential consumer** resides at the premises.
  - (3) The notices required under subclauses (1)(b) and (1)(c):
    - (a) may be provided in the same notice or in separate notices at different times;
    - (b) must be in writing and delivered to the **uncontracted premises**; and
    - (c) must include information about how to contact the **retailer** to discuss signing up as a new **customer**.
  - (4) If a **retailer** is notified that a **medically dependent consumer** may be permanently or temporarily residing at an **uncontracted premises**, the **retailer** must use its best endeavours to:
    - (a) encourage **residential consumers** residing at that premises to sign up with a **retailer** and avoid **electrical disconnection**; and
    - (b) if the **retailer** has been unsuccessful in encouraging a **residential consumer** to sign up as a **customer**, ensure that **electrical disconnection** occurs in a way that does not endanger the wellbeing of any **medically dependent consumer** residing at that premises.

#### *Restrictions on disconnecting post-pay customers*

### **37 Restrictions on disconnecting medically dependent consumers**

- (1) Notwithstanding anything else in these **Consumer Care Obligations**, a **retailer** must not **electrically disconnect** a **post-pay customer's** premises at which the **retailer** knows a **medically dependent consumer** may be permanently or temporarily residing.
- (2) Subclause (1) does not apply to emergency **electrical disconnections**.
- (3) A **retailer** must notify the **Authority** in the **prescribed form** as soon as it becomes aware of an **electrical disconnection** resulting in a person being without **electricity** in the circumstances described in subclause (1).

### **38 Restrictions on disconnecting premises**

- (1) Notwithstanding anything else in these **Consumer Care Obligations**, a **retailer** must not **electrically disconnect** a **post-pay customer's** premises in any of the following circumstances:
  - (a) the **retailer** has failed to comply with any relevant obligations in this Part of the **Consumer Care Obligations** in relation to that **customer**;
  - (b) the **electrical disconnection** is to be carried out at a time that would endanger the wellbeing of the **customer** or any **residential consumer** at the premises (which may include just before nightfall or during a severe weather event) or at a time at

- which it would be unreasonably difficult for the **customer** or **residential consumer** to seek rapid **reconnection** (which may include after midday on the day before a non-**business day**, on a non-**business day**, at night, during a severe weather event or during a civil emergency);
- (c) in the case of remote **electrical disconnection** of the premises, the **electricity meter** or disconnection device to be used cannot safely **electrically disconnect** and/or **reconnect** the premises;
  - (d) in the case of **electrical disconnection** for non-payment of an **invoice**, the debt does not relate to **electricity** supply (which may include because it relates to telephone or broadband services); and
  - (e) in the case of **electrical disconnection** for non-payment of an **invoice**, the **customer** disputes the charges relating to the **electricity** supply and:
    - (i) the **customer** is engaging with the **retailer's** internal dispute resolution process and/or the dispute resolution scheme identified under clause 3 of Schedule 4 of the **Act** in good faith;
    - (ii) the dispute is unresolved; and
    - (iii) the **customer** has paid all other charges and parts of any charges relating to **electricity** supply that are not disputed (the **retailer** having credited, with the **customer's** agreement, any part-payment to the **electricity** supply portion of its **invoice** to a **customer's** non-disputed debt first).
- (2) Subclause (1) does not apply to emergency **electrical disconnections**.

*General requirements for reconnection of post-pay customers*

### 39 **Reconnection required**

A **retailer** that **electrically disconnects** a **post-pay customer's** premises must **reconnect** those premises as soon as possible and at no cost if:

- (a) the **electrical disconnection** was inadvertent; or
- (b) the **electrical disconnection** of the premises (whether intentional or not) has resulted in a person being without **electricity** who:
  - (i) is recorded by that **retailer** as having **medically dependent consumer** status under clause 49; or
  - (ii) has made an application (in any form) for **medically dependent consumer** status, and the **retailer** has not yet decided the application.

### 40 **Remote reconnection**

A **retailer** should not authorise or carry out remote **reconnection** of a **post-pay customer's** premises unless the **retailer** is reasonably satisfied that the premises can be safely **reconnected** remotely (which may include ensuring that the **retailer** is satisfied that ovens and heaters are turned off).

*Process for reconnection of post-pay customers*

### 41 **Reconnection for payment**

A **retailer** must **reconnect** a **post-pay customer** whose premises were **electrically disconnected** under this Part of the **Consumer Care Obligations** as soon as reasonably practicable after:

- (a) the **customer** has paid the debt in full; or

- (b) the **customer** has otherwise satisfied the **retailer's** reasonable requirements for **reconnection**.

#### 42 Customer care following disconnection

If a **retailer electrically disconnects** a **post-pay customer** for non-payment of **invoices**, the **retailer** must:

- (a) continue to be responsive if the **customer** contacts the **retailer** seeking further assistance and information on **reconnection**; and
- (b) if the **customer** is still contracted to the **retailer** and has not **reconnected** 5 **business days** after **electrical disconnection**, contact the **customer** for the purpose of offering assistance and information on **reconnection**, including:
  - (i) reminding the **customer** of the financial mentoring services and **electricity** efficiency advice available from 1 or more **support agencies**; and
  - (ii) where appropriate, offering to refer the **customer**, with the **customer's** agreement, to a **support agency** from which the **customer** could seek assistance with arranging payment of the debt.

#### 43 Steps following reconnection

Following the **reconnection** of a **post-pay customer** who is **electrically disconnected** for non-payment of **invoices**, the **retailer** must undertake the steps in clause 23 with appropriate modifications.

#### *Disconnecting prepay customers*

#### 44 Restrictions on disconnecting a prepay customer's premises

A **retailer** must ensure a **prepay customer** is not **electrically disconnected** for running out of credit, unless:

- (a) the **electrical disconnection** occurs at a time:
  - (i) that does not endanger the wellbeing of the **customer** or any **residential consumer** at the premises (which may require **electrical disconnection** to occur at times other than just before nightfall or during a severe weather event); and
  - (ii) at which it would be reasonably easy for the **customer** to seek rapid **reconnection** (which may require **electrical disconnection** to occur at times other than after midday on the day before a non-**business day**, on a non-**business day**, at night, during a severe weather event or during a civil emergency);
- (b) the **prepay** service can safely **electrically disconnect** and **reconnect** the premises;
- (c) the expiry of the pre-paid credit relates to the supply of **electricity** (and does not relate to other matters such as telephone or broadband); and
- (d) either of the following apply:
  - (i) the **customer** has not disputed the charges through the **retailer's** internal dispute resolution process or the dispute resolution scheme identified under clause 3 of Schedule 4 of the **Act**; or
  - (ii) if the **customer** has disputed the charges, the **customer** has not paid all other charges and parts of any charges relating to **electricity** supply that are not disputed, the **retailer** having credited, with the **customer's** agreement,

any part-payment to the **electricity** supply portion of the **invoice** to the non-disputed charges first.

#### *Reconnecting prepay customers*

#### **45 Reconnecting a prepay customer's premises**

- (1) A **retailer** must ensure that **reconnection** of a **prepay customer** occurs as soon as reasonably practicable after the **customer** has completed their purchase transaction for new credit.
- (2) Subclause (1) requires that **reconnection** take place within 30 minutes of the **customer** completing their purchase transaction for new credit, unless:
  - (a) remote **reconnection** fails due to connectivity issues which would require sending a technician to the premises; or
  - (b) the **meter** owner has system issues; or
  - (c) the **retailer** is waiting on confirmation from the **customer** that the premises can be safely **reconnected**.

### **Part 8**

#### **Obligations in relation to medically dependent consumers**

#### **46 Purpose of this Part and knowledge of medically dependent consumers residing at customers' premises**

- (1) This Part of the **Consumer Care Obligations** requires **retailers** and **distributors** to take specific actions in relation to **customers** and any other **residential consumers** permanently or temporarily residing at a **customer's** premises who are, or may be, **medically dependent consumers**, for the purpose of ensuring that:
  - (a) any **customer** premises at which **medically dependent consumers** reside are not **electrically disconnected** by their **retailer**; and
  - (b) **medically dependent consumers** receive appropriate care and consideration in relation to planned and unplanned outages.
- (2) For the purpose of these **Consumer Care Obligations**, a **retailer** is deemed to know that a **medically dependent consumer** may be permanently or temporarily residing at a **customer's** premises if:
  - (a) the **retailer** has recorded that the **customer**, or any other **residential consumer** who permanently or temporarily resides at the premises, has medically dependent consumer status under clause 49 of these **Consumer Care Obligations**;
  - (b) the **retailer** has received an application (in any form) from the **customer** or any other **residential consumer** who permanently or temporarily resides at the premises for **medically dependent consumer** status, and the **retailer** has not yet decided the application; or
  - (c) the **retailer** becomes aware of information that a reasonable **retailer** would consider indicates that a **medically dependent consumer** may be residing at those premises.

#### *Information about medically dependent consumers*

#### **47 Retailers to request and record information about medically dependent consumers**



- (1) A **retailer** must request information which the **retailer** reasonably requires to identify whether a **customer** or any other **residential consumer** who permanently or temporarily resides at the **customer's** premises may be a **medically dependent consumer** when:
  - (a) first signing up a **customer**;
  - (b) contacting a **customer** under clause 16; and
  - (c) communicating with a **customer** who may be experiencing payment difficulties under clause 23.
- (2) A **retailer** may request information under subclause (1) at any other time the **retailer** reasonably considers it appropriate.
- (3) If a **retailer** knows that a **customer** or any other **residential consumer** who permanently or temporarily resides at the **customer's** premises may be a **medically dependent consumer**, the **retailer** must request the following information:
  - (a) the name of that **customer** or **residential consumer**; and
  - (b) for **residential consumers**, their communication information as listed under clause 13.
- (4) Whenever a **retailer** receives the information under this clause, the **retailer** must:
  - (a) record such information as is necessary for the **retailer** to perform its obligations under this Part; and
  - (b) only use the information to inform the **retailer's** performance of its obligations under this Part.

*Recording and verifying medically dependent consumer status*

**48 Retailer must request application for medically dependent consumer status**

- (1) A **retailer** must, as soon as practicable after it becomes aware of information that a reasonable **retailer** would consider indicates that a **customer** or **residential consumer** who permanently or temporarily resides at a **customer's** premises may be a **medically dependent consumer**, use best endeavours to request that they make an application (in any form) for **medically dependent consumer** status with the **retailer**.
- (2) The **retailer** must advise the **customer** or **residential consumer** under subclause (1) that if the **retailer** does not receive an application (in any form) within a period specified by the **retailer**, which must be least 21 **business days**, the **retailer** may decide to no longer regard that **customer** or **residential consumer** as someone who may be a **medically dependent consumer**.
- (3) Subclause (2) does not apply if the **retailer** records the **customer** or **residential consumer** as a **medically dependent consumer** under clause 49.

**49 Recording medically dependent consumer status**

- (1) Subject to subclause (2), a **retailer** may, at its discretion, record that a **customer**, or **residential consumer** who permanently or temporarily resides at a **customer's** premises, has **medically dependent consumer** status, having regard to the information gathered by the **retailer** in accordance with these **Consumer Care Obligations** or otherwise provided by a **customer**, **residential consumer**, or any third party.
- (2) A **retailer** must record that a **customer**, or **residential consumer** who permanently or temporarily resides at a **customer's** premises, has **medically dependent consumer** status if the **retailer** receives a valid **confirmation of status form** or **reconfirmation form** in relation to that person.

**50 Retailer's obligations after receiving application for medically dependent consumer status**

- (1) Upon receipt of an application (in any form) for **medically dependent consumer** status in relation to a **customer** or **residential consumer** residing at a **customer's** premises, the **retailer**:
  - (a) must record that the application has been received;
  - (b) must advise the applicant that the **retailer** will:
    - (i) record and hold relevant information relating to the application for the purposes described in clauses 46(1)(a) and (b); and
    - (ii) share where necessary information with the relevant **distributor, metering equipment provider** and **trader** recorded in the **registry** as being responsible for a relevant **ICP** (unless the **retailer** is itself the relevant **trader**);
  - (c) may, if appropriate to do so, take reasonable steps to confirm that the applicant is permanently or temporarily resident at the premises;
  - (d) may ask the applicant for a **confirmation of status form** if one has not been provided with the application, provided that, if the **retailer** requests a **confirmation of status form**, it must provide the applicant with the **confirmation of status form** prescribed by the **Authority** and advise the applicant that it may decline the application if the applicant fails to provide a valid form; and
  - (e) may, where applicable and if appropriate to do so, take reasonable steps to confirm the validity of the **confirmation of status form**.
- (2) If a **retailer** receives an application for **medically dependent consumer** status but the application does not relate to a **customer's** premises, the **retailer** must, as soon as reasonably practicable:
  - (a) use reasonable endeavours to determine who the current **retailer** is for the premises;
  - (b) inform the applicant, or the **health practitioner** who completed the **confirmation of status form** (if a form has been received by the **retailer**), that:
    - (i) the **retailer** is not responsible for the supply of **electricity** to the premises; and
    - (ii) if the **retailer** has determined who the responsible **retailer** is under paragraph (a), that **retailer's** name and contact details; and
  - (c) encourage the applicant to contact the responsible **retailer** as soon as practicable.

**51 Retailer's obligations to share information about medically dependent consumers**

- (1) If a **retailer** receives an application under clause 50, or otherwise decides to record a **customer** or **residential consumer** as a **medically dependent consumer**, the **retailer** must:
  - (a) if the **retailer** is the **trader** recorded in the **registry** as being responsible for the relevant **ICP**, advise the relevant **distributor**, using the relevant **EIEP** published by the **Authority** under clause 52, of:
    - (i) as applicable, the application, at the time the **retailer** receives the application;

- (ii) the **retailer's** decision regarding whether to record the applicant as a **medically dependent consumer**, as soon as practicable once the **retailer** has made that decision; and
  - (iii) any subsequent change in **medically dependent consumer** status; and
- (b) if the **retailer** is not the **trader** recorded in the **registry** as being responsible for the relevant **ICP**, advise that **trader**, using the relevant **EIEP** published by the **Authority** under clause 52, of the matters in subparagraph (a)(i) to (iii).
- (2) If a **trader** receives advice under subclause (1)(b), the **trader** must record that information and advise the relevant **distributor** as soon as practicable, using the relevant **EIEP** published by the **Authority** under clause 52, of the matters in subclause (1)(a)(i) to (iii).
- (3) If a **trader** authorises a **metering equipment provider** to undertake any work at a **customer's** premises, it must notify the **metering equipment provider** if the **trader** knows a **medically dependent consumer** may reside at the premises.
- (4) A **retailer** must, if it has not already done so, comply with subclause (1) (with all necessary modifications) in respect of any **medically dependent consumers** as recorded by that **retailer** at the time this clause comes into effect.

## **52 Authority to publish procedures for sharing information about medically dependent consumers**

- (1) The **Authority** must prescribe and **publish** 1 or more **EIEPs** with which a **retailer** must comply when providing information to a **distributor** under clause 51(1)(a) or a **trader** under clause 51(1)(b).
- (2) Before the **Authority** prescribes an **EIEP** under subclause (1), or amends an **EIEP** that it has prescribed under subclause (1), it must consult with the participants that the **Authority** considers are likely to be affected by the **EIEP**.
- (3) The **Authority** need not comply with subclause (2) if it proposes to amend an **EIEP** prescribed under subclause (1) if the **Authority** is satisfied that—
  - (a) the nature of the amendment is technical and non-controversial; or
  - (b) there has been adequate prior consultation so that the **Authority** has considered all relevant views.

## **53 Retailer's obligations in respect of confirmation of status forms**

- (1) Where the **retailer** has received a **confirmation of status form**, the **retailer** must record the following information in respect of that **confirmation of status form** and any subsequent **reconfirmation form** received:
  - (a) when the form was received;
  - (b) the name of the **health practitioner** who completed the form;
  - (c) the date on which the form was completed by the **health practitioner**; and
  - (d) the time period to which the **health practitioner's** confirmation given in the form applies, if any period is specified.
- (2) If a **retailer** does not receive a valid **confirmation of status form** after a period of at least 21 **business days** after making a request under clause 50(1)(d), and is considering declining the application under subclause (4), the **retailer** must advise the applicant that:
  - (a) the applicant must provide a valid **confirmation of status form** as soon as practicable;

- (b) if the **retailer** does not receive a **confirmation of status form** within a period specified by the **retailer**, which must be least 10 **business days**, the **retailer** may decide to decline the application; and
  - (c) the applicant should, as soon as practicable, contact the **retailer** if they are unable to provide a **confirmation of status form** within the period specified in paragraph (b).
- (3) A **retailer** may request the **confirmation of status form** directly from the **health practitioner** who completed the form, if authorised to do so by the applicant.
- (4) If a **retailer** has advised the applicant of the information specified in subclause (2), and has still not received a valid **confirmation of status form** within the period specified in subclause (2)(b), the **retailer** may, after considering any information provided under subclause (2)(c), decline the application to record the applicant has **medically dependent consumer** status.

#### **54 Further obligations before declining an application**

- (1) Before declining an application for **medically dependent consumer** status, other than on grounds that the applicant does not permanently or temporarily reside at a **customer's** premises, a **retailer** must request from the applicant a **confirmation of status form** under clause 50(1)(d).
- (2) Before declining an application for **medically dependent consumer** status on grounds that the **confirmation of status form** is not valid, the **retailer** must take reasonable steps to confirm the validity of the form under clause 50(1)(e).

#### **55 No response to questions**

If a **retailer** receives an application for **medically dependent consumer** status but the applicant does not respond to any questions from the **retailer** communicated to the applicant using the applicant's communication information recorded under clause 13 or 47, and does not otherwise communicate with the **retailer** within a period of at least 21 **business days**, the **retailer** may decline the application to record the applicant has **medically dependent consumer** status.

#### **56 Obligations if retailer declines application for medically dependent consumer status**

If a **retailer** declines an application for **medically dependent consumer** status, the **retailer** must:

- (a) notify the applicant as soon as practicable of the **retailer's** decision;
- (b) inform the applicant of how to reapply to be recorded as a **medically dependent consumer**;
- (c) inform the applicant of the dispute resolution process they may follow, including:
  - (i) making a complaint to the **retailer** through the **retailer's** internal dispute resolution process; or
  - (ii) making a complaint to the dispute resolution scheme identified under clause 3 of Schedule 4 of the **Act**; and
- (d) if a complaint is made under paragraph (c), and the **customer** or **residential consumer** is engaging with the **retailer's** internal dispute resolution process and/or the dispute resolution scheme identified under clause 3 of Schedule 4 of the **Act** in good faith, treat the **customer** or **residential consumer** as if they are a **medically dependent consumer** while the dispute is unresolved.

### *Reviewing medically dependent consumer status*

#### **57 Review of medically dependent consumer status**

- (1) A **retailer** may review whether a **customer** or **residential consumer** should continue to be recorded as having **medically dependent consumer** status no more than once in any 12-month period.
- (2) If a **retailer** decides to undertake a review under subclause (1), the **retailer** must contact the **customer** or **residential consumer** to:
  - (a) ask them to advise the **retailer** if:
    - (i) they continue to reside at the premises; and
    - (ii) they still consider themselves a **medically dependent consumer**; and
  - (b) give them an opportunity to provide any further information that they wish to provide regarding whether or not they should continue to be recorded as having **medically dependent consumer** status.
- (3) A **retailer** is not required to comply with subclause (2)(a)(ii) if the **retailer** is satisfied that the **customer** or **residential consumer**'s medical dependency on mains **electricity** is permanent.
- (4) If having made contact under subclause (2), the **retailer** is informed that the **customer** or **residential consumer** continues to reside at the premises and, if applicable, still considers themselves a **medically dependent consumer**, clauses 50 to 55 apply with all necessary modifications.
- (5) If a **retailer** has previously been provided with a **confirmation of status form** or **reconfirmation form** for that **medically dependent consumer**, the **retailer** may, as part of a review under subclause (1) and if it reasonably considers it appropriate in the circumstances, request that a **medically dependent consumer** provide the **retailer** with a **reconfirmation form** and provide the applicant with the **reconfirmation form** prescribed by the **Authority**.
- (6) If a **retailer** requests a **reconfirmation form** under subclause (5), and a valid **reconfirmation form** is provided, the **retailer** must meet the **customer**'s or **residential consumer**'s reasonable costs of obtaining that **reconfirmation form**, unless the earlier **confirmation of status form** or **reconfirmation form** had specified a time period to which the **health practitioner**'s confirmation given in the form applied, and that period has ended.
- (7) Upon completion of any review under subclause (1), the **retailer** must:
  - (a) notify the **customer** or **residential consumer** of the outcome of that review; and
  - (b) if the **retailer** decides that the **customer** or **residential consumer** should no longer be recorded as having **medically dependent consumer** status:
    - (i) inform them of the matters in clauses 56(b) and (c);
    - (ii) provide them with 2 weeks' notice before removing their **medically dependent consumer** status; and
    - (iii) if a complaint is made through the **retailer**'s internal dispute resolution process or to the dispute resolution scheme identified under clause 3 of Schedule 4 of the **Act** and the **customer** or **residential consumer** is engaging with that process in good faith, treat them as if they are a **medically dependent consumer** while the dispute is unresolved.

### *Providing advice in relation to medically dependent consumers*

## **58 Advice regarding individual emergency response plans**

As soon as a **retailer** knows that a **customer, residential consumer** considering entering into a contract with the **retailer**, or any other **residential consumer** who permanently or temporarily resides at the premises of such persons may be a **medically dependent consumer**, the **retailer** must:

- (a) advise the **customer** or **residential consumer**:
  - (i) that the supply of **electricity** cannot be guaranteed; and
  - (ii) of the importance of the **customer** or **residential consumer** arranging for the development of an individual emergency response plan; and
- (b) direct the **customer** or **residential consumer** to the **Authority's** website for resources to support the development of an individual emergency response plan.

### *Medically dependent consumers and prepayment services*

## **59 Prepay product offerings for medically dependent consumer**

- (1) A **retailer** must not recommend a **prepay product offering** in relation to any **residential premises** if the **retailer** knows that a **medically dependent consumer** may permanently or temporarily reside at the premises.
- (2) If a **customer**, or a **residential consumer** considering becoming a **customer**, requests a **prepay product offering** for premises at which the **retailer** knows that a **medically dependent consumer** may permanently or temporarily reside, the **retailer** must, before agreeing to provide that service:
  - (a) use its best endeavours to encourage the **customer** or **residential consumer** to choose a **post-pay product offering**, including encouraging them to engage with 1 or more **support agencies** who may assist them in meeting any requirements of a **post-pay** contract;
  - (b) advise the **customer** or **residential consumer** that any **medically dependent consumers** residing at the premises should first discuss the **prepay product offering** with a **health practitioner** with an appropriate scope of practice; and
  - (c) inform the **customer** or **residential consumer** and, if the **retailer** has contact details for any **medically dependent consumers** residing at that premises, those **medically dependent consumers**, of the risk of there being no **electricity** supply if the **prepay** service runs out of credit.

### *Retailers' arrangements with distributors and metering equipment providers*

## **60 Coordinating planned service interruption or electrical disconnection**

- (1) Where a **retailer** has advised a **distributor** of an application or a decision to record a person as a **medically dependent consumer** under clause 51, the **retailer** and the **distributor** must use reasonable endeavours to agree processes to coordinate with each other on planned service interruptions and **electrical disconnections** that will affect those **medically dependent consumers**.
- (2) Each **retailer** that has an arrangement with a **metering equipment provider** under Part 10 of this Code must use reasonable endeavours to ensure their service level agreements with **metering equipment providers** prevent the **metering equipment provider**, having regard to any applicable health and safety requirements, from:

- (a) **electrically disconnecting** the **retailer's customer** without explicit instruction or agreement from the **retailer**; or
- (b) as far as reasonably practicable, varying the date or materially varying the time of an agreed **electrical disconnection** or **reconnection**.

#### **61 Coordinating planned service interruption or electrical disconnection with other retailers**

Where a **retailer** has **customers** at an **ICP** for which it is not the responsible **trader** as recorded in the **registry**, the **retailer** and the **trader** for that **ICP** must use reasonable endeavours to agree processes to coordinate with each other on planned service interruptions and **electrical disconnections** that will affect any person who is the subject of a notification under clause 51.

*When a residential consumer nominates an alternate contact person*

#### **62 Retailers to contact alternate contact person**

If a **residential consumer** nominates an **alternate contact person** under clause 47(3)(b), the **retailer** may contact that **alternate contact person** if the **retailer** is unable to contact the **residential consumer**.

*When a person may no longer be considered a medically dependent consumer*

#### **63 Circumstances where customer or residential consumer may no longer be considered a medically dependent consumer**

- (1) A **retailer** may no longer regard a **customer** or **residential consumer** as someone who may be a **medically dependent consumer** in any of the following circumstances:
  - (a) where the **customer** or **residential consumer** requests that they no longer be regarded as a **medically dependent consumer**;
  - (b) where the **customer** or **residential consumer** no longer receives **electricity** from the **retailer**;
  - (c) where a **retailer** has complied with clause 48, and has not received an application (in any form) for **medically dependent consumer** status within at least 21 **business days** of attempts to contact that **customer** or **residential consumer**; and
  - (d) where the **retailer** has validly declined an application for **medically dependent consumer** status under this Part of the **Consumer Care Obligations**.
- (2) If a **retailer** no longer regards a **customer** or **residential consumer** as someone who may be **medically dependent consumer** in the circumstances listed in subclause (1)(a), (b) or (c), the **retailer** must:
  - (a) notify the **customer** and/or **residential consumer** as soon as practicable of the **retailer's** decision; and
  - (b) inform them of the matters in clauses 56(b) and (c).

## Part 9 Fees and bonds

#### **64 Purpose of this Part**

This Part of the **Consumer Care Obligations** imposes obligations on **retailers** concerning **fees**, **bonds** and **conditional discounts** to ensure they are reasonable.

**65 Requirement to disclose information on fees, conditional discounts and bonds**

Each **retailer** must clearly disclose:

- (a) information on all **fees, conditional discounts** and **bonds** that may be available to or payable by **customers**; and
- (b) if applicable, the method or calculation and the maximum limit of that **fee** under clause 67.

*Fees*

**66 Retailers to make customers aware of fee amounts**

A **retailer** must only charge a **customer** a **fee** where the **retailer** is reasonably satisfied, before charging that **fee**, that the **customer** is aware of the amount of the **fee**.

**67 Fees to have maximum limit**

Any **fee** which a **retailer** determines via a method or calculation must where practicable include a stated maximum limit.

**68 Fees must be reasonable**

- (1) Any **fee** charged by a **retailer** to a **customer** must:
  - (a) not exceed reasonable estimates of the costs the **fee** is identified as contributing to; and
  - (b) otherwise be reasonable, taking into account the need to strike an appropriate balance between precision, and administrative and practical efficiency.
- (2) A **fee** must not:
  - (a) be used to offset future costs; or
  - (b) attempt to recover any deficit that may have arisen because of previous under recovery.

*Conditional Discounts*

**69 Retailers to make customers aware of conditional discounts**

A **retailer** must use reasonable endeavours to ensure that **customers** are aware of the amount of any **conditional discount** available and how a **customer** can receive that **conditional discount**.

**70 Conditional discounts must be reasonable**

Any **conditional discount** offered by a **retailer** to a **customer** must reflect a reasonable estimate of the costs incurred, or likely to be incurred, by the **retailer** as a result of a **customer** not meeting the **payment conditions**.

*Bonds*

**71 Retailer's obligations regarding bonds**

- (1) Any **bond** required by a **retailer** must be reasonable, taking into account a reasonable estimate of the **customer's** expected invoice amount for a billing cycle.
- (2) A **retailer** must refund any **bond** no later than after the expiry of a 12-month period of the **customer** paying all **invoices** on time.



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### **Explanatory Note**

*This note is not part of the amendment, but is intended to indicate its general effect.*

This amendment to the Electricity Industry Participation Code 2010 (“Code”) comes into force on 1 January 2025.

The amendment introduces a new Part 11A: Consumer Care into the Code, which mandates many of the recommendations in the Authority’s existing Consumer Care Guidelines (with some changes to resolve clarity, workability and enforceability issues). It imposes a set of minimum standards on retailers (along with some requirements on distributors and traders) when dealing with residential consumers.

More information about the amendment is available on the Electricity Authority’s website: [www.ea.govt.nz/projects/all/consumer-care-guidelines](http://www.ea.govt.nz/projects/all/consumer-care-guidelines)

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Appendix B Changes to Code amendment made in response to submissions

This Appendix explains the key changes made to the Code amendment in response to issues raised in submissions. Minor drafting changes are also indicated in column 1 below.

Please note that, while all submissions have been considered, this appendix is not an exhaustive list of all issues raised by submitters. Please refer to the submissions published on our website for full details of matters raised.

The clause numbering in this Appendix reflects the numbering in the [proposed Code amendment](#), for ease of reading the submissions summarised in column 2 below. The numbering has been updated in the final Code amendment (available on our website [Consumer Care Guidelines | Our projects | Electricity Authority](#)).

Part 11A.1 – Consumer Care

Draft provision (redlined changes since consultation)	Summary of issues raised in submissions	Response to submissions
<p><b>11A.1 Purpose of this Part</b></p> <p>The purpose of this Part is to <del>protect the interests of domestic consumers in relation to the supply of electricity to those consumers, and to otherwise promote the Authority’s main objective in section 15 of the Act, by</del> imposing a set of minimum standards on <b>retailers</b> requiring them to:</p> <ul style="list-style-type: none"><li>(a) adopt behaviours and processes that foster positive relationships with residential consumers;</li><li>(b) <del>support help</del> residential consumers <del>maximise their potential to</del> in accessing and maintaining an affordable and constant <b>electricity</b> supply suitable for their needs; and</li><li>(c) help minimise harm to residential consumers caused by insufficient access to <b>electricity</b> or by payment difficulties.</li></ul>	<p>Independent Retailers noted ‘the clause refers to both “residential consumers” and “domestic consumers”.</p> <p>UDL submitted: ‘UDL has concerns about the removal of the overarching principles and intended outcomes from the Consumer Care Guidelines... Although they may be restatements of themes found in paragraph 11A.1 and throughout the Obligations, UDL believes there is still value in making such restatements. UDL’s view is that the Obligations, like the Guidelines, should be a document which is accessible and usable by consumers as well as retailers. A section which summarises the overarching principles of consumer care at the beginning of the document helps consumers understand the general standards retailers should adhere to and assists consumers in framing their complaints and concerns. UDL has found the opening section of the Guidelines helpful in communicating with consumers about their electricity supply and relationship with their retailers. UDL proposes that the overarching principles and intended outcomes be reinstated to the Obligations. If the EA does not wish to include them in the Code itself, consideration should be given to including them in a separately published version of the Obligations which is more consumer-focused.’</p> <p>Nova submitted that the omission of the overarching principles and intended outcomes ‘excludes key principles that benefit retailers, such as their right to receive payment for offered services and the Authority’s support for competition and innovation. Nova is concerned the purpose statement disproportionately favours customers, providing insufficient support for retailers. This lack of support from the Authority may reinforce the perception among customers that retailers are the ‘bad guys,’ exacerbating existing biases.’</p> <p>Momentous Consulting submitted: ‘The wording “minimum standards” – does not reflect the comprehensive standards that Part 11A proposes. Suggest removing the word “minimum”.’</p>	<p>The wording of the proposed clause reflected the wording of the statutory objectives of the Authority. We acknowledge that the use of ‘domestic consumers’ rather than ‘residential consumers’ is confusing however, so we have amended to simply record that the purpose of this Part is to impose a set of minimum standards on retailers. This doesn’t alter the purpose of this Part in any way as the Code must always be consistent with the objectives of the Authority (under section 32 of the Electricity Industry Act 2010).</p> <p>As we explained in the consultation paper, we have not included the overarching principles and intended outcomes from the Guidelines as these are explanatory only and do not need to be included to mandate the Guidelines. The purpose of the Consumer Care Obligations (Obligations), like the Consumer Care Guidelines (Guidelines), should be focused on consumer protection. We intend to publish a consumer-centric guide to the Obligations to support consumers’ understanding of them. This would help in their framing of any complaints or concerns.</p> <p>In response to Momentous Consulting’s submission, we have not removed reference to ‘minimum’ as our view is that new Part 11A should be considered minimum standards of consumer care. The term ‘minimum’ doesn’t mean minimal, but rather, ‘minimum’ refers to the lowest acceptable level of performance, quality or compliance required.</p> <p>We agree with Meridian that the term ‘maximise’, while used in the Guidelines, could be improved on to avoid any uncertainty as to the purpose of the Obligations. We have therefore reframed</p>

	<p>Meridian submitted: ‘Apart from the two items referred to below Meridian is satisfied with the purpose statement, as drafted:</p> <ul style="list-style-type: none"> <li>• Reference to “domestic customers” in the first line should be to “residential consumers”, as they are now termed.</li> <li>• We question whether use of the term “maximise” in clause 11A.1(b) is appropriate as part of an overarching purpose statement. This may place an unreasonable expectation on retailers. For example, it could be argued that in order to “maximise” a consumer’s ability to afford electricity, a retailer should provide electricity for free. This is clearly not the intention of the Obligations. Meridian proposes this clause is redrafted without use of this term.’</li> </ul>	<p>paragraph (b) to avoid this term and have made similar consequential changes throughout the Obligations.</p>
<p><b>11A.2 Interpretation</b> In this Part, unless the context otherwise requires, —</p>	<p>Independent Retailers submitted: ‘The Obligations don’t define “permanently” and “temporarily resides”. Our expectation is that the provisions are intended to reflect that a medically dependent consumer may reside at more than one property, but this is not made clear. Nor is it clear what minimum length duration would qualify as “temporary”.’</p>	<p>The intention in using the term ‘permanently or temporarily resides’ throughout the Obligations is simply to ensure that all possibilities are captured, including the situation when a person splits their time at more than one property, either on a permanent or temporary basis. We see little benefit in further defining these terms or creating a bright line between permanently and temporarily resides.</p>
<p><b>alternate contact person</b> means any person authorised by a customer, or by a medically dependent consumer who permanently or temporarily resides at a customer’s premises, to operate as <del>either the primary contact person for the customer or the medically dependent consumer or as</del> an alternate contact person if a <b>retailer</b> is unable to contact the customer or medically dependent consumer, provided any alternate contact person is independent of the customer’s <b>retailer</b></p>		<p>See discussion at clause 17 below.</p>
<p><b>bond</b> means an upfront payment of a lump sum to provide security to a <b>retailer</b> for the performance of a customer’s obligations under their contract with the <b>retailer</b></p>		
<p><b>conditional discount</b> means the amount by which a price payable by a customer is reduced, or would be reduced, as a consequence of the customer satisfying a payment condition</p>	<p>Genesis questioned ‘would this include the following:</p> <ul style="list-style-type: none"> <li>• Discounts that are only offered to ‘dual fuel’ customers (i.e., those who sign up for both electricity and gas/LPG)?</li> <li>• Discounts that are only offered to customers who sign up for a minimum contract duration, i.e. two years?’</li> </ul>	<p>The definition of conditional discount is relatively narrow because ‘payment condition’ is defined as ‘a provision that relates to the timing or method of payment or delivery of an invoice’. It does not capture all discounts. On the examples given by Genesis, discounts offered to ‘dual fuel’ customers would be captured if the definition of conditional discount is satisfied (for example, if it is a prompt payment discount or a discount for using direct debit for payment), whereas sign-up discounts would not be captured (unless, again, the discount is dependent on how the customer must pay their bill, for example).</p>
<p><b>confirmation of status form</b> means a form, which may be in the <b>prescribed form</b>, completed by a health practitioner with an appropriate scope of practice, which confirms the status of a person as a medically dependent consumer</p>	<p>Independent Retailers submitted: ‘The definitions of “confirmation of status form” and “reconfirmation reform” refer to a bolded “prescribed form” but there is no definition provided. Clause 11A.4 refers to a different “prescribed form” again without including a definition.’</p>	<p>The term ‘prescribed form’ is defined in clause 1.1(1) of the Code. Clause 1 of the Obligations explains that bolded words alert the reader to the fact that they are defined in <i>clause 1.1 or clause 11A.2</i>.</p>
<p><b>Consumer Care Obligations</b> means the obligations set out in Schedule 11A.1</p>		
<p><b>consumer care policy</b> is the policy a <b>retailer</b> is required to <b>publish</b> under clause 3(1) of Schedule 11A.1</p>		

<b>customer</b> means a residential consumer who has entered into a contract with a <b>retailer</b> for the supply of <b>electricity</b> to the residential consumer's premises, where the <b>electricity</b> supplied is used fully or partly for residential purposes		
<b>electricity plan comparison platform</b> means an electricity plan comparison website or other platform prescribed by the <b>Authority</b> and <b>published</b> on the <b>Authority's</b> website		
<b>fee</b> means an amount that a <b>retailer</b> charges a customer in connection with the supply of <b>electricity</b> other than a rate which constitutes a pricing plan, and includes a break fee for a fixed term contract or a fee for <b>electrical disconnection</b> or reconnection		
<del><b>general practitioner</b> means a health practitioner holding vocational registration in general practice from the Medical Council of New Zealand</del>		We have deleted this defined term as it is no longer necessary following the changes made to clause 54 below.
<b>health practitioner</b> has the meaning given to it by section 5 of the Health Practitioners Competence Assurance Act 2003		
<b>invoice</b> means an invoice issued by a <b>retailer</b> to a post-pay customer in relation to the supply of <b>electricity</b> to that customer		
<b>medically dependent consumer</b> means a residential consumer who depends on mains <b>electricity</b> for critical medical support, such that loss of <b>electricity</b> supply may result in loss of life or serious harm, including a residential consumer who depends on medical or other electrical equipment to support a medical treatment regime (which may include use of a microwave to heat fluids for renal dialysis and similar use of electrical equipment)		
<b>payment condition</b> means a provision that relates to the timing or method of payment or delivery of an invoice		
<b>payment options</b> means the payment methods and options offered by a <b>retailer</b> in relation to a product offering or contract	Mercury submitted: 'For clarity, could the Authority please confirm whether "smooth pay" is a payment option or a payment plan. Under the current definitions, it could be considered a payment option (if the customer signed up for this at the outset) or payment plan (if the customer started to experience payment difficulties and was given a payment plan that smoothed their payments). This is important when it comes to retailers obligations under part 6 (e.g. clause 31).'	Smooth Pay is referred to as a 'payment plan' and a 'payment option' under the Guidelines. The Obligations similarly refer to Smooth Pay as a 'payment option', and it could also be a 'payment plan' in certain circumstances, if it falls within that definition – that is, if it is agreed between a retailer and a customer who is anticipating or experiencing payment difficulty.
<b>payment support plan</b> means an agreed plan between a <b>retailer</b> and a customer who is anticipating or experiencing payment difficulty, for payment in relation to the supply of <b>electricity</b> to that customer	UDL submitted: 'UDL believes consideration should be given to further extending the definition of "payment plan" to expressly include customers who have previously experienced payment difficulties alongside the existing inclusion of customers who are "anticipating or experiencing payment difficulty". It is not uncommon for customers to enter into payment arrangements with retailers lasting multiple years, and a customer's financial situation may change during this time.'  FinCap submitted: 'The definition for 'payment plan' is logical but the name could be more distinct from other arrangements. We recommend the Authority considers whether a more distinct technical name can be created for this important mechanism for preventing harm from energy hardship.'  Citizens Advice Bureaux New Zealand   Ngā Pou Whakawhirinaki o Aotearoa (CAB) submitted: 'While we support the addition of a definition of the term "Payment Plan", we are concerned that the definition is too wide, and therefore misses the policy intent of providing a definition. We propose	In response to UDL's submission, the definition of payment plan would already capture plans that have been in place for a prolonged period, if they were entered into when the customer was experiencing or anticipating payment difficulties. The term 'payment plan' is used in part to define a retailer's obligations to help customers experiencing payment difficulties. Clause 27 applies when a customer experiencing payment difficulties is <i>not</i> already on a payment plan and requires retailers to take steps to support the customer. Expanding the definition further could risk capturing any person who has previously encountered payment difficulties, which means that person might not get the support under clause 27.  We agree with FinCap that the existing terminology of payment plan could better reflect its intent. We have therefore renamed 'payment plan' to 'payment support plan' to more clearly distinguish it from payment options.

	that “Payment plan” should be more clearly defined, something like, “A payment plan means an agreed plan, suitable to the customers circumstance, between a retailer and a customer who is anticipating or experiencing payment difficulty. Such a plan should have regard to a customer’s capacity to pay, any amount they owe, and how much energy they expect to use over the next year.”	In response to CAB’s submission, changes are not required to the definition of ‘payment plan’ because the Obligations already include a requirement under clause 27(i) relating to the suitability of payment plans. They need to offer the best way for the customer to pay off any debt while accommodating ongoing electricity use and are most likely to help stop the customer falling into debt, or further debt, with the retailer.
<b>post-pay</b> means a product offering or contract where the <b>retailer</b> charges the customer for <b>electricity</b> after it has been consumed and includes pay-ahead plans, being pricing plans under which a customer can purchase an amount of <b>electricity</b> in advance with the <b>retailer</b> then managing under- and over-payments as required		
<b>prepay</b> means a product offering or contract where the customer pays the <b>retailer</b> for <b>electricity</b> before the <b>electricity</b> is consumed, and the customer is <b>electrically disconnected</b> if the customer’s pre-paid credit expires or any approved arrears limit is reached		
<b>pricing plan</b> means the rate or rates charged for <b>electricity</b> supplied to the customer under their contract or offered as part of a product offering, and includes rates charged per kWh (such as night, daily, anytime rates), any fixed rates or fixed or variable charges (such as a daily fixed charge), as well as any costs related to the supply of <b>electricity</b> which are passed through to the customer		
<b>product offering</b> means an offer for the supply of <b>electricity</b> at an <b>ICP</b> offered by a <b>retailer</b>		
<b>reconfirmation form</b> means a form, which may be in the <b>prescribed form</b> , which a <b>retailer</b> may request to be completed by a health practitioner with an appropriate scope of practice, which reconfirms the status of a person as a medically dependent consumer		
<b>reconnection</b> means an <b>electrical connection</b> following an <b>electrical disconnection</b>		
<b>residential consumer</b> means a person who uses <b>electricity</b> in respect of residential premises		
<b>residential premises</b> means any premises used or intended for occupation by any person as a place of residence	Genesis submitted: ‘We note the Authority’s new definition of ‘residential premises’ and the intention to broaden this to cover types of premise excluded from the definition of ‘domestic consumer’. Including the premise types listed, such as temporary accommodation (which we take to include hotels and motels), will create significant work for retailers. At Genesis, customers with these types of premises are typically treated as businesses rather than domestic consumers. As such, we will need to audit our existing customer base to identify customers who meet the definition of residential premises, then implement any process and system changes needed to ensure compliance with the Obligations. This will likely be a significant piece of work. If this definition is retained, we ask that the Authority provide further guidance on the specific premise types that are included and excluded. This could be done using ANZSIC codes. This will give retailers clarity and certainty and reduce room for varying interpretations...’	The proposed definition of ‘residential premises’ is not intended to result in any significant change to how retailers differentiate between residential and business customers. This is because the Obligations only apply under clause 11A.3 if a retailer ‘sells electricity to residential consumers’, and a residential consumer is a person who uses electricity in respect of residential premises (not a business who buys electricity for business purposes). The intention in adopting the phrase ‘residential premises’ is simply to ensure there are no unintended gaps that could arise if the definition of domestic premises is used. For example, if a retailer sells electricity directly to a resident in a retirement home or hostel (this might be because that person has their own unit and ICP), the Obligations will apply.



<p><b>support agency</b> means a government or non-government agency that provides assistance to low-income residential consumers or residential consumers facing payment difficulties, including agencies providing financial mentoring services or advice on the efficient use of <b>electricity</b></p>	<p>Independent Retailers submitted: ‘The definition of “support agency” is very open-ended and could include a large number of organisations with variability in terms of how helpful they may be in providing assistance to low-income residential consumers/residential consumers facing payment difficulties. This could also give rise to interpretation issues with retailers potentially having differing views about what and who are “support agencies” vis-à-vis the view of other retailers, support agencies themselves and the Electricity Authority. We consider that the Obligations should provide that retailers can refer customers to WINZ/MSD. They are better placed to make an assessment about what support the customer needs/will have a more comprehensive idea of support available. Retailers should not be made responsible for working out which support agencies would have the right financial advice and such like.’</p>	<p>The definition of ‘support agency’ is deliberately broad and includes both government and non-government agencies. This gives retailers flexibility to choose to limit their engagement with support agencies to engaging with Work and Income (WINZ)/the Ministry of Social Development (MSD), who may well be better placed in some circumstances to provide assistance to a retailer’s customers. However, we are aware that many retailers have developed direct relationships with other support agencies, and we encourage this work to continue. Through our ongoing engagement, some retailers have told us they find it useful to engage with community-based, non-government agencies that effectively reach customers in hidden hardship, with whom retailers may struggle to connect directly. We have therefore left the definition of support agency as it is.</p>						
<p><b>support person</b> means any person authorised by a customer, or by a <del>residential medically dependent</del> consumer <del>with whom a retailer interacts who permanently or temporarily resides at a customer’s premises</del>, to assist the customer or <del>residential medically dependent</del> consumer to engage with the <del>retailer with any issues related to the customer’s electricity supply</del>, provided any support person is independent of the customer’s <b>retailer</b></p>		<p>We have amended the definition of support person to align with the changes we’ve made to clarify retailers’ obligations at clause 4 below.</p>						
<p><b>uncontracted premises</b> means any residential premises <del>where the at an ICP for which a retailer</del> is recorded in the <b>registry</b> as accepting responsibility <del>for the ICP</del>, but for which the <b>retailer</b> does not have, <del>and as far as the retailer is aware no other retailer has</del>, a contract with a customer</p>	<p>Mercury submitted: ‘The term "premises" is inaccurate as it is typically applied where buildings and/ or land are used for business purposes. The term "property" is more appropriate therefore we recommend the Authority replace the word premises wherever it appears with "property". Further, the phrasing "and as far as the retailer is aware no other retailer has" is unnecessary as knowing this has little value or purpose in this context. An uncontracted property means uncontracted to that specific retailer. We therefore recommend deleting this phrasing.’</p>	<p>‘Premises’ is the term more commonly used in the Code when discussing the premises to which an ICP is connected, and we have defined ‘residential premises’. While we have amended the wording of this definition so that its meaning is clearer, we do not consider changing ‘premises’ to ‘property’ is necessary. As to Mercury’s second point, this wording was intended to clarify that a property that is in the process of switching retailers is not an uncontracted premises. However, clause 43 requires retailers to confirm that an uncontracted premises is not being switched to another retailer before disconnecting that premises, so we accept that this wording is unnecessary here, and have removed it.</p>						
<p><i>Application of the Consumer Care Obligations</i></p>								
<p><b>11A.3 Participants subject to Consumer Care Obligations</b></p> <p>(1) Every <b>retailer</b> who sells <b>electricity</b> to residential consumers must comply with the Consumer Care Obligations <b>set out in column 1 from the date specified in column 2:-</b></p> <table><tr><td><b>Column 1 – Consumer Care Obligations</b></td><td><b>Column 2 – Date</b></td></tr><tr><td>Clauses 44A and 78 of the Consumer Care Obligations</td><td>1 January 2025</td></tr><tr><td>All remaining clauses of the Consumer Care Obligations</td><td>1 April 2025</td></tr></table> <p>(2) Every <b>distributor</b> must comply with clauses 42, <del>69</del> and 70(1) of the Consumer Care Obligations <b>from 1 April 2025</b>.</p> <p>(3) Every <b>trader</b> must comply with clauses 58(2), 58(3) and 71 of the Consumer Care Obligations <b>from 1 April 2025</b>.</p>	<b>Column 1 – Consumer Care Obligations</b>	<b>Column 2 – Date</b>	Clauses 44A and 78 of the Consumer Care Obligations	1 January 2025	All remaining clauses of the Consumer Care Obligations	1 April 2025	<p>Electricity Networks Aotearoa (ENA) submitted: ‘Under clause 11A.3, ENA recommends adding a paragraph to clarify this point further. For example, “Every distributor who invoices residential consumers directly must, in addition to the clauses set out in (2), also comply with clause 42.” In addition, under clause 11A.3(2), remove “42” as it refers to every distributor.’</p>	<p>We received a number of submissions on the need for a transitional period before the Consumer Care Obligations come into effect - these submissions are discussed in section 3 of the decision paper. In light of these submissions, we have made changes to this clause to provide a three-month transition period for operational clauses of the Consumer Care Obligations, other than the prohibition on disconnecting medically dependent consumers (clause 44A) and the requirement to ensure fees are reasonable (clause 78), as we discuss in the decision paper.</p> <p>In relation to ENA’s submission, see discussion at clause 42 below.</p>
<b>Column 1 – Consumer Care Obligations</b>	<b>Column 2 – Date</b>							
Clauses 44A and 78 of the Consumer Care Obligations	1 January 2025							
All remaining clauses of the Consumer Care Obligations	1 April 2025							

		We have added a new subclause (3) to make clear which obligations apply to traders.
<i>Reporting and record-keeping</i>		
<p><b>11A.4 Retailer must report compliance with the Consumer Care Obligations</b></p> <p>(1) Each <b>retailer</b> who sells <b>electricity</b> to residential consumers in a year beginning 1 July must submit a compliance report to the <b>Authority</b> in respect of that year within <b>3 <del>three</del></b> months of the end of that year.</p> <p>(2) Each compliance report must be in the <b>prescribed form</b> and contain the following information for the year in respect of which the compliance report is submitted:</p> <p>(a) all versions of the <b>retailer’s</b> consumer care policy which were in force at any time during that year;</p> <p>(b) a statement as to whether or not the <b>retailer</b> complied with all requirements in the Consumer Care Obligations during that year;</p> <p>(c) a summary of any instances of non-compliance identified by the <b>retailer</b> and any remedial action taken; and</p> <p>(d) any other information required by the <b>Authority</b>.</p> <p>(3) The <b>retailer</b> must take all practicable steps to ensure that the information contained in the compliance report is:</p> <p>(a) complete and accurate;</p> <p>(b) not misleading or deceptive; and</p> <p>(c) not likely to mislead or deceive.</p> <p>(4) Each compliance report must be accompanied by a certification signed and dated by a director or the chief executive officer of the <b>retailer</b>, or a person holding a position equivalent to one of those positions, that the person considers, on reasonable grounds and to the best of that person’s belief, that the compliance report is a complete and accurate record of the matters stated in the compliance report.</p> <p>(5) If the <b>retailer</b> becomes aware that any information the <b>retailer</b> provided in the compliance report is not complete or accurate, is misleading or deceptive, or is likely to mislead or deceive, the <b>retailer</b> must as soon as practicable provide to the <b>Authority</b> such further information as is necessary to ensure that the information provided is complete and accurate, is not misleading or deceptive and is not likely to mislead or deceive, even if the certification under subclause (4) has previously been issued on reasonable grounds.</p> <p>(6) Notwithstanding anything else in this clause, a <b>retailer</b> is not required to include in the compliance report any information in respect of which the <b>retailer</b> claims legal professional privilege.</p> <p>(7) The <b>Authority</b> may <b>publish</b> any information submitted to it in a compliance report, and the certification provided under subclause (4).</p> <p>(8) For the avoidance of doubt, a <b>retailer</b> who sells <b>electricity</b> to residential consumers in the period between this clause coming into force and 30 June 2025 must submit a compliance report under subclause (1) covering at least that period within <b>3 <del>three</del></b> months of 30 June 2025.</p>	<p>Sustainability Trust – Toast Electric (Toast) submitted: ‘We broadly agree with the proposed compliance monitoring provisions. However, as a small retailer, with limited capacity, higher levels of reporting may be unduly onerous and costly and possibly counterproductive in being able to achieve our social mission. We are keen to see provisions for smaller retailers for appropriate levels of reporting and monitoring that avoid unintended consequences.’</p> <p>Independent Retailers submitted: ‘The Authority should explicitly require that compliance will now be required as part of the Electricity Authority audit schedule to help ensure consistent compliance reporting. We have seen the disparity in the levels of compliance when retailers self-assess and think it would be good that everyone is audited based on the same interpretation from an independent auditor.’</p> <p>Independent Retailers also submitted, in relation to clauses 11A.4(3) and (5): ‘It is unclear what the difference is between “not misleading or deceptive” and “not likely to mislead or deceive”. If something is not misleading it won’t be likely to mislead.’</p> <p>Nova submitted: ‘The proposed compliance requirements are onerous. As stated in the paper, the Code already has several other compliance requirements and adding another one as excessive as this is unreasonable, considering the high level of voluntary compliance that already exists, and in particular, the care offered to vulnerable and medically dependant customers. A compliance report as per 11.A4 (1) and (2), replacing the current certificate of alignment is sufficient.’</p>	<p>We acknowledge the submissions from Toast and Nova. We have developed the reporting regime so that it is proportionate and will not impose undue costs on retailers of different sizes. Specifically, clauses 11A.4(1) and (2) will form the basis of compliance reporting under the new regime. The remaining provisions relating to compliance reporting, such as independent reviews and requesting further information, will only be used by the Authority when required. The framework is similar to that used for other disclosure regimes in the Code and we are satisfied that it strikes the right balance.</p> <p>We do not propose requiring independent audits of compliance with the Obligations at this time. We have preferred a more active compliance reporting regime similar to what is already in place under the Guidelines, to ensure appropriate attention is given to the Obligations by senior management. We also note that not all retailers may be captured by existing regular audit requirements (such as those for reconciliation participants). We will monitor the operation of the reporting regime to see how it is working in practice. If we are not satisfied that it is achieving the right balance, we will consider including new independent audit obligations for all retailers.</p> <p>The use of both ‘misleading or deceptive’ and ‘likely to mislead or deceive’ in subclauses (3) and (5) point to two different legal tests – the first tests whether something is misleading or deceptive in fact, the second is whether a reasonable person would be likely to be misled or deceived by the statement. This language is found in other legislation, and we think that both are important to capture (as is the case under the Code currently – for example see clauses 11.2 and 13.2).</p>
<b>11A.5 Retailers and distributors to provide certain information upon request</b>	ERANZ submitted: ‘The Authority’s reason for including new Section 11A.5 in the proposed Code – requiring retailers to provide the Authority with information on request – is unclear given the existing Electricity Industry Act	The purpose of this clause is to:

<p>Each <b>retailer</b> and <b>distributor</b> to whom clause 11A.3 applies must, if required to do so by the <b>Authority</b>, provide, within the timeframe specified by the <b>Authority</b>:</p> <p>(a) a description of the policies (other than a consumer care policy), procedures and processes the <b>retailer</b> or <b>distributor</b> has implemented for the purpose of complying with 1 <del>one</del> or more of the Consumer Care Obligations; and</p> <p>(b) <b>in relation to a retailer</b>, such other supporting evidence <b>the retailer has relied on to make the compliance report</b> as the <b>Authority</b> may require.</p>	<p>already empowers the Authority to request information from retailers. ERANZ recommends the Authority clarify how Section 11A.5 interacts with the Authority's existing information request powers under the Act.'</p> <p>Independent Retailers submitted: 'The requirement... should specify a minimum period that the Authority will be required to provide, and that the Authority will consult with the retailer/distributor to determine a suitable amount of time. This would safeguard against inadvertent breaches of the Obligations where the Authority requires the information within an unreasonable short/unworkable timeframe. The clause should also provide that any requirement to provide information must be notified in writing. The Electricity Authority's information gathering powers under section 46 of the Electricity Industry Act require a "reasonable time specified by the Authority".'</p> <p>ENA submitted: 'The proposed Code amendment doesn't make it clear what information the Authority would be requesting and when. In particular, clause 11A.5(b) requires distributors to supply 'supporting evidence,' but there is no detail on what is expected.' ENA recommended: 'To ensure that distributors set up the correct policies/procedures to comply with the obligations, it would be beneficial to explain what kind of information and supporting evidence the Authority would need if it were requested. This would be especially important regarding EIEP4 and any requirements would need to comply with privacy laws.'</p> <p>Unison and Centralines made a similar submission: 'The requirement to provide supporting evidence is ambiguous. Further clarification on what supporting evidence may be required will cut administration and the cost of potentially collating and retaining unnecessary information to meet the obligation.' They recommended: 'Amend clause to specify the information required for compliance.'</p> <p>Meridian submitted: 'This clause proposes establishing a new (additional) power for the Authority to compel retailers to provide information. Meridian notes that the Authority already has broad existing powers under section 46 of the Electricity Industry Act (the Act), to gather information from participants, including for the purposes of monitoring and compliance. The Authority's powers under section 46 are, in our view, sufficient to ensure effective ongoing monitoring with the Obligations. Seeking to create new and different information provision powers is unnecessary and potentially contrary to Parliament's intent when they passed the Act. Continued use of section 46 of the Act would provide greater certainty for participants who are familiar with the requirements of that framework and would avoid a proliferation of unnecessary additional information provision obligations under the Code.'</p> <p>Mercury submitted: 'Please could the Authority clarify how this obligation interacts with the Authority's existing information request powers under section 46 of the Electricity Act and the proposed section 2.16 notice requests?'</p>	<p>a) reduce the compliance burden on retailers, by not requiring retailers to provide the information listed with every compliance report, but</p> <p>b) provide clarity around the type of information the Authority <i>might</i> request to monitor compliance – for example, if it wants to monitor specific obligations across retailers, or if it has a question about a statement in a compliance report and wants to see the basis for that statement.</p> <p>For these reasons we consider it desirable to have this clarified in the Code itself rather than simply relying on our section 46 powers. We have clarified what we mean by 'supporting evidence' – that is, this is to understand how the retailer has assessed their compliance.</p> <p>As to any minimum period and making requests in writing, the Authority must always exercise its powers reasonably given its existing public law obligations – including when prescribing timeframes for responding to requests. As this will vary on a case-by-case basis we have not expressly required any specific timeframe, nor is it necessary to include a requirement that any timeframe be 'reasonable' given that the Authority must ensure this anyway.</p>
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<p><b>11A.6 Retention of records</b></p> <p>(1) A <b>retailer</b> must ensure it maintains records of any activity regulated under the Consumer Care Obligations, <b>including records of:</b></p> <ul style="list-style-type: none"> <li>(a) <b>communications with customers (including information and advice provided to the customer under the Consumer Care Obligations);</b></li> <li>(b) <b>applications to be recorded as a medically dependent consumer and associated matters; and</b></li> <li>(c) <b>electrical disconnections and reconnections.</b></li> </ul> <p>(2) A <b>retailer</b> must retain records under subclause (1) for a period of <b>5 five</b> years from, as applicable:</p> <ul style="list-style-type: none"> <li>(a) the date the relevant customer contract is terminated; or</li> <li>(b) the date the uncontracted premises are disconnected.</li> </ul>	<p>FinCap submitted: ‘Financial mentors have progressed the resolution of harm from systemic non-compliance from lenders for years. One of the greatest improvements to regulator powers in that space was the presumption of non-compliance in the absence of records adequately demonstrating that the trader met its obligations. FinCap recommends 11A.6 of the Proposed Obligations is expanded with a clause stating a breach will be presumed in the absence of sufficient records.’</p> <p>In relation to subclause (1), Momentous Consulting submitted: ‘This Code obligation is too general and leaves open for interpretation as to what records should be retained. Suggest listing those records the Authority is expecting to be retained for 5 years, as discussed in Part 3 of the original Consumer Care Guidelines, along the lines of:</p> <ul style="list-style-type: none"> <li>- Communications with customers</li> <li>- Information provided by the customer</li> <li>- Invoicing preferences</li> <li>- Records of medically dependent evidence and follow-up (clauses 53 &amp; 54 Part 8)</li> <li>- Records of disconnection and reconnections.’</li> </ul> <p>In relation to subclause (2)(b), Momentous Consulting submitted: ‘The date the uncontracted premises are disconnected, is this about any specific reason, apart from the use of the word “uncontracted” there is no discussion in the consultation document as to what “uncontracted” actually means and when this applies. Does this mean there is no retailer at the ICP, no arrangement in place, vacant property or other? Uncontracted would be better phrased as an “arrangement”. There is a subtle difference between a contract and an arrangement. Schedule 11.3 uses the term “arrangement” with a customer. For consistency, we suggest using “arrangement” and not adding another confusing term. An ICP on the registry provides the date of disconnection and reasons for disconnection including vacant property. The Code has provision for time frames that relate to the change at an ICP which should be sufficient. We appreciate that customers do move into premises without entering into an “arrangement” with a customer. This is theft of power.’</p>	<p>Should a retailer fail to comply with clause 11A.6, they would be in breach of the Code. It would not be appropriate for the Code to otherwise treat a failure to retain records as conclusive evidence of a breach of any other provisions in the Obligations. This might, however, be something the Rulings Panel takes into account when weighing the evidence of the different parties and determining whether the relevant clause of the Code has been breached.</p> <p>We agree it would be helpful to clarify in the Code the types of records we expect retailers to retain. We have amended this clause accordingly, but we have not included invoicing preferences given the changes made to clause 15 discussed below.</p> <p>In relation to Momentous Consulting’s submission, the term ‘uncontracted premises’ will be defined as noted above. Using this defined term here makes it clear that the record keeping obligation is for five years from the date the retailer disconnects any uncontracted premises. The term ‘arrangement’ is not an appropriate substitution as by definition there will be no ‘arrangement with a customer’ in respect of uncontracted premises.</p>
<p><b>11A.7 Authority may require independent review</b></p> <p>The <b>Authority</b> may, at its discretion, require a review by an independent person of whether a <b>retailer</b> has complied with its obligations under clause 11A.4.</p>	<p>Independent Retailers submitted: ‘The Obligations should define what is meant by “independent” or “independent person” Based on Commerce Commission precedent “independent ... means neither in a relationship with, nor having an interest in, [the electricity retailer] that is likely to involve him, her or it in a conflict of interest between his, her or its duties to [the electricity retailer] and his, her or its duties to the [Electricity Authority]”.’</p> <p>Momentous Consulting submitted: ‘We suggest that code clauses be included in the existing audit process which will also address the requirement for an appropriate “independent person”. Clause 1.4 of Part 1 does define this but we consider this is too broad a description of “appropriate” persons</p>	<p>Clauses 11A.7 to 11A.11 are based on existing provisions in the Code for reviews of disclosure and certification requirements (for example, review of disclosure requirements under clause 13.2G, and review of ITP information and retail gross margin reports under clause 13.261). We consider these clauses are sufficiently clear as to what is expected. Although no explicit criteria have been laid out in the Code amendment, in practice, the Authority would take a pragmatic approach to decide on the need to review and, in relation to clause 11A.8 below, who should undertake the review.</p>

	<p>and could result in inconsistent reviews. At least have an approved auditor do a review if required.’</p> <p>Meridian submitted: ‘Meridian suggests that it would be helpful for the Authority to provide further guidance on who would be an appropriate independent person to conduct the independent reviews. For example, would it be appropriate for a retailer to appoint their independent external auditor to conduct the review? This would help ensure nomination processes are efficient and give appropriate consideration to the relevant factors. Such guidance could be provided outside of the Code.’</p>	We do not propose requiring independent audits at this time (see discussion at clause 11A.4 above).
<p><b>11A.8 Nomination of independent person to undertake review</b></p> <p>(1) If the <b>Authority</b> requires a review under clause 11A.7—</p> <p>(a) the <b>Authority</b> must require the <b>retailer</b> to nominate an appropriate independent person to undertake the review; and</p> <p>(b) the <b>retailer</b> must provide that nomination within a reasonable timeframe.</p> <p>(2) The <b>Authority</b> may direct the <b>retailer</b> to appoint the person nominated under subclause (1) or to nominate another person for approval.</p> <p>(3) If the <b>retailer</b> fails to nominate an appropriate person under subclause (1) within <b>5 five business days</b>, the <b>Authority</b> may direct the <b>retailer</b> to appoint a person of the <b>Authority's</b> choice.</p> <p>(4) The <b>retailer</b> must appoint a person to undertake the review in accordance with a direction made under subclause (2) or subclause (3).</p>	<p>Independent Retailers submitted: ‘Subclause (1)(b) requires the retailer to nominate an independent person “within a reasonable timeframe” but subclause (3)(1) effectively limits this to “within five business days”. We do not consider that 5 business days is a reasonable timeframe for a retailer to find and nominate an independent person.’</p>	<p>In terms of the timeframe for appointing an independent person, this wording is mirrored in clause 13.2H and 13.262 of the Code. We consider five business days to nominate an independent person is a reasonable timeframe.</p>
<p><b>11A.9 Factors relevant to a direction under clause 11A.8</b></p> <p>(1) In making a direction under clause 11A.8(2) or clause 11A.8(3), the <b>Authority</b> may have regard to any factors it considers relevant in the circumstances, including the following:</p> <p>(a) the degree of independence between the <b>retailer</b> and the person nominated under clause 11A.8(1);</p> <p>(b) the expected quality of the review; and</p> <p>(c) the expected costs of the review.</p> <p>(2) For the purpose of subclause (1)(a), the <b>Authority</b> may have regard to the special definition of independent under clause 1.4 but is not bound by that definition.</p>		
<p><b>11A.10 Carrying out of review by independent person</b></p> <p>(1) A <b>retailer</b> subject to a review under clause 11A.7 must, on request from the person undertaking the review, provide that person with such information as the person reasonably requires in order to carry out the review.</p> <p>(2) The <b>retailer</b> must provide the information no later than <b>15 10 business days</b> after receiving a request from the person for the information.</p> <p>(3) The <b>retailer</b> must ensure that the person undertaking the review—</p> <p>(a) produces a report on whether, in the opinion of that person, the <b>retailer</b> may not have complied with clause 11A.4; and</p> <p>(b) submits the report to the <b>Authority</b> within the timeframe specified by the <b>Authority</b>.</p> <p>(4) The report produced under subclause (3)(a) must include any other information that the <b>Authority</b> may reasonably require.</p>	<p>Several submissions commented on the 10 business days timeframe in subclause (2):</p> <p>Genesis submitted: ‘To improve efficiency, we suggest the Authority could align the timeframe within which retailers must provide this information to the timeframe for processing requests under the Privacy Act, i.e. 20 business days.’</p> <p>Independent Retailers submitted: ‘Whether 10 business days is a reasonable or practicable timeframe for producing the information required by the independent person would depend on the nature of the information requested. The timeframe should be subject to a reasonableness requirement.’</p> <p>Mercury submitted: ‘This is a very tight and arbitrary timeframe given the scale of the request will differ hugely on a case by case basis. We would</p>	<p>The 10 business days timeframe in subclause (2) is the same as the timeframe provided for independent reviews in clauses 13.2J and 13.264. However, we note that auditors must be provided with information no later than 15 business days (under clause 16.4). In light of retailers’ concerns, we have changed this timeframe to align with that for audits.</p>

<p>(5) Before the report is submitted to the <b>Authority</b>, any identified failure of the <b>retailer</b> to comply with clause 11A.4 must be referred back to the <b>retailer</b> for comment.</p> <p>(6) The comments of the <b>retailer</b> must be included in the report.</p> <p>(7) The <b>retailer</b> may require that the person undertaking the review does not provide the <b>Authority</b> with a copy of any information that the <b>retailer</b> has provided to the person in accordance with subclause (2).</p>	<p>recommend this timeframe be amended to provide a retailer with 20 business days to provide the information or a timeframe agreed between the parties but no longer than 40 business days (or similar).'</p>	
<p><b>11A.11 Payment of review costs</b></p> <p>(1) If a report received under clause 11A.10(3)(a) establishes, to the <b>Authority's</b> reasonable satisfaction, that the <b>retailer</b> may not have complied with clause 11A.4, the <b>retailer</b> must pay the costs of the person who undertook the review.</p> <p>(2) Despite subclause (1), if a report establishes, to the <b>Authority's</b> reasonable satisfaction that any non-compliance of the <b>retailer</b> is minor, the <b>Authority</b> may, at its discretion, determine the proportion of the person's costs that the <b>retailer</b> must pay, and the <b>retailer</b> must pay those costs.</p> <p>(3) If a report establishes to the <b>Authority's</b> reasonable satisfaction that the <b>retailer</b> has complied with clause 11A.4, the <b>Authority</b> must pay the person's costs.</p>		

#### Consumer Care Obligations – Part 1: Interpretation

Draft provision (redlined changes since consultation)	Summary of issues raised in submissions	Response to submissions
<p><b>1 Interpretation</b></p> <p>In the <b>Consumer Care Obligations</b>, words and phrases appear in bold to alert the reader to the fact that they are defined in clause 1.1 or 11A.2.</p>	<p>FinCap submitted: 'The current guidelines assert at vi. of the Explanatory note section on page 3 that <i>'If words and phrases in these guidelines can be interpreted in more than one way, the word or phrase should be read to favour an outcome that achieves the purpose of these guidelines.'</i> This inclusion was a vital backstop that could help rebalance information asymmetry and general power imbalances where a whānau with little resources disputes the actions of a well-resourced retailer. FinCap recommends this overriding principles-based expectation is explicitly carried through to the Proposed Obligations.'</p>	<p>We have not included this paragraph from the Guidelines on the basis that the Obligations will be secondary legislation and therefore the meaning of any clause will be ascertained from its text and its purpose and context, under section 10 of the Legislation Act 2019. We have included clear consumer protection purposes for each part of the Obligations that will guide the interpretation of each clause.</p>

## Consumer Care Obligations – Part 2: Consumer Care Policy and related matters

Draft provision (redlined changes since consultation)	Summary of issues raised in submissions	Response to submissions
<p><b>2 Purpose of this Part</b> This Part of the <b>Consumer Care Obligations</b> requires <b>retailers</b> to <b>publish</b> their <b>consumer care policy</b> and other information, and sets expectations as to <b>retailers'</b> communication with <b>customers</b> and <b>residential consumers</b>, in order to promote the purpose in clause 11A.1.</p>	<p>Momentous Consulting submitted: 'The information provided gives the impression that a separate Policy statement/document is required. There is potential for duplication with a policy and terms and conditions. For ease of reading by a customer one document, T&amp;Cs that contains the consumer care policy information would be more practical. New participants (and existing ones) often seek legal advice for the construction of T&amp;Cs. Mandating the consumer care policy as a separate document will impose extra costs. T&amp;Cs are required to contain several existing Code requirements, for example, 11.15B and 11.15C Part 11. These requirements are included in the audit process. By including the customer care policy requirements in this section of the Code, say 11.15D Customer Care Policy requirements and these included in T&amp;Cs these would be in one place and easier to monitor or audit.'</p> <p>FinCap submitted: 'Some retailers have specific supports for those impacted by family harm. The issues that can arise from this are more broad than general consumer care provided for those facing payment difficulty. FinCap recommends the Electricity Authority consider adding minimum standards for such supports in a separate policy to consumer care. Regulators' work in Australia might provide a helpful starting point.'</p>	<p>Requiring retailers to develop and publish a consumer care policy is a key pillar of the current Guidelines and will continue to be an important part of the Obligations (see clause 3 below). The Authority's expectation continues to be that the consumer care policy is separate to terms and conditions of a retail contract although it may be referenced in that contract.</p> <p>The Authority acknowledges FinCap's submission and encourages retailers to develop specific supports for their customers as they consider appropriate, including for those impacted by family harm. At this stage the Authority is not proposing to mandate that this be included in a retailer's consumer care policy (as this goes beyond the scope of the existing Guidelines and the Authority's decision to mandate them).</p>
<p><b>3 Consumer care policy</b></p> <p>(1) Each <b>retailer</b> must develop and <b>publish</b> a <b>consumer care policy</b> which sets out the <b>retailer's</b> policies in relation to <b>residential consumer</b> care, including <b>the matters covered in how the retailer meets each of the Consumer Care Obligations</b>.</p> <p>(2) Without limiting subclause (1), the <b>consumer care policy</b> must explain, in clear and accessible language:</p> <ul style="list-style-type: none"> <li>(a) that <b>electricity</b> supply makes an essential contribution to the wellbeing of <b>residential consumers</b>;</li> <li>(b) that the <b>retailer</b> will work with its <b>customers</b> in a respectful, collaborative and constructive manner;</li> <li>(c) that the <b>retailer</b> will communicate with its <b>customers</b> and other <b>residential consumers</b> it interacts with in a manner which is understandable, timely, clear and accessible;</li> <li>(d) how the <b>retailer</b> <del>will</del> <b>can</b> assist <b>customers</b> to understand the most suitable <b>pricing plan</b> for their circumstances;</li> <li>(e) that a <b>customer</b> can request access to information about their consumption of <b>electricity</b> in accordance with this Code, including clause 11.32A, to help them make decisions about which <b>pricing plan</b> suits them;</li> <li>(f) how the <b>retailer</b> will work with <b>customers</b> experiencing payment difficulties to resolve those payment difficulties as far as possible;</li> <li>(g) how the <b>retailer</b> will work with <b>post-pay customers</b> experiencing payment difficulties to ensure that <b>electrical disconnection</b> is a measure of last resort; <del>and</del></li> </ul>	<p>UDL submitted: 'UDL supports the EA's proposed Obligations relating to consumer care policies. However, it is not clear if the content of such a policy would become part of the Code, and a failure to comply would constitute a Code breach. UDL recommends consideration be given to including an obligation for retailers to have a consumer care policy in additional languages such as Te Reo Māori.'</p> <p>In relation to subclause (1), Independent Retailers submitted: 'Each retailer should be required to publish a Consumer Care Policy but it is not clear why residential consumers would want to know "how the retailer meets each of the Consumer Care Obligations". This is a matter for compliance monitoring and doesn't belong in retailer Consumer Care Policies. The more extraneous material the policies have the less accessible and useful they will be for consumers.'</p> <p>In relation to subclause (2), FinCap submitted: 'Some whānau end up stuck on pre-pay arrangements where they cannot maintain a constant supply of essential electricity services. Generally, financial mentors can negotiate to get someone moved onto post-pay in these circumstances through advocacy. However, such intervention should not be required or dependent on an expert support representative. For this reason, we recommend the Electricity Authority requires that retailers providing prepay include a commitment in the list at 3(2) to move someone onto post-pay where pre-pay is not suitable for keeping a sustainable essential electricity supply to the</p>	<p>Clause 3 requires retailers to have a consumer care policy that addresses specific matters. The policy itself does not become part of the Code or enforceable as if it were Code. However, if a consumer care policy does not include any of the required matters this would breach the Code.</p> <p>While we encourage and support retailers' use of different languages where this supports consumer care, we are conscious that any blanket requirement on retailers to publish their consumer care policy in different languages imposes a cost and may not always be the best way to support and protect consumers. Our approach instead is to require retailers to seek to avoid disparate outcomes arising from differences in language (subclause (3)). One way this might be met is by publishing a consumer care policy in different languages, if a retailer has a significant customer base who speaks a different language.</p> <p>In relation to Independent Retailers' submission on subclause (1), the purpose of the consumer care policy is not to explain in technical or procedural terms how the retailer is meeting each of its Code obligations, but to explain in clear and accessible language the arrangements the retailer has in place that address the matters covered in the Consumer Care Obligations. This is similar to the existing recommendation in paragraph 7 of the</p>



<p>(h) how the <b>retailer</b> will reflect on any issues which arise in relation to <b>residential consumer</b> care and use those experiences to continually improve the extent to which its policies promote the purpose in clause 11A.1; and</p> <p>(i) the information required in relation to <b>fees, conditional discounts and bonds</b> under clause 75.</p> <p>(3) When developing its <b>consumer care policy</b>, a <b>retailer</b> must seek to avoid disparate outcomes arising from differences in language, ethnicity, educational achievement, culture, gender, disability, age, health, income and wealth.</p> <p>(4) A <b>retailer</b> must review, and if <b>the retailer considers it necessary or desirable</b> update, its <b>consumer care policy</b> at least every <b>2 <del>two</del></b> years.</p>	<p>household. This protection would better enliven the purpose of the Consumer Care Obligations.'</p> <p>In relation to subclause (2)(d), Independent Retailers submitted: 'The requirement that the Consumer Care Policy explain "how the retailer will assist customers to understand the most suitable pricing plan for their circumstances" could be interpreted as a Best Plan obligation even though, as far as we are aware, the Authority has not made a policy decision to mandate Best Plan obligations. The clause should be tightened to clarify that providing direction about to the/a "electricity plan comparison platform" meets this requirement.'</p> <p>In relation to subclause (3), Independent Retailers submitted: 'The expectation that "a retailer must seek to avoid disparate outcomes arising from differences in language, ethnicity, educational achievement, culture, gender, disability, age, health, income and wealth" has more of a feel of a purpose statement than regulated obligation. It is unclear how a retailer could demonstrate it had complied with this as a mandatory obligation; particularly as it could be largely subjective.'</p> <p>In relation to subclause (4), Independent Retailers submitted: 'The clause should be amended to read "and <u>if the retailer considers it necessary or desirable</u> update".'</p> <p>Momentous Consulting submitted: 'With regards to monitoring, Outcome 3... Customers are on the most suitable plan for their circumstances, have the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Regulations 2004 been taken into account? While these are being phased out by April 2027, there is a requirement in these regulations to ensure that consumers are on the correct tariff as published in those regulations.'</p> <p>Manawa submitted: 'This requirement is not relevant to Manawa as there is no relationship between Manawa and Residential Consumers. Manawa's relationship is with the business customer of the residential consumer e.g. the owner of an apartment building. Manawa does not currently have a policy and developing one would not benefit Residential Consumers. Manawa suggests that this requirement be reworded to target Customers, as they are the ones that have contractual relationships with the Retailers and so a policy is appropriate.'</p>	<p>Guidelines, which is that a consumer care policy explains the arrangements and actions the retailer is undertaking to 'achieve the recommendations in these guidelines'. We have made some changes to the wording of subclause (1) to make this clearer.</p> <p>In relation to FinCap's submission, the Authority recognises in principle the value in retailers supporting customers to move off prepay where it is no longer suitable for their household. However, we do not propose expanding clause 3 at this stage given that would introduce new obligations not already in the Guidelines.</p> <p>Subclause (2)(d) only requires retailers to explain what arrangements they have in place to assist customers to understand the most suitable pricing plan in their circumstances. This could include, for example, referring a customer to the electricity plan comparison platform. As subclause (2)(d) is not intended to require retailers to ensure that each customer is on the best plan for their circumstances, we have made a minor change to the drafting to make this clear.</p> <p>Subclause (3) reflects the existing expectation in paragraph 7(e) of the Guidelines. We think it is important to retain this provision to ensure retailers focus on avoiding disparate outcomes among its customers. This approach encourages retailers to develop inclusive policies but gives retailers flexibility to determine how best to do so. In considering retailer compliance with this provision, the Authority will of course consider what it is reasonable to expect retailers to do in their particular circumstances, in order to address disparities.</p> <p>We agree with Independent Retailers' proposed change to subclause (4) to clarify the operation of this subclause.</p> <p>In relation to Momentous Consulting's submission, our view is that the wording of the clauses in the Consumer Care Obligations that relate to customers being on the most suitable pricing plan for their circumstances are sufficiently broad to include retailers' obligations under the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Regulations and won't require amending when the regulations are phased out.</p> <p>In response to Manawa's submission, we note that the Obligations will apply to a retailer only where a retailer sells electricity to residential consumers (under clause 11A.3). If a retailer only sells electricity to non-residential consumers, the Obligations, including the obligation for a consumer care policy would not apply. If a retailer is a trader, they may be required to comply with some clauses of the Obligations as clarified in clause 11A.3.</p>
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<p><b>4 Communications with customers and residential consumers</b></p> <p>(1) Each <b>retailer</b> must use reasonable endeavours to:</p> <p>(a) work with its <b>customers</b> in a respectful, collaborative and constructive manner; and</p> <p>(b) communicate with its <b>customers</b> and any other <b>residential consumers</b> it interacts with in a manner which is understandable, timely, clear and accessible.</p> <p>(2) Each <b>retailer</b> must use reasonable endeavours to adapt its communications based on the needs of the <b>customers</b> or <b>residential consumers</b> receiving them.</p> <p>(3) If a <b>customer</b> or <b>residential consumer</b> is not sufficiently familiar with the English language to communicate without assistance, a <b>retailer</b> may meet the requirement in subclause (1)(b) by ensuring the <b>customer</b> or <b>residential consumer</b> has the opportunity to nominate and use a <b>support person</b> to assist them with understanding and communicating with the <b>retailer</b>.</p>	<p>Mercury submitted: ‘The requirement at clause 4(1)(b) for communications to be “understandable” needs to be qualified otherwise there is ambiguity over what a communication being understandable means. We doubt the intent is for the communication to be in the customer’s first language but agree that communications should be in plain and simple English. This clause should be amended to reflect this intention.’</p> <p>Disabled Persons Assembly submitted: ‘we welcome... the recommendation that retailers check “the customer should be able to understand the retailer’s communications” through establishing an obligation to adapt communications based on the needs of each customer. This flexibility is important to disabled people and D/deaf people who may prefer to (as noted under question 2) receive information in accessible formats including New Zealand Sign Language, Easy Read, Plain English, Braille, audio, or captioned video. All retailers and their frontline staff should have the ability to support D/deaf, deafblind and disabled users of the New Zealand Relay Service.’</p> <p>Disabled Persons Assembly recommended: ‘that all power retailers provide information and communications to disabled consumers in accessible formats if they request this.’</p>	<p>We appreciate retailers’ concerns (noted here and at clause 15 below) about what this clause means in practice when a customer or residential consumer’s first language is not English. It is not our expectation that retailers must communicate in all languages or engage a translator for every such interaction. We accept that would be impractical. We have therefore clarified that one way a retailer may meet their obligation under subclause (1)(b) if a customer or residential consumer is not sufficiently familiar with the English language to communicate without assistance is by ensuring they have the opportunity to nominate and use a support person to assist them with understanding and communicating with the retailer.</p> <p>We are otherwise satisfied that clause 4 (and 15 below) provides the appropriate balance between consumer protection and retailer flexibility.</p>
<p><b>5 Working with support agencies and health practitioners</b></p> <p>Each <b>retailer</b> must:</p> <p>(a) have in place processes for, where a <b>customer</b> may be experiencing payment difficulties, or where otherwise required by these <b>Consumer Care Obligations</b>:</p> <p>(i) seeking that <b>customer’s</b> consent to refer that <b>customer</b> to <del>1 one</del> or more <b>support agencies</b>; and</p> <p>(ii) having obtained consent, referring that <b>customer</b> to the <b>support agency</b> or <b>agencies</b>, within <del>5 five business days</del>; and</p> <p><del>(b) allow customers who may be experiencing payment difficulties a reasonable time to seek and receive assistance from one or more support agencies without facing any consequences from the retailer; and</del></p> <p><del>(b)(e)</del> use reasonable endeavours to work with <b>any support agencies</b> and <b>any health practitioners</b> it liaises with in accordance with these <b>Consumer Care Obligations</b> in a cooperative, constructive and timely manner.</p>	<p>Independent Retailers submitted: ‘Clause 5 is very loosely worded in relation to issues of how it is determined who would be an appropriate support agency to refer the customer to... The threshold/trigger that “a customer may be experiencing payment difficulties” is a potentially very low bar and may capture situations where it is not necessary or appropriate to refer the customer to a support agency. The clause is also loosely worded in terms of how the retailer should refer the customer (clause 5(b)). It is also not clear what would be considered to be a “reasonable time” for customers to seek and receive assistance (clause 5(b)) or what [course] of action should be undertaken to “use reasonable endeavours to work with support agencies and any health practitioners” (clause 5(c)). It is also unclear how this “reasonable time” period fits it with the non-payment/disconnection processes and timeframes in the proposed Obligations. These types of arrangements are usually for the outstanding debt, what about future debts? For example, for some customers, WINZ will only assist when there’s a disconnection notice.’</p> <p>Genesis submitted: ‘Further clarity would be helpful as to what is a ‘reasonable time’ under clause 5(b). This could either be defined in the Code or indicated via supplementary guidance from the Authority.’</p> <p>MSD submitted: ‘This section (and many others) refer to “referring that customer to the support agency or agencies”. I think this section runs up against the aim of “making obligations more workable”, per Appendix C.</p> <p>While retailers can refer clients to support agencies (like MSD) and the only route available is the vulnerable consumer process. I worry we’ll get a situation where a gentailer staff member attempts to call or email us on a client’s behalf and hits a brick wall. Also gentailers may not have an idea that</p>	<p>Clause 5 replaces paragraph 7(d) of the Guidelines and complements obligations elsewhere to offer to refer a customer who may be experiencing payment difficulties to a support agency. It is not intended to prescribe the threshold or ‘trigger’ for referring a customer to a support agency – that is done elsewhere in the Obligations (under clauses 27(g), 31(3)(c), 31(4)(c), 34(2)(b) and 49(b)(ii)).</p> <p>Paragraph (a) simply requires retailers to have <i>processes</i> in place for obtaining consent from the customer and making any referral within five business days.</p> <p>Paragraph (b) was intended to allow customers a reasonable time to receive assistance without facing any consequences. However, we note there is already a more specific obligation in clause 27(h) to offer a minimum seven day pause in further steps in respect of unpaid invoices if a customer is referred to a support agency. We think this more specific obligation is preferable to this general one, and also note that paragraph (b) may not always be relevant – for example if a retailer refers a prepay customer (under clause 34(2)(b)) or a disconnected post-pay customer (under clause 49(b)(ii)) to a support agency. We have therefore removed paragraph (b) and amended clause 31 so that a provision equivalent to clause 27(g) applies instead of this general provision.</p> <p>In relation to MSD’s submission, paragraph (c) is simply intended to require retailers to work with any support agencies and health practitioners it liaises with in a cooperative, constructive and</p>

	the support MSD offers is relatively limited – we can offer the Winter Energy Payment and recoverable assistance, the latter of which puts people into debt, which may exacerbate their bad financial situation. That consideration should also be taken into account.’	timely manner. We have made a small amendment to the drafting to clarify the policy intent. See also our response to submissions on the definition of support agency discussed above, and on the role of support agencies discussed at clause 27 below.
<p><b>6 Customer-facing website requirements</b></p> <p>⊕ Each <b>retailer</b> must clearly and prominently <b>publish</b> the following information in a dedicated section of their <b>customer</b>-facing website:</p> <p>(a) a statement that the <b>retailer</b> has a <b>consumer care policy</b> which complies with the <b>Consumer Care Obligations</b>;</p> <p>(b) the <b>retailer’s consumer care policy</b> or a direct hyperlink to it;</p> <p>(c) <del>how to contact the retailer with any questions regarding the retailer’s consumer care policy or contact details for the individual or individuals within the retailer’s organisation responsible for ensuring</del> the <b>retailer’s</b> compliance with the <b>Consumer Care Obligations</b>;</p> <p>(d) a hyperlink to the page of the <b>Authority’s</b> website prescribed for the purposes of this clause; and</p> <p>(e) information, including hyperlinks to the websites and contact details of:</p> <p>(i) one or more <b>support agencies</b> offering advice on the efficient use of <b>electricity</b>;</p> <p>(ii) one or more <b>support agencies</b> offering financial mentoring services; and</p> <p>(iii) the dispute resolution scheme identified under clause 3 of Schedule 4 of the <b>Act</b>.</p>	<p>FinCap submitted: ‘At times financial mentors have not easily found consumer care policies on retailer’s websites. The current requirements around these policies being ‘prominent’ may need further prescription. FinCap recommends the Authority adds further prescription. Requirements might be that the policy be found within ‘one click’ from the main page and is signposted in the same or greater font size to the otherwise largest font size used on the main web page for the retailer.’</p> <p>Manawa submitted: ‘Posting a consumer care policy on Manawa’s website is not appropriate for our customer base and may cause confusion given Manawa does not supply directly to Residential Consumers. As mentioned above, Manawa’s preference is that the requirement for the policy be directed at Customers. This should make the obligation for Manawa to publish a policy online not required.’</p> <p>Mercury submitted: ‘We have concerns in relation to clause 6(1)(c) requiring contact details of the individual responsible for compliance persons details to be provided on the website. There are both privacy and continuity issues with this. We would prefer to provide a contact number for a frontline team for support plus a feedback option via the website to contact us for all enquiries.’</p> <p>Independent Retailers similarly submitted, in relation to subclause (1)(c): ‘It would be inappropriate, including from a health and safety perspective, to require that each retailer includes “contact details for the individual or individuals within the retailer’s organisation responsible for ensuring the retailer’s compliance with the Consumer Care Obligations” on their website. This clause needs to be deleted.’</p>	<p>In response to FinCap’s submission, the Authority recognises importance of ensuring that retailers’ consumer care policies are accessible and prominently displayed on their websites. To support this, we intend to develop guidance on how retailers should interpret the meaning of ‘clearly and prominently’. This would ensure clarity for both industry and consumers, enhancing awareness and understanding of this obligation.</p> <p>In response to Manawa’s submission, see our response at clause 3 above. If a retailer does not sell electricity to residential consumers (under clause 11A.3), it does not need to comply with this obligation.</p> <p>In response to Mercury’s and Independent Retailers’ submissions, we have amended subclause (1)(c) to clarify that the retailer does not have to provide individual contact details but must instead provide a general means of contacting the retailer if a customer has any questions regarding the retailer’s consumer care policy or the retailer’s compliance with the Obligations. This could, for example, be appropriately trained customer service representatives.</p>



## Consumer Care Obligations – Part 3: Signing up customers and contract denials

Draft provision (redlined changes since consultation)	Summary of issues raised in submissions	Response to submissions
<p><b>7 Purpose of this Part</b> This Part of the <b>Consumer Care Obligations</b> sets out requirements for <b>retailers</b> when signing up a <b>customer</b> or when a <b>residential consumer</b> enquiring with the <b>retailer</b> is denied a contract, for the purpose of ensuring <b>residential consumers</b> are fully informed before and after contracting with a <b>retailer</b> and that <b>residential consumers</b> who may be denied a contract are supported.</p>		
<p><i>Information to be provided prior to sign up</i></p>		
<p><b>8 Information to be provided prior to sign up</b></p> <p>(1) Before signing up a <b>residential consumer</b> as a new <b>customer</b>, a <b>retailer</b> must ensure that either:</p> <p>(a) in the course of an oral communication, that person receives:</p> <p>(i) advice regarding the <b>retailer's</b> available <b>product offerings</b>, and related <b>pricing plans that are relevant to that person's current household circumstances and payment options</b>; and</p> <p>(ii) assistance to understand the most suitable <b>product offering</b> for that person's <b>current household circumstances, or as appropriate, any other residential consumers permanently or temporarily resident at their premises, including</b> any conditions the person must meet in order to obtain the greatest benefit from the <b>product offering</b> and the drawbacks of any particular <b>product offering</b>, including any <b>fees</b> the person may incur or <b>bonds</b> the person may be required to pay; or</p> <p>(b) where that person is engaging with an online platform, that person has easy access to information about the <b>retailer's</b> available <b>product offerings</b>, and related <b>pricing plans and payment options</b>, any conditions which must be met in order to obtain the greatest benefit from a <b>product offering</b> and the drawbacks of any particular <b>product offering</b>, including any <b>fees</b> the person may incur or <b>bonds</b> the person may be required to pay.</p> <p>(2) A <b>retailer</b> must ensure that a <b>residential consumer</b> considering becoming a <b>customer</b> of that <b>retailer</b> has:</p> <p>(a) the <b>option opportunity</b> to review the <b>retailer's</b> terms and conditions <b>before agreeing to them</b>; and</p> <p>(b) <b>easy access to information about the retailer's available payment options</b>.</p> <p>(3) A <b>retailer</b> must ensure that its terms and conditions are provided in plain English.</p>	<p>Mercury submitted: 'Our overriding comment in relation to this clause is that it is unnecessarily prescriptive. Under the proposed clause 8 the customer will be given information overload rather than a more sensible outcome where the customer should have all the information they require to make an informed decision.'</p> <p>In relation to subclause (1)(a)(i), Mercury submitted: 'Mercury does not agree with the requirement at clause 8(1)(a)(i) for sales agents to provide advice to a potential customer on payment options. This advice is managed post-sale. Currently customers are pointed to the Mercury App and online where information on payment options is available if required. We believe that this prescriptive requirement is both unnecessary and detrimental to customer experience.'</p> <p>In relation to subclause (1)(a)(i), Meridian submitted: 'This clause is unnecessarily onerous as it requires retailers to provide information on all available product offerings and related pricing plans and payment options even when they may be irrelevant to a potential customer's needs. For example, a customer with a new EV looking for an EV plan may not be interested in the retailer's standard electricity or solar plans. Meridian proposes amending the wording to require retailers to only provide information on products that would be relevant to a customer's needs at the time.'</p> <p>In relation to subclause (2), Mercury submitted: 'we appreciate that the Authority has tried to make this more workable for retailers however customers simply do not have the time or inclination to review terms and conditions before agreeing to them. The sign up process is already lengthy and complex and this would have an extremely detrimental effect on the customer experience. We already advise bundle terms prior to credit check and sign up and also give a potential customer the opportunity to receive a quote and review our terms and conditions prior to sign up. Customers should continue to have this option rather than having it forced upon them.'</p>	<p>We have made some changes to clause 8 to reduce the information that must be provided to prospective customers, while still requiring this information to be easily available to customers should they wish to access it.</p> <p>We have removed the reference to 'payment options' in subparagraph (1)(a)(i). We agree that this advice is more appropriate once a customer has signed up with a retailer, to avoid overwhelming consumers with information when they are considering signing up with a retailer. We have therefore amended clause 12 (Information to be provided to new customers) accordingly. We do however think it is important that a new customer has easy access to this information before they sign up, as this information may be relevant to their decision-making. We have therefore inserted new subclause (2)(b) to ensure retailers provide easy access to information about payment options to all potential new customers. We have removed the reference to payment options from subclause (1)(b) to avoid duplication.</p> <p>We agree with Meridian that retailers should only be required to advise prospective customers about <i>relevant</i> product offerings and related pricing plans and have amended subclause (1)(a)(i) accordingly. This would avoid the provision of unnecessary information that would make the obligation more onerous for retailers and less helpful for consumers.</p> <p>In relation to a retailer's terms and conditions, we agree with Mercury that a customer should have the option to review these before signing up, and we have revised the wording of subclause (2)(a) to make this clear.</p>



<p><b>9 Information to be provided before entering prepay contracts</b> Before a <b>retailer</b> enters into a new <b>prepay</b> contract, the <b>retailer</b> must confirm with the <b>residential consumer</b> seeking the contract that they are aware:</p> <ul style="list-style-type: none"> <li>(a) of any <del>differences cost differential</del> between <b>fees, bonds</b> and the rate or rates charged for <b>electricity</b> under relevant <b>post-pay</b> and <b>prepay product offerings</b> offered by the <b>retailer</b> or any related <del>retailer and related pricing plans, including but not limited to, fees, bonds and the cost of electricity purchased under each arrangement;</del></li> <li>(b) that when credit under a <b>prepay</b> contract reduces to zero or any approved arrears limit is reached, <b>electrical disconnection</b> will occur;</li> <li>(c) of the warnings the <b>customer</b> will receive prior to the credit for the <b>meter</b> expiring; and</li> <li>(d) of how to purchase additional or emergency credit under the <b>prepay</b> contract.</li> </ul>	<p>Mercury submitted: 'Clause 9(a) requires retailers to make customers aware of any "cost differential" between post-pay and prepay offerings. We note that the use of the word "cost" implies the retailer has an understanding of the customers usage however we will not have this information available to us. The reference here should therefore be to "pricing plan". We further note that GLOBUG does not offer post pay products so should the requirement here be for retailers to refer to product offerings etc offered by its parent company (if applicable?)'</p>	<p>We have made some minor changes to clarify the intended operation of paragraph (a), which is to ensure customers are aware of the different fees, bonds, and rates charged for electricity under prepay versus post-pay product offerings.</p> <p>In response to Mercury's submission, we have clarified that this obligation applies to post-pay product offerings offered by a related retailer. The Guidelines currently require the retailer to confirm the customer is aware of 'any cost differential between post-pay and pre-pay metering arrangements...'. The policy intent of this clause is to ensure transparency of price differences between prepay and post-pay product offerings. It should not be read narrowly to exclude post-pay offerings offered by different brands of the same retailer, even if they are provided by a separate (but related) company. As prepay services are often operated as subsidiary brands of a retailer (such as Mercury and GLOBUG), such an interpretation would significantly undermine the application of this clause. It would also be inconsistent with the application of the Guidelines (which is not limited to any particular retailer's product offerings). We have therefore amended the drafting to clarify this point.</p>
<p><i>Considering and declining contracts</i></p>		
<p><del><b>10—Considerations for prospective customers</b> When considering whether to enter into a <b>prepay</b> or <b>post-pay</b> contract with a <b>residential consumer</b> who has a poor credit record, the <b>retailer</b> must not decline to enter into a contract with that <b>residential consumer</b> before considering:</del></p> <ul style="list-style-type: none"> <li><del>(a) any relevant information provided by the person, which may include, for example:</del> <ul style="list-style-type: none"> <li><del>(i) any engagement the person has had with support agencies to obtain assistance with the payment of electricity costs, of which the retailer is aware; and</del></li> <li><del>(ii) if the person's poor credit record is the result of historical financial pressures, whether these pressures still impact the person; and</del></li> </ul> </li> <li><del>(b) any other relevant information reasonably available to the retailer</del></li> </ul>	<p>Flick Electric submitted: 'This clause does not enable a retailer to decline a prospect due to poor credit without considering a range of data points that are typically made available to the retailer through the sign-up process. It is unclear whether the retailer is required to proactively seek this information for consideration. Currently all Flick's online sign-ups are credit checked without manual intervention. Adhering to this clause as it is currently drafted would impose significant additional cost and resources on our business. We would need to build systems to request this information and track responses and create additional processes and criteria for the assessment.'</p> <p>Mercury submitted: 'Mercury agrees with the intent of this clause and has been experimenting with this for some time, including participation in the ERANZ Connect Me pilot to test onboarding customers with poor credit scores... It will however take some time to ensure we have the best process and then to operationalise this. Further, the clause creates a new burden on retailers to collect personal information. There is a privacy risk in relation to the collection (and potential over collection) of sensitive personal information (financial position/pressure vulnerability). "Any other information reasonably available to the retailer" could be interpreted to include public information (i.e. social media) which is unlikely to be the Authority's intention, but could create adverse consequences. This sensitive information would be collected and held by retailers - increasing the risk of harm in the event of a privacy breach. We suggest Clause 10 be amended to:</p> <p>- provide that retailers must work towards systems that allow agents to override a credit score decline where certain circumstances are met; and</p>	<p>Given the feedback received we have decided to remove clause 10 at this stage. While this clause reflects an existing recommendation in paragraph 24 of the Guidelines, we acknowledge the submissions that this clause would impose significant additional costs as it would require changes to existing systems. Further, we note MSD's concerns that requesting such information could have the unintended consequence of negatively impacting consumers if they disclose a history of engagement with support agencies, as this may see them being considered as higher-risk customers. While we encourage retailers to put in place appropriate processes to consider relevant information beyond just credit history, we recognise that these processes require careful testing, implementation and monitoring to ensure they genuinely support consumer protection. We have not, therefore, mandated an obligation at this stage.</p>

	<p>- clarify whether there is an obligation on retailers to collect and hold the personal information provided by the customer (in addition to voice recordings) and if yes, consider potential privacy implications of this.'</p> <p>MSD submitted: 'Can we guarantee that a retailer, being mandated to consider any engagement the person has had with support agencies to obtain assistance with the payment of electricity costs, and upon learning that the person is on an MSD benefit, won't use that as adverse evidence to decline them a contract? It cuts both ways.'</p>	
<p><b>11 Declining to enter into a contract</b></p> <p>If a <b>retailer</b> decides not to enter into a <b>prepay</b> or <b>post-pay</b> contract with a <b>residential consumer</b> seeking such a contract, the <b>retailer</b> must:</p> <p><del>(a) — provide the person with:</del></p> <p><del>(a)(i) information about 1 <del>one</del> or more <b>electricity plan comparison platforms</b>; and</del></p> <p><del>(b)(ii) reasons for the <b>retailer's</b> decision <del>and suggested actions which the person can take to reduce the risk of a <b>retailer</b> deciding not to enter into such a contract in future</del>; and</del></p> <p><del>(b) — if the person advises the <b>retailer</b> that they are having difficulty finding a <b>retailer</b> willing to enter into a contract with them, offer to provide the person with:</del></p> <p><del>(c)(i) information, including hyperlinks to the websites and contact details, of 1 <del>regarding one</del> or more <b>support agencies</b> from which the <b>residential consumer</b> could seek assistance. <del>and an indication as to whether the <b>retailer</b> is willing to reconsider supplying the person after the person engages with that agency; and</del></del></p> <p><del>(ii) advice regarding possible changes the person could make to facilitate finding a <b>retailer</b> willing to enter into a contract with them.</del></p>	<p>Mercury submitted: 'Similar to our response in relation to clause 10 we have concerns about the privacy implications for customers and retailers of the increased exchange of personal information. We note that even the advice that a retailer gives to the customer would be personal information of that customer. All of that information would be held in a retailer's systems (including voice recordings) - creating an increased risk position for the company and the customer.'</p> <p>In relation to subclause (b), Genesis submitted: 'The requirement under clause 11(b)(i) to give 'indication as to whether the retailer is willing to reconsider supplying the person after the person engages with that agency' is problematic as it could create a misleading expectation on the consumers' part, and retailers are not able to give vague undertakings of this sort. We therefore do not think this requirement will be workable. For similar reasons, we do not think it reasonable to require retailers to advise on changes a consumer could make to help find another retailer under clause 11(b)(ii). This risks retailers' setting expectations about other businesses' potential willingness to enter a supply contract with a consumer. We note this is an existing requirement in the Guidelines (for person-to-person discussions), and suggest it be removed (just as the requirement to provide information on competitors' product offerings has been removed).'</p> <p>In relation to subclause (b)(i), MSD submitted: 'This is an okay one – gentailers should be aware (or made aware) that MSD can set up automatic redirections for our clients, and an arrangement can be made if it's what gets the client able to be on a contract. This is on a case-by-case basis and requires "good cause", so may not be an option for all clients.'</p> <p>In relation to subclause (b)(i), ERANZ submitted: 'It is unclear what further advice the Authority is expecting an electricity retailer to provide to declined consumers beyond the information already required across Clauses 11(a) and 11(b)(i). By definition, Clause 11(b)(ii) relates to information a retailer would be expected to provide regarding other retailers' appetite to take on new customers. This would be constantly changing, and a retailer's contact centre staff cannot be expected to stay up-to-date on other retailers taking on new customers. Additionally, any changes a consumer makes in response to the advice they receive might not lead to a successful contract with another retailer leading to frustration, confusion, and an erosion of trust in retailers. ERANZ recommends deleting this requirement on retailers to advise.'</p>	<p>Given the significant feedback this clause received in terms of its workability and the appropriateness of retailers providing advice to non-customers in these situations, we have amended this clause to limit retailers' obligations to providing information only. Our view is that the risk of the obligations to give advice being unworkable and ineffective likely outweigh any consumer protection benefits in their current form. At this stage, we have refocused this obligation on the provision of information, so that unsuccessful consumers know why they were declined and where to go to get support and assistance.</p> <p>In response to Manawa's submission, see our response at clause 3 above. If a retailer does not sell electricity to residential consumers (under clause 11A.3), it does not need to comply with this obligation.</p> <p>We note the term 'electricity plan comparison platform' is defined in clause 11A.2 as 'an electricity plan comparison website or other platform prescribed by the Authority and published on the Authority's website'.</p>

	<p>For Our Good submitted: ‘We support the additional information to be provided to households. However, providing information regarding denial could lead to an increase in the sophistication of misrepresentation of household behaviours. As outlined above, we believe further consideration is required for those households who are disengaged and fail to get access to power because of previous financial or other issues.’</p> <p>FinCap submitted: ‘A major consumer protection gap remains in that whānau in Aotearoa do not have a right to connect to essential energy services. This needs urgent attention from the Electricity Authority or other policy makers, otherwise it will undermine the Consumer Care Obligations. We recommend the Electricity Authority improve the protections in the Proposed Obligations so that all whānau can access post-pay essential electricity services at a fair price. That or the drafting at 10 and 11 in the Proposed Obligations be understood as a placeholder for now and retailers be required to report how often this is triggered to help policy makers understand the limited choices and price discriminations faced by some whānau.’</p> <p>Manawa submitted: ‘Manawa currently declines all requests from Residential Consumers as we do not retail in that market. As discussed above, our supply to Residential Consumers is indirect through account managed group contracts. Manawa does not have experience in assisting Residential Consumers with support agencies or general advice and would be uncomfortable providing them with any information beyond directing them to an electricity plan comparison platform. Manawa’s processes are currently not compliant with the proposed clause and it wouldn’t be appropriate for these to be updated to comply. The clause should read, for example, “If a retailer who markets Customers decides not to enter into...”. If it is considered appropriate that a Commercial and Industrial retailer, such as Manawa, should provide some information to a Residential Consumer relating to, for example, an electricity plan comparison platform, then this should be covered in a separate clause.’</p> <p>Independent Retailers submitted: ‘Clauses 11 and 20 refer in bold to “electricity plan comparison platforms” but this is not defined.’</p>	
<i>Information to be provided to new customers</i>		

<p><b>12 Information to be provided to new customers</b>  A <b>retailer</b> must advise any new <b>customer</b> of:</p> <p>(a) the existence of the <b>retailer’s consumer care policy</b> and provide a copy of the <b>consumer care policy</b> or a direct hyperlink to it; <del>and</del>  <del>(b) the retailer’s commitment to offer support if the customer faces payment difficulties</del>  (b) the <b>retailer’s</b> available <b>payment options</b>; and  (c) the importance of notifying the <b>retailer</b> if they, or another <b>residential consumer</b> who permanently or temporarily resides at the premises, is a <b>medically dependent consumer</b> and where to obtain information on how to apply to be recorded as a <b>medically dependent consumer</b>.</p>	<p>UDL submitted: ‘UDL recommends consideration be given to including further obligations regarding the information to be provided to new customers (paragraph 12). In UDL’s experience, some customers feel they are not provided with sufficient information on sign-up to adequately manage their account. Further obligations could include information about how to request and/or monitor usage, how to contact the retailer if dissatisfied with bills, how to make a formal complaint and/or contact UDL.’</p> <p>In relation to paragraph (b) and clause 13, Independent Retailers submitted: ‘These requirements should be able to be met by advising the customer of the existence of the retailer’s Consumer Care Policy (12(a)) so they should be redundant. For the vast majority of residential customers, the matters dealt with in the Consumer Care Obligations, such as disconnection processes, simply won’t be relevant. We would not necessarily expect new residential customers would welcome or appreciate being told about what would happen if they faced payment difficulties (clause 12(b)) or don’t pay their bills (clause 13). If the Authority intends for something beyond advising the new customer with the Consumer Care Policy then we would continue to question whether it is “reasonable to expect the retailer to advise all customers of this given non-payment issues will only apply to a small minority of customers? Would it be better to advise the customer at the time non-payment occurs?” We consider this to be a poorly targeted protection. The consultation states “While some retailers raised concerns that this obligation is unnecessary, we consider this is an important protection that should be retained” but doesn’t explain how or why it is an important protection.’</p>	<p>While we encourage retailers to provide whatever information they consider will best support their new customers, we do not propose expanding this obligation as suggested by UDL at this time. We note that the consumer care policy must already explain that a customer can request access to consumption information, and information about the industry dispute resolution scheme is already required to be available on the retailer’s website in accordance with clause 11.30A of the Code.</p> <p>We have, however, clarified that the retailer should provide a copy of the consumer care policy or a hyperlink to it (to align with the requirement in clause 19), so that this information is more accessible.</p> <p>We have removed the original paragraph (b) as we agree that this duplicates information already included in the consumer care policy itself (see clause 3(2)(f) above). We accept that requiring retailers to provide more detailed information to new customers about the process that will be followed if a customer does not pay their bill in the future is unlikely to be an effective support and may have a negative impact on the retailer-customer relationship.</p> <p>We have included a new paragraph (b) to require retailers to advise new customers of the retailer’s available payment options, for the reason discussed at clause 8 above.</p> <p>We have included a new paragraph (c) to replace the obligation in clause 65 (see discussion at clause 65 below).</p>
<p><del><b>13—Process when invoice not paid</b></del>  A <del>retailer</del> must inform each new <del>post-pay customer</del> of the process that will be followed if an <del>invoice</del> is not paid when due and the <del>customer</del> does not engage with the <del>retailer</del> to resolve the payment issue.</p>	<p>ERANZ submitted: ‘Requiring retailers to advise every new post-pay customer of the retailer’s process that will be followed if an invoice is not paid when due does not provide the information at a useful time to the customer. A customer is not thinking about not paying their bills when they sign up for an electricity supply contract, and they are unlikely to recall the detailed steps involved many months or years down the track when they actually find themselves in this situation. Further clauses, for example, Clause 27(b), require retailers to supply this information to customers in arrears and this is the relevant stage at which to have this conversation. In addition, not all customers go into debt and even fewer get to the disconnection stage. Therefore, it is not appropriate to mandate telling all customers about this because many will find it offensive that there is a presumption they will not pay their account. ERANZ recommends that retailers should have the flexibility to do this only on a case-by-case basis, such as when there are evident signs of hardship or when onboarding high credit risk applicants.’</p> <p>Genesis submitted: ‘Requiring retailers to communicate the full credit cycle and disconnection process to customers upfront can create a negative customer experience. It would be useful for the Authority to confirm whether</p>	<p>We agree that this proposed obligation duplicates the general obligation to provide this information through the consumer care policy, which must include how the retailer will work with customers experiencing payment difficulties to resolve those payment difficulties, and to ensure that disconnection is a measure of last resort. A copy of the consumer care policy must be provided to each new customer under clause 12 above. We also accept that requiring retailers to provide more detailed information to new consumers about the process that will be followed if a customer does not pay their bill in the future is unlikely to be an effective support and may have a negative impact on the retailer-customer relationship. We consider that clause 12 and the requirement to provide a link to the retailer’s consumer care policy provides sufficient information at the point of signing up as a new customer. The customer will also be reminded of this policy if they fail to pay an invoice on time (see clause 26 below). We have therefore removed this clause.</p>



	<p>the Obligation in clause 13 can be discharged in written form, for example as part of or alongside information terms and conditions.'</p> <p>Nova submitted: 'Expecting retailers as per clause 13, to inform every new post-pay customer of the consequences of late or non-payment can easily undermine the principles for building a positive customer relationship. While the delivery of this requirement can make a difference, customers could respond to it very differently depending on their personal circumstances and feel threatened, offended or judged, as this clause requires the retailer to threaten the consumer of actions it will take if the customer does not engage to resolve payment issues. As such it is totally contrary to efforts to make customers feel respected and cared for. Should a customer fail to meet their payment obligations, that is then the time to outline to them the options the retailer has to secure payment, but even then, it is better to focus on constructive solutions for settlement rather than effectively outlining the path to disconnection. In some cases, such threats will lead to an immediately antagonistic relationship and both parties being worse off as a result. While Nova understands the Authority's intention are good, this requirement fails to give weight to the importance of fostering positive, rather than negative, relationships with customer...'</p> <p>Meridian submitted: 'Meridian currently provides information on our process regarding payment difficulties and disconnection in our Consumer Care Policy. We are of the view that including more specific information on the details of the non-payment process at the start of a relationship with a customer is not conducive to building a relationship of trust between retailers and consumers. Such information could be negatively viewed by customers who may take this information as a presumption by Meridian that they will not be able to pay their bills. Meridian suggests that it would be more appropriate for a retailer to advise a new customer how they will support them by simply advising them of the retailer's Consumer Care Policy (links to which are provided in Welcome communications) and committing to support the customer if and when they experience financial hardship.'</p> <p>Mercury submitted: 'Requiring retailers to advise every new post-pay customer of the retailer's process that will be followed if an invoice is not paid when due does not provide the information at a useful time to the customer. A customer is not thinking about not paying their bills when they sign up for an electricity supply contract, and they are unlikely to recall the detailed steps involved many months or years down the track when they actually find themselves in this situation. Further clauses, for example Clause 27(b), require retailers to supply this information to customers in arrears and this is the relevant stage at which to have this conversation. In addition, not all customer go into debt and even fewer get to the disconnection stage. Mandating that this information be provided to customers at the outset of their journey with the retailer may cause offense and risk disengaging a large segment of customers. We therefore recommend retailers have the flexibility to provide this information only where signs of hardship are evident or when onboarding high credit risk applicants.'</p>	
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## Consumer Care Obligations – Part 4: Information and records relating to customer care

Draft provision (redlined changes since consultation)	Summary of issues raised in submissions	Response to submissions
<p><b>14 Purpose of this Part</b> This Part of the <b>Consumer Care Obligations</b> imposes obligations on <b>retailers</b> regarding the collection, recording, and use of information relating to customer care for the purpose of enabling <b>retailers</b> to proactively and effectively support their <b>customers</b>, including those who may experience payment difficulties.</p>		
<p><b>15 Retailers to request communication information and invoicing preferences from customers</b></p> <p>(1) A <b>retailer</b> must request the following information relating to communication <del>preferences</del> from each <b>new customer</b>:</p> <p>(a) <del>contact information for at least 2 of the options offered by the retailer, the customer's two preferred</del> communication channels, which may include email, post, phone, text message, or the use of in-app messages;</p> <p><del>(b) if one of the customer's preferred communication channels is by phone, the customer's preferred day or days of the week to be phoned by the retailer and the suitable times within those days;</del></p> <p><del>(b)(e)</del> any other information the <b>customer</b> wishes to provide <del>regarding the customer's preferred language, or any other matters</del> which may be relevant to engaging with that <b>customer</b>;</p> <p><del>(c)(e)</del> whether the <b>customer</b> wishes to use an <b>alternate contact person</b> and, if so, the <b>alternate contact person's</b> contact <del>information details and preferred communication channels</del>; and</p> <p><del>(d)(e)</del> whether, and if so, when, the <b>customer</b> wishes to use a <b>support person or support agency</b>.</p> <p><del>(2) A retailer must request the following information relating to invoicing preferences from each customer:</del></p> <p><del>(a) where the retailer offers more than one option, the customer's preferred invoicing frequency;</del></p> <p><del>(b) where the retailer offers fixed payment dates, the customer's preferred day for receiving an invoice or making payments from their account; and</del></p> <p><del>(c) of the options offered by the retailer, the customer's preferred means of receiving their invoice.</del></p> <p><del>(2)(3)</del> Whenever a <b>customer</b> provides the information specified in subclauses (1) <del>or (2)</del>, the <b>retailer</b> must use the <b>customer's</b> information to inform the <b>retailer's</b> communication <del>and invoicing</del> practices with that <b>customer</b> to the extent reasonably possible.</p> <p>(3) A <b>retailer</b> must, if it has not already done so, request the information in subclause (1) from existing <b>customers</b> when first contacting that <b>customer</b> under clause 19.</p>	<p>Mercury submitted: 'The information collection requirements in the clause are huge and we question the need and therefore the privacy implications... 15(1) and 15(2) both request the customer preferences, neither say what we need to do with them. These requirements do appear later in the CCOs but it may be helpful to make reference to these related clauses? And where there is no specific relationship we would recommend removing the obligation to avoid the collection of unnecessary personal information.'</p> <p>Flick Electric submitted: 'For retailers with a large customer base, it is impractical and costly to maintain preferred communication channels and records of each customer's preferred day or days of the week to be phoned and suitable times of those days. This clause also contradicts clause 26(3)(a) which requires customers to be contacted "(i) at different times of the day, and (ii) spread over a period of more than seven days". It is unclear if it is acceptable for a retailer to simply record "any information the customer wishes to provide regarding the customer's preferred language", or whether this information must be used in written and oral communication with the customer by offering translation services in multiple languages.'</p> <p>In relation to subclauses (1) and (3), Independent Retailers submitted: 'The added need for confirming the customer's preferred contact channel, time and language and the ability to match this with the required communication through the non-payment process will add unnecessary/inefficient costs to both the retailer and customers. This is something that is not easy to implement and deliver. We recommend that this clause is removed.'</p> <p>In relation to subclause (1)(a), Meridian submitted: 'Meridian currently does not record a customer's preferred communication channels. Rather, we use all available communication channels when communicating with a customer on issues such as disconnections. The Obligations as drafted will require retailers to record each customer's preferred communication channels. For Meridian, this will require system changes and potentially backfilling information for all current customers. This will be a substantial and time-consuming undertaking. Since some of communication channels will be more appropriate to use than others in different circumstances (for example it would be more appropriate to phone, and not email, a customer if we wanted to discuss disconnecting their power) Meridian recommends this clause is</p>	<p>We accept that implementing the prescriptive requirements around communication and invoicing preferences in the Guidelines would require system changes for those retailers not already aligning with the Guidelines or aligning through alternative actions. We consider that the changes we discuss below, to simplify the obligations in this clause and reduce prescription where we agree that this is not needed to promote consumer protection, will address these concerns.</p> <p>We have made some changes to subclause (1) to make it more workable. We have clarified that the obligation should be to record contact information for at least two communication channels for customers, but retailers are not required to record 'preferred' communication channels. This provides enough flexibility for retailers to engage with customers effectively, using the most suitable contact method depending on the nature of the communication. We expect that removing the reference to 'preferred' communication channels will largely resolve operational issues with this clause given this will align with retailers' existing customer record systems.</p> <p>We have also amended subclause (1) to apply to new customers and have included a new subclause (4) to address transitional requirements for existing customers. A retailer is not required to 'backfill' its existing customer records immediately but can request information to address any gaps at the first annual contact with the customer under clause 19.</p> <p>We have removed subclause (1)(b). We accept that this information will become out of date as a customer's work and personal circumstances change, so retaining this information (and relying on it to prioritise contact attempts in those timeframes) may not be in the best interests of consumers. Instead, retailers should have the flexibility to decide whether and if so when and how they collect and use customer preferences for phone contact.</p>

	<p>amended to require retailers to store at least two communication channels (where possible) for each new customer and then, where relevant and before disconnection, use all communication channels to contact the customer. Other references in the Obligations to contacting customers and alternate persons via preferred communication channels would also need to be updated to reflect this change.'</p> <p>In relation to subclause (1)(b) Mercury submitted this: 'will have short lived utility as a customers preferences, work shifts, personal circumstances will frequently change and they are unlikely to inform their electricity retailer of this. We re commend this clause be deleted.'</p> <p>In relation to subclause (1)(b), Meridian submitted: 'Not all retailers offer 24/7 or after hours call centres. Where this is not currently offered, it would be very difficult for retailers to comply with a customer's preference if their choice is to be contacted on weekends or public holidays or after usual business operating hours. Meridian recommends that this clause be amended to permit the retailer to limit the customer's preferred days of the week and hours of the day to those that fall within the retailer's business hours.'</p> <p>In relation to subclause (1)(b), Genesis submitted: 'We do not see sufficient benefit in the requirement to request a customer's preferred day(s) of week to be phoned by the retailer, under clause 15(1)(b), to warrant its inclusion as an Obligation. In our experience, this does not improve connectivity with most customers (most of our customers prefer to be contacted via text or email), and the information quickly becomes outdated. We believe the other communication requirements in the Guidelines are sufficient protections for customers where needed. Moreover, the requirement to communicate with a customer in their preferred day is difficult to integrate alongside other Obligations which prescribe the number and frequency of communication attempts retailers must make when progressing towards any disconnection decision. If the requirement to record a customer's preferred day of the week to be phoned is retained, we suggest this should not apply if a customer selects Saturday or Sunday.'</p> <p>In relation to subclause (1)(b), Independent Retailers submitted: 'The proposed Obligations should clarify what happens if "the customers preferred day or days of the week to be phoned by the retailer and the suitable times within those days" conflicts with the clause 26(3)(a) requirement to attempt to contact the customer "at different times of the day" i.e. the times that the customer directs would be "suitable" to attempt to contact them may not include "different times of the day".'</p> <p>In relation to subclause (1)(c) Independent Retailers submitted: 'Care needs to be given with this kind of clause. The reference to "matters which may be relevant" is very open-ended and open to differing interpretations. It is unclear how the Authority would deal with this clause from a compliance monitoring perspective. It also could create unrealistic expectations if a retailer is required to record the customer's preferred language but has no</p>	<p>We have amended subclause (1)(c) to remove reference to preferred language. As we explained at clause 4 above, it is not our expectation that retailers be able to communicate in different languages or engage a translator for every customer interaction. We agree that asking retailers for their preferred language may unfairly suggest retailers are able to communicate in that language. We do, however, still consider it is important that retailers give their customers with the opportunity to provide additional relevant information. Retailers would still have the flexibility to frame this question in a way that is relevant. For example, if the retailer does offer different languages, it should ask the customer if they would prefer to communicate in a different language. Another example is where the retailer is informed that the customer has a disability that affects their communication (for example if they are deaf we would expect retailers to record this information to ensure their communication channels are appropriate for that consumer).</p> <p>We have made a consequential change to subclause (1)(d) to reflect retailers' concerns discussed above about requesting preferred communication channels.</p> <p>In response to Independent Retailers' submission, we note that the key differences between alternate contact person and support person are clear from their respective definitions. A support person is someone who assists a customer (or a residential consumer who interacts with the retailer, such as a prospective customer or a medically dependent consumer) to engage with the retailer. This might be needed if the customer or consumer cannot communicate in English without assistance (see clause 4), or if a customer experiencing payment difficulties wishes to have a support person's assistance (see clause 27). An alternate contact person is someone the retailer can contact directly in the place of communicating directly with the customer. When a retailer records a customer wishes to use a support person, they are then required to use that information to inform their communication practices with that customer under subclause (3). At this stage we have not proposed including further prescription, but we do expect retailers will use this information to enable a customer to use a support person where appropriate, for example by the use of group calls or by arranging a call at a time when the support person can be present. It is not expected that a support person will be a retailer's primary or alternate contact for a customer, which is why we have not required retailers to record contact details for the support person. The same person, however, could be both a support person and an alternate contact person.</p>
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	<p>capability to engage with the customer in that language. The Obligations could put a customer in the invidious situation where they have difficulty communicating in English but they decide an alternate contact person is not needed because their retailer has recorded that their preferred language is not English. This would do a disservice to both the customer and the retailer.'</p> <p>In relation to subclause (1)(c) Mercury submitted: 'Obtaining the customers preferred language doesn't mean we can communicate verbally or in writing in that language. By collecting the information it may set an expectation that we are able to... Please could the Authority clarify a retailer's obligation in this regard.'</p> <p>In relation to subclause (1)(c), Genesis submitted: 'We also suggest qualifying the requirement to record a customer's preferred language so that it is only required when appropriate'</p> <p>In relation to subclause (1)(c), ERANZ submitted: 'Requesting that retailers must request a customer's preferred language implies to the customer that the retailer will act on that information. Yet, it is impossible for a retailer to serve customers in every language in the world. While retailers offer a range of the most commonly spoken languages in New Zealand, some also utilise multilingual communication options via outsource partners. Despite these efforts, there are many languages that retailers simply cannot accommodate. ERANZ recommends changing this clause so retailers state the language options offered by the retailer to the consumer if appropriate.'</p> <p>In relation to subclause (1)(e), Genesis submitted: 'We suggest the requirement to ask all customers if they wish to use a support person or support agency may be unnecessary, as this will not be relevant for most customers. The requirement could be narrowed if included under Part 6, i.e. where a retailer knows a customer is experiencing payment difficulties.'</p> <p>In relation to subclause (1)(e), Independent Retailers submitted: 'We don't consider the proposed Obligations have resolved Trustpower's request "the Authority ... further clarify the difference between a customer-nominated "support person" ... and "alternate contact person"... As it stands, the proposed Obligations require the retailer to record that the customer wishes to use a support person but does not provide any direction on what the retailer should do with that information/how they should engage with the support person. Simply recording the information is all that is required from a compliance perspective.'</p> <p>In relation to subclause (2), Independent Retailers submitted: 'Clause 15(2)(a) recognises, probably redundantly, that if a retailer offers more than one invoicing frequency option, the retailer must ask the customer what their preference is. Similar should apply to (b) and (c) to reflect the retailer may not necessarily offer different options for when invoices are sent or required to be paid and may not offer more than one way of sending invoices e.g. they may be online only.'</p>	<p>In relation to Genesis' submission on subclause (1)(e), we acknowledge that few customers may wish to use a support person or support agency, but note that a support person has a wider purpose than just assisting with customers experiencing payment difficulties. We agree, however, that the role of support agencies is different and will be used in a different way. Given the focus of clause 15 is on communication information we have deleted the reference to support agency here.</p> <p>We acknowledge concerns with subclause (2). We accept that all retailers will have customer record management systems to record invoicing arrangements. They may not offer different options in relation to invoicing frequency, invoicing dates and means of receiving an invoice. Where they do offer these options, we expect that they will have already given advice on these under clause 12 above. For these reasons we are satisfied that an express requirement to record invoicing preferences is unnecessary and unlikely to promote consumer protection. We have therefore deleted this subclause.</p>
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	In relation to subclause (2)(b) Mercury submitted: 'System limitations make it impossible for customers to choose invoice dates.'	
<p><del>16—Retailers to record and use information relating to customers' potential to experience payment difficulties and risk of harm from difficulty accessing electricity</del></p> <p><del>(1)—A retailer must:</del></p> <p><del>(a)—record relevant information of which it becomes aware about a customer's potential to experience payment difficulties and the risk of harm arising from difficulty accessing electricity (including electrical disconnection); and</del></p> <p><del>(b)—use the information recorded under subclause (a) as appropriate in accordance with these Consumer Care Obligations.</del></p> <p><del>(2)—The following information may be recorded and used under subclause (1):</del></p> <p><del>(a)—any information relevant to the matters listed in clause 25(2);</del></p> <p><del>(b)—whether the customer perceives they are at increased risk of harm due to difficulty accessing electricity (including electrical disconnection); and</del></p> <p><del>(c)—any other information the retailer reasonably considers relates to a customer's potential to experience payment difficulties and the risk of harm to the customer arising from difficulty accessing electricity (including by electrical disconnection).</del></p>	<p>Genesis submitted: 'We suggest the Authority consider whether all of clause 16... is still necessary under the new Obligations - Clause 25 of the new Obligations defines when retailers are deemed to 'know' that a customer 'may be experiencing payment difficulties'. We suggest the two customer groups (those with potential to experience harm and those who may experience payment difficulties) effectively overlap. For the sake of simplicity and workability, clause 16 [could] be integrated with clause 25 such that retailers are required to 'record and use information' specified under clause 25(2). Otherwise, the Obligations effectively introduce two categories of customers deemed to be in difficulty – those with 'potential' to experience difficulty under clause 16, and those who a retailer is deemed to know 'may be' experiencing difficulty under clause 25. While we acknowledge clause 16 includes the ability for customers to self-report if they perceive themselves to be at higher risk of harm (which is, of course, highly subjective), we have two comments on this point. The first is the risk of negative customer experience, if for any reason the customer were to take offence from being asked this question. The second is that the most impactful form of harm is already captured under protections for medically dependent customers.'</p> <p>Mercury submitted: 'Clause 16's requirement to record "potential" to experience payment difficulties will necessitate retailers holding far more personal information than most customers are comfortable releasing. We reiterate our concerns around the privacy implications inherent in this obligation and also note how difficult it is to identify and manage information that is constantly changing. For example, an inability to pay for a month or two doesn't necessarily mean financial vulnerability - this information would need to be regularly monitored and updated. We recommend the Authority amend this clause to focus on the desired outcome ie that retailers should have a methodology to determine a customer's "likelihood" to experience payment difficulties. This would allow retailers to meet the intention of clause 16 without necessarily having to collect more personal information from a customer...'</p> <p>UDL submitted: 'UDL recommends that consideration be given to how a retailer's obligations under this Part may interact with the Privacy Act 2020. This may be particularly relevant to the matters set out in paragraph 16. The EA may wish to consider aligning this Part with the Privacy Act by including obligations on retailers to inform customers about what information they are recording and for what purpose, how long the information will be held, and how to request the information is deleted or corrected. In UDL's view, some customers may not want their personal circumstances to be recorded or may be surprised to learn it is recorded. UDL understand the EAs reluctance to include other legal obligations. However, inclusions like this one would assist in helping the Obligations to be practical and easily referenced by consumers and complaints teams alike.'</p>	<p>We agree with Genesis that clause 16 and clause 25(2) could be integrated. Clause 25(2) is not currently in the Guidelines and was proposed to ensure the workability of the Obligations and clarify when a retailer is deemed to know about a customer's anticipated or actual payment difficulties.</p> <p>We also agree with Mercury that retailers should be able to adopt their own methods to identify customers experiencing payment difficulties, such as predictive models or flagging high-risk indicators, which could be more flexible and tailored to their operations.</p> <p>We have therefore removed clause 16 and amended clause 25 below to require retailers to record and use information relevant to the matters listed in clause 25(2). We have clarified that this may include information provided by customers or information gathered through the use of a methodology or process to identify when customers are experiencing payment difficulties.</p>

Alternate contact persons		
<p><b>17 Alternate contact person</b></p> <p>(1) If a <b>customer</b> nominates an <b>alternate contact person</b>, the <b>retailer</b> may contact that <b>alternate contact person</b> if the <b>retailer</b> is unable to contact the <b>customer</b>. <del>must:</del></p> <p><del>(a) confirm whether the <b>customer</b> authorises the <b>retailer</b> to:</del></p> <p><del>(i) liaise directly with the <b>alternate contact person</b> rather than the <b>customer</b>; or</del></p> <p><del>(ii) contact the <b>alternate contact person</b> only <b>customer</b> does not respond to communication attempts by the <b>retailer</b> within the <b>retailer's</b> standard timeframes or within the period specified by the <b>customer</b> as needing to elapse before the <b>retailer</b> may contact the <b>alternate contact person</b>; and</del></p> <p><del>(b) only engage with the <b>alternate contact person</b> in accordance with the authorisation given under paragraph 0.</del></p> <p><del>(2) When engaging with a nominated <b>alternate contact person</b> for the first time, the <b>retailer</b> must seek their consent to act as an <b>alternate contact person</b>.</del></p> <p>(2)(3) If at any time a <b>customer's</b> nominated <b>alternate contact person</b> advises the <b>retailer</b> that they no longer agree to act in that capacity, the <b>retailer</b> must record that information and, when liaising with the <b>customer</b> for the first time after being so advised by the nominated <b>alternate contact person</b>, notify the <b>customer</b>.</p> <p><del>(4) If a <b>customer</b> nominates an <b>alternate contact person</b>, where these <b>Consumer Care Obligations</b> refer to the <b>retailer</b> contacting a <b>customer</b>, the <b>retailer</b> must instead contact the <b>alternate contact person</b> if doing so is consistent with the <b>customer's</b> instructions.</del></p>	<p>Mercury submitted it had ‘two concerns over the role of the alternate contact person’. First, ‘Ceding all contact to an alternate contact person means that we do not know if messages are being passed on. If a customer falls overdue or a payment arrangement made by the alternate contact person is not adhered to, the negative credit reporting is on the customer, not the alternate contact person and the customer. If we can only contact the alternate contact person, the customer will not be aware of these issues occurring in the background.’ Second, ‘As retailers we have no way of knowing about relationship breakdowns or complex relationships and directing all contact only to an alternate contact person means that the customer is left vulnerable to financial abuse eg where there is a relationship breakdown, domestic abuse, elder abuse.’ Mercury submitted: ‘We recommend this clause be deleted or amended to reflect that the retailer should only be required to contact the alternate contact person in the first instance but that this should not prevent the retailer from contacting the customer directly.’</p> <p>Independent Retailers submitted: ‘The retailer has a relationship with the residential customer. We question whether the Obligations should require the retailer communicate with residential consumers other than the customer... We would not assume all residential customers or consumers would welcome this extension of communication requirements; particularly depending on the particular circumstances/vulnerable nature of the medically dependent consumer.’</p> <p>In relation to subclause (1), Meridian submitted: ‘Meridian does not currently use or apply specific time periods (ie neither retailer standard timeframes nor customer specified timeframes) within which it contacts a customer’s alternate person. Rather, if we were not able to contact a customer, our default process would be to contact the person authorised on the account as an alternate person. The Obligations, as drafted, will require retailers to record and apply a customer-specified time period when contacting a customer’s alternate person, or if a time period is not specified, contact the alternate person within the retailer’s standard timeframes, if they weren’t able to contact the customer. These requirements are impractical and possibly unmanageable given the different timeframes/periods a retailer would have to manage across all their customers. For Meridian this will also require system changes and potentially backfilling information for all current customers, which would be a substantial and time-consuming undertaking. Meridian suggests that it would be less complicated, more manageable and require less resources to manage contacting alternate contact persons if they were all contacted in the same manner and proposes that the clause be amended to permit retailers to contact the alternate contact person as and when the retailer is unable to contact the customer.’</p> <p>In relation to subclause (2), Meridian submitted: ‘On the current drafting of the Obligations, retailers will be required to seek consent from an alternate contact person to act as an alternate contact person. This requirement is</p>	<p>While the proposed obligation as consulted on was closely aligned to the alternate contact person provisions in the Guidelines, we accept the concerns raised by retailers as to the unintended risks these clauses may pose to consumers if they effectively prevent or discourage retailers from contacting customers directly.</p> <p>We think the original policy intent of this clause is important to note. The original Guideline on arrangements to assist medically dependent consumers clarified that customers could nominate alternate contacts if they believe that at some time in the future they may have difficulties with their payments or with communicating with their retailer. Alternate contact persons would be able to assist with payment issues or with communicating with the retailer. The retailer’s primary relationship would continue remain with the customer. Changes were made when the Guidelines were updated to address retailers’ concerns that their ability to liaise with alternate contact persons was unclear.</p> <p>We consider the original policy intent remains sound. We have clarified in the drafting that a customer can nominate an alternate contact person, and that when they do so the retailer may engage with that alternate contact person when they are unable to contact the consumer directly. We agree with submitters that this contact should not replace the retailer’s primary relationship with the customer. We therefore have limited the role of alternate contact person as described in the definition of alternate contact person and in subclause (1) and have consequentially deleted subclause (4).</p> <p>We have also removed the reference to timeframes in subclause (1)(a)(ii) to respond to Meridian’s concerns that this would be impractical. These changes would simplify the process while still providing an additional layer of customer support.</p> <p>In relation to Meridian’s concerns around subclause (2), we accept that actively seeking consent from an alternative contact person is resource intensive and that retailers should be able to rely on their customer seeking the necessary consent from the alternate contact person themselves. We have removed subclause (2) but have retained subclause (3) which applies when the retailer has information that may not yet be available to the customer.</p>

	<p>impractical. For Meridian this will require a system change which would be a substantial and time-consuming undertaking. Meridian proposes that retailers should be entitled to rely on Information Privacy Principle 2 of the Privacy Act 2020 – ie where a person’s information should not be collected unless it reasonably believes that the (alternate) person has authorised such collection – and recommends that the clause be amended to require customers to obtain the consent of the person that they wish to be their alternate contact person. The retailer could then assume that a nominated alternate contact person has provided consent.’</p>	
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## Consumer Care Obligations – Part 5: Business-as-usual account management

Draft provision (redlined changes since consultation)	Summary of issues raised in submissions	Response to submissions
<p><b>18 Purpose of this Part</b> This Part of the <b>Consumer Care Obligations</b> imposes obligations on <b>retailers</b> regarding business-as-usual account management for the purpose of ensuring that <b>customers</b> remain informed, <del>in order to promote the purpose in clause 11A.1 and setting minimum timeframes for payment of invoices.</del></p>	<p>FinCap submitted: 'It is well known that the earlier a whānau facing payment difficulties accesses the assistance, the more harm from energy hardship can be avoided. On this basis and in bringing across principles from the guidelines, FinCap recommends the purpose at 18 of the Proposed Obligations include something to the effect of "avoid ongoing avoidable payment difficulty through early assistance opportunities".'</p>	<p>We accept FinCap's point that this purpose does not articulate the outcomes this Part seeks to achieve. We have therefore amended clause 18 to refer to the purpose in clause 11A.1, similar to the purpose statement for Part 2 of the Obligations.</p> <p>We have also made a consequential change to this clause to reflect our decision to remove clause 23 (and instead amend clause 26) as discussed below.</p>
<p><b>19 Retailers to contact customers at least annually</b> At least once a year, a <b>retailer</b> must contact each of its <b>customers</b> to:</p> <ul style="list-style-type: none"> <li>(a) advise the <b>customer</b> that they can request access to information about their consumption of <b>electricity</b> in accordance with this Code, including clause 11.32A;</li> <li>(b) advise the <b>customer</b> of the existence of the <b>retailer's consumer care policy</b> and provide a copy of the <b>consumer care policy</b> or a direct hyperlink to it; and</li> <li>(c) ask the <b>customer</b> to confirm the <b>customer's</b> information, as recorded by the <b>retailer</b> in accordance with Part 4 and Part 8 of the <b>Consumer Care Obligations</b>, remains accurate.</li> </ul>	<p>Mercury submitted: 'The clause 19 requirement to contact customers annually is do-able but costly. Our comments are as follows:</p> <ul style="list-style-type: none"> <li>- Does clause 19 anticipate that retailers will incorporate the annual communication requirement into annual communications we already have set up such as annual price changes?</li> <li>- GLOBUG customers have access to their daily/weekly consumption data via the GLOBUG App or GLOBUG website when checking their "bill". This clause should be amended at 19(a) to acknowledge the additional ways that a customer can freely access their consumption data 24/7. [This data] is already freely available to customers.'</li> </ul> <p>Toast submitted: 'We broadly agree with the provisions. However, we have some concerns around the form of annual advising of customers re regarding access to consumption data. As a new (and small retailer) we do not currently have the capacity to provide an app or website with daily/hourly usage data. We can supply access to monthly consumption data but currently incur reasonably significant costs to provide detailed (e.g. half-hour) consumption information for data requests by customers. Clarification as to what constitutes "consumption information" would be helpful. For example would we comply if we notified customers that we can supply access to monthly data (in Toast's case the monthly totals are on the bills in the form of a graph), but that HH data would incur a charge.'</p> <p>UDL 'suggests that additional obligations be included in paragraph 19. When a retailer contacts a customer in accordance with this paragraph, it is not clear why the information provided should be limited to a copy of the customer care policy and the customer's ability to request consumption data. At a minimum, this point of contact could trigger the obligations under paragraph 20 to provide advice to the customer regarding the most suitable product offering for the customer. Further obligations might include providing a summary of the customer's consumption and information about how to make a complaint or contact UDL.'</p> <p>FinCap submitted: 'When contacting customers for an 'at least annual' check, it would be in the spirit of early assistance that a check equivalent to</p>	<p>We agree that clause 19 can be complied with through existing customer communications such as annual account updates or price changes. This would reduce duplication and minimise additional costs while ensuring customers remain informed.</p> <p>We also encourage retailers to tell customers they can access their consumption data on the retailer's website or app if that is applicable to that retailer. We have not included this as an obligation in clause 19, as this clause should be considered the minimum information required to be provided, and retailers should have flexibility to determine what other information they should provide their customers in their annual communications. This will vary retailer by retailer.</p> <p>We acknowledge the concern that small retailers may find it difficult and costly to provide electricity consumption information to its retailers. However, the Code already requires retailers to provide consumers with this information when it is requested. The Authority is working to improve consumer access to their electricity information (and has <a href="#">recently consulted on changes to these requirements</a>, including clarifying what information can be requested). Increased access to consumption information will enable consumers to benefit from more innovative products and services, and encourage providers to develop such products and services. We have not, therefore, made any changes to this obligation.</p> <p>We have not expanded clause 19 to address the matters suggested by UDL or FinCap at this stage (as this goes beyond the scope of the existing Guidelines, and our decision to mandate the Guidelines).</p>

	27(f) of the Proposed Obligations. ‘Right sizing’ people via expert advice on the most appropriate plan available from the same retailer for their usage pattern for essential services is in the spirit of good customer service. It is also a way of preventing unnecessary charges that could trigger payment difficulties.’	
<p><b>20 Retailers to provide further information prior to customers making changes</b></p> <p>(1) If a <b>customer</b> enquires with the <b>retailer</b> about changing a <b>pricing plan</b> or signing up to a different <b>product offering</b>, before making any change the <b>retailer</b> must:</p> <p>(a) advise the <b>customer</b> of the <b>retailer’s</b> available <b>product offerings</b>, and related <b>pricing plans</b> and <b>payment options</b> <b>that are relevant to the customer’s current household circumstances</b>;</p> <p>(b) use reasonable endeavours to assist the <b>customer</b> in understanding the most suitable option for the <b>customer’s current household circumstances</b>, <del>or, as appropriate, any other residential consumers permanently or temporarily resident at the customer’s premises, including</del> any conditions the <b>customer person</b> must meet in order to obtain the greatest benefit from a <b>product offering</b> and the drawbacks of any particular option including any <b>fees</b> the person may incur; and</p> <p>(c) provide information about <del>1 one</del> or more <b>electricity plan comparison platforms</b>.</p> <p>(2) <del>Subclause (1) does not apply to customer changes made through an online platform, provided the customer has easy access to information about the retailer’s available product offerings and related pricing plans and payment options that may be relevant to the customer’s current household circumstances.</del></p>	<p>Flick Electric submitted: ‘We offer our customers flexibility to move between our Off Peak and Flat plans, which they can do as and when they like through their customer dashboard, without our intervention. This ability to self-serve through our customer tools is highly valued by our customers. To meet the requirement of this clause Flick would be required to interact with each customer requesting a plan change. This would likely delay their change between pricing plans and could have an adverse effect on a customer’s savings. We believe this clause would be a barrier to innovation and would disempower many of our digitally savvy customers.’</p> <p>UDL submitted: ‘it is not clear why paragraph 20 is triggered only when a customer “enquires with the retailer about changing a pricing plan or signing up to a different product offering”. UDL suggests this could be extended to include any customer who express dissatisfaction with their billing or consumption.’</p> <p>In relation to paragraph (a), Meridian recommended: ‘that a retailer should only be required to provide information on products that are relevant to a customer’s needs at the time. The wording of this clause should be amended to reflect this.’</p> <p>In relation to paragraph (c), Independent Retailers submitted: ‘We recommend that this clause be removed. If an existing customer wants to change plans or product offerings, the retailer should not have to advise them of external comparison websites e.g. Powerswitch. There are already existing requirements in clause 11.30B in the Code for provision of information on electricity plan comparison site.’</p>	<p>We agree that maintaining flexibility for customer self-service is important to promote innovation and customer choice. It is an important way for some, more digital-savvy customers to manage their own energy usage. We have therefore inserted subclause (2) to clarify that subclause (1) does not apply to customer changes made through an online platform, provided that customer has easy access to relevant information. This aligns with the existing distinction between oral communications and online platforms in relation to information provided before sign up (under clause 8 above).</p> <p>We have not expanded the application of this clause to whenever a customer expresses dissatisfaction, as we appreciate that this could be overly burdensome and may be difficult to interpret and apply in practice.</p> <p>As per our response at clause 8, we agree that retailers should only be required to advise customers about <i>relevant</i> product offerings and related pricing plans and payment options and have amended paragraph (a) accordingly. We have also made a consequential amendment to (b) to align the wording. The reference to ‘customer’s current household circumstances’ is broad enough to include the consideration of suitable options for all consumers residing at the premises.</p> <p>We acknowledge Independent Retailers’ concerns about paragraph (c). However, our view is that the electricity plan comparison website (Powerswitch) is an important enabler of competition and consumer choice. While a customer ringing up about changing a plan hasn’t necessarily decided to move retailers, it is reasonable to expect their current arrangement is no longer meeting their needs. Powerswitch makes it easier for consumers to compare energy plans and find a deal that suits their needs.</p>
<i>Account management for post-pay customers</i>		
<p><b>21 Retailers to use meter readings for invoicing</b></p> <p>A <b>retailer</b> must use <b>meter readings</b> and not <b>estimated readings</b> for invoicing whenever practicable, <del>unless otherwise agreed by the customer for the purpose of their preferred payment option (such as Smooth Pay or redirection of income) or payment support plan.</del></p>	<p>Independent Retailers submitted: ‘Clause 21 is... redundant as it is covered in the reconciliation participant audits/parts 11 and 15 of the Code/etc’.</p> <p>Momentous Consulting submitted: ‘Don’t fully see the requirement for this clause. Each part of the Code has a clause to provide complete and accurate information. Clause 3 to 8 Schedule 15.2 requires reconciliation participants to obtain validated meter readings and the use of those in the reconciliation process. This is supported by requirements to supply reports on electricity-</p>	<p>The Code does impose requirements relating to obtaining and using meter readings, but these obligations are focused on the wholesale market reconciliation process. There is no explicit requirement elsewhere in the Code that retailers must use actual meter readings rather than estimated readings when invoicing their customers. We note, however, that most retailers do use actual meter readings in practice. The intent of this clause is to</p>

	<p>supplied information which is to be sourced from financial records. This report compares consumption submitted for reconciliation with that invoiced in a month as a process intended to ensure that reconciliation consumption is matched to invoiced consumption. This clause 21 may also stifle innovative, agreed, billing products such as average consumption or a yearly bill. How a retailer bills a customer with metering data should remain at their discretion. It would be better worded – A retailer must use calculated consumption based on validated meter readings, this may be an estimate unless a read is disputed in which case actual reads should be obtained.’</p> <p>Genesis submitted: ‘Note that Genesis’ new billing platform uses actual consumption, making it more accurate than using meter readings. The Authority may wish to consider this issue in terms of ensuring the wording of this Obligation is future-proofed for such technology changes that are aligned to the intention of this clause.’</p> <p>Mercury submitted: ‘It will be impossible for retailers to fully comply with this requirement. Some customers have declined to have smart meters installed and some areas don’t have great reception for smart meters or there are health and safety issues to gain access to site. We recommend this clause be amended to require retailers to demonstrate best endeavours to obtain actual meter readings.’</p> <p>UDL submitted: ‘paragraph 21 could be extended to further set out the minimum actions a retailer should take in situations where a customer has been billed on estimated readings for a period of time. In UDL’s experience, a significant number of consumer complaints arise from large back-bills as a result of repeated estimated readings. UDL suggests paragraph 20 could include obligations to:</p> <ul style="list-style-type: none"> <li>• make reasonable endeavours to contact a customer if an actual reading has not been obtained from the customer’s property for more than three months;</li> <li>• when contacting a customer about issues with readings, inform the customer of the consequences of repeated estimated readings and of the customer’s ability to provide their own readings;</li> <li>• make reasonable endeavours to resolve any issues which may prevent an actual reading from being obtained, either technical or access-related; and</li> <li>• make reasonable endeavours to contact a customer prior to issuing a back-bill covering a period of more than three months, and to inform the customer how to make a complaint about the back-bill or arrange a payment plan.’</li> </ul>	<p>make this an explicit requirement but only when it is practicable to do so.</p> <p>We note that the definition of ‘meter reading’ simply means a meter register value or the equivalent obtained from raw meter data. This includes manual meter readings as well as actual real-time consumption obtained through smart meters. We do not consider this requires further changes to future proof the obligation. However, to avoid doubt, we have amended this clause to clarify that this obligation does not prevent a customer from agreeing to a payment option or payment plan that might invoice differently. Our expectation remains that the retailer still provides meter readings when practicable.</p> <p>We also acknowledge UDL’s concerns that invoicing customers based on estimated readings is a significant source of complaints. However, we have not expanded this obligation at this stage, as this goes beyond the scope of the existing Guidelines, and our decision to mandate the Guidelines.</p>
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<p><b>22 Information required on invoices</b></p> <p><del>In addition to any applicable requirements in clauses 11.30 to 11.30B, a</del>  <b>A retailer</b> must clearly set out on each <b>invoice</b> <del>and in any supporting documentation (which may include the retailer’s website or app):</del></p> <p>(a) a breakdown of the total amount owed, distinguishing between the current invoicing period and any overdue amounts;</p> <p>(b) the due date or dates for payment; <del>and</del></p> <p>(c) available <b>payment options</b>, or advice on where to find information regarding available <b>payment options</b> in supporting documentation (which may include the <b>retailer’s website or app</b>); and</p> <p>(d)<del>(e)</del> if bundled goods or services have been received by the <b>customer</b>, the amounts owing for each good or service.</p>	<p>Meridian submitted: ‘We note that the Guidelines currently require payment options to be set out “on each invoice or in supporting documentation (including via each retailer’s website).” Meridian complies with this requirement by providing information on payment options on its website. The current drafting of the Obligations requires that information on available payment options must be provided “on each invoice and in any supporting documentation.” This will be a substantial change to our invoicing system and would be very challenging to achieve in the time available between the Authority’s decision paper and the Obligations coming into force on 1 January 2025. Furthermore, there are instances where these requirements are irrelevant. For example, where customers have already selected to pay their bills by recurring direct debit or credit card payments and do not need to be advised of alternatives. Anecdotal feedback from customers also indicates that, in general, they prefer simpler and more straightforward invoices, rather than extensive (and questionably relevant) detail. As a result, this change may actually be detrimental to a customer’s experience. We strongly recommend that the requirement to provide information on payment options reverts to either invoices or supporting documentation.’</p> <p>Momentous Consulting submitted: ‘There are a few requirements in Part 11 on required information for invoices [Clauses 11.30 to 11.30C]. Suggest merging requirements under clause 22 with those clauses in Part 11’</p> <p>FinCap submitted: ‘Financial mentors increasingly report difficulties faced by whānau who seek their support around exiting bundled goods and services from their electricity retailer. The Proposed Obligations drafting at 22(c) is helpful but we recommend it be expanded to clearly signal where to find the fees for exiting any bundled services or exiting the electricity contract on the billing date. This may help whānau exit non-essential bundled services to avoid financial hardship without bill shock.’</p>	<p>We agree with Meridian that retailers should be able to direct customers to payment option information available on their website rather than including that information on each invoice. This would align with the existing expectation in paragraph 34 of the Guidelines. We have therefore amended clause 22 to distinguish between information that must be on an invoice, and information that must be on an invoice or in supporting documentation. We are satisfied that the other information in clause 22 should be required to be included in the invoice itself.</p> <p>We have included a reference to clauses in Part 11 that require certain information to be included on invoices for clarity, but we note that those clauses apply more broadly, not just in relation to invoices to residential consumers. We have not, therefore, merged the requirements at this time.</p> <p>We acknowledge FinCap’s proposal to include a new requirement for invoices to include any fees payable for exiting any bundled services and that this may help consumers exit non-essential bundled services to avoid financial hardship without bill shock. However, this goes beyond the scope of the existing Guidelines, and therefore our decision to mandate the Guidelines. As such, we have not included this in the Obligations at this stage.</p>
<p><del><b>23—Retailers to allow at least 14 days for payment of invoices</b></del></p> <p><del>(1) A retailer must allow a minimum of 14 days for payment of all invoices issued to its customers on a monthly invoice cycle.</del></p> <p><del>(2) For customers on a non-monthly invoice cycle, subclause (1) applies with adjustments so that the timing requirement represents an equivalent proportion of the invoice cycle.</del></p>	<p>Independent Retailers submitted: ‘This would involve large changes to internal systems for some retailers and is unnecessary. Retailer invoice cycles are commercial decisions. The debt cycle is considered and supports customers in need. To make changes such as this across the board would be a cost and system change that would take a significant amount of time. In the existing Consumer Care Guidelines these provisions are specific to payment difficulties and not a blanket requirement for all customers.’</p> <p>Electric Kiwi submitted: ‘While we support obligations to ensure consumers are protected, we do not believe clauses which mandate payment timeframes will improve affordability and anticipate a negative impact on competition. As such, we ask the Authority reconsider the inclusion of such clauses. Retailers currently have the flexibility to enable innovation in pricing methodology as well as support for customers on a more tailored basis which [clause 23], and Clause 37, eliminates... Clause 23, however, has commercial impacts we highlight in this individual submission... Electric Kiwi’s standard payment terms are 3 days ... for those on fortnightly and monthly billing, this change would have a significant impact on working</p>	<p>Clause 23 was intended to replace the relevant provision in paragraph 41 of the Guidelines that states, in the process for when a customer has missed a payment, ‘Day 1: Invoice issued, allowing a minimum of 14 days for payment.’ Submissions have highlighted different interpretations of this paragraph. While we do not agree that this paragraph should be interpreted as only applying when a customer misses a payment (as it will not be known to the retailer that a customer has missed a payment until the 14 days are up), we do accept that it could have been clearer.</p> <p>The policy intent of this clause was to give customers sufficient time to pay their invoices before any non-payment processes leading to disconnection are initiated. However, we are satisfied that the policy intent of this clause can be adequately achieved in a less prescriptive and commercially intrusive manner. We have therefore decided to remove clause 23 and instead amend clause 26 to make it clear that a retailer may not start the non-</p>



	<p>capital. As an independent retailer, even if competition and wholesale issues did not exist in NZ, this material impact would require an increase in prices to cover the loss. This increase is over and above lines increases effective from 1 April 2025... The issue of rising wholesale costs further impacts the affordable options available to consumers. Electric Kiwi has consistently voiced concern around this point in submissions and communications with the Authority, Commerce Commission and other relevant agencies. Further impacting consumer access to affordable energy options, we expect the lack of flexibility to tailor support for customers in debt would essentially mean more debt garnered and so we would also increase our credit score threshold to guard against bills racked up in the meantime... Affordability aside, the clause would entail system changes which, as we have stated in the joint submission, would not be able to be completed without a transition period between publishing the obligations in December and compliance. 1 January 2025 is not a reasonable timeframe...'</p> <p>Flick Electric similarly submitted: 'We strongly oppose this clause. Imposing a minimum period of time between invoice and payment is not in the best interests of consumers as it delays retailers' ability to identify consumers in hardship and help get them the support they need. We currently offer 2-day payment terms for weekly and fortnightly bills and 9-day payment terms for monthly bills. We do not receive any negative feedback regarding this from customers and do not see it as an issue because we provide daily billing totals to our customers in our online tools so that there is no bill shock, and our customers can plan payment in advance. As this clause is currently proposed, none of Flick's payment terms would be acceptable. Amending our system to adhere to the guideline would impose significant additional costs on our business.'</p> <p>Meridian submitted: 'Powershop, a Meridian brand, has payment terms of 3 days. That is, under Powershop's terms and conditions, customers are required to set up auto-payments from nominated accounts authorising Powershop to auto-deduct monthly payments 3 days after receiving their monthly invoice. This is a clear requirement of the product and customers are made aware of this at sign-up. Customers wishing to join Powershop provide the necessary banking information and consent to do this. Under the Guidelines, retailers were required to allow a minimum of 14 days for payment to be received. Powershop manages this requirement by not commencing the debt recovery process until 14 days have passed without payment being received. Does this, now mandatory clause, mean that Powershop would be required to change the manner in which its payment terms were structured, to allow a customer 14 days to pay rather than 3? This would be a significant change for the business and constitute an overhaul of Powershop's product.'</p>	<p>payment process until 14 days after the invoice was issued, effectively providing the same period of time to customers to avoid this process, but not requiring retailers to change their business models to provide for a 14-day payment timeframe.</p>
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<i>Account management for prepay customers</i>		
<p><b>24 Retailers to notify prepay customers when credit balance reaches a certain level</b></p> <p>(1) A <b>retailer</b> must notify a <b>prepay customer</b> <del>through at least one of the prepay customer's preferred communication channels</del> immediately after the <b>prepay customer's</b> credit balance decreases below the equivalent of a reasonable estimation of <del>2 two</del> days of standard usage for the <b>prepay customer</b>.</p> <p>(2) A <b>retailer</b> must ensure that the notification to a <b>customer</b> in accordance with subclause (1) includes:</p> <ul style="list-style-type: none"> <li>(a) the <b>customer's</b> current credit balance;</li> <li>(b) a recommendation that the <b>customer</b> top-up the <b>customer's</b> account to avoid interruption in the supply of <b>electricity</b>; and</li> <li>(c) a statement that when credit reduces to zero <del>or any approved arrears limit is reached</del>, <b>electrical disconnection</b> will occur.</li> </ul>	<p>Mercury submitted: 'GLOBUG is fully compliant with this clause 24 in every respect except as discussed with the Authority prior to this Consultation in relation to the reference at 24(2)(c) to "when credit reduces to zero". As we have explained, GLOBUG customers are provided with a \$10 buffer when they first top up having joined GLOBUG. When a customer hits this \$10 buffer they are notified that disconnection will occur within 24 hours if a top up is not received. This clause should be amended to state that disconnection will occur when the "approved arrears limit is reached". We note this is also in line with the definition of "prepay" at section 11A.2 of the proposed Code and 9(b) of the CCOs.'</p> <p>In relation to subclause (2)(c) Independent Retailers submitted: 'this clause should reflect that the threshold for when electrical disconnection will occur for prepay may or may not be zero i.e. a retailer may allow the credit to go into deficit before disconnection.'</p> <p>MSD (Office for Seniors Policy Group) submitted: 'an estimated two-day power usage appears to be a very short lead time.'</p>	<p>We agree with retailers' submissions on this clause and have amended clause (2)(c) to ensure it aligns with wording elsewhere in the Obligations. This means that disconnection may only be actioned when a customer's credit limit reaches zero, or if a customer goes into negative credit, to an agreed arrears amount or limit.</p> <p>We have made a consequential amendment to subclause (1) to reflect the decision above to remove the requirement to record and use 'preferred' communication channels.</p> <p>We note MSD's submission, but we are comfortable that two days is an appropriate period of time in the context of a prepay service which involves the use of instantaneous messaging and technology. It is in line with the existing expectation in the Guidelines which is that retailers should provide at least 24 hours' notice of any low credit balance.</p>

## Consumer Care Obligations – Part 6: When payment difficulties are anticipated or arise

Draft provision (redlined changes since consultation)	Summary of issues raised in submissions	Response to submissions
<p><b>25 Purpose of this Part and knowledge of payment difficulties interpretation of this Part</b></p> <p>(1) This Part of the <b>Consumer Care Obligations</b> requires a <b>retailer</b> to take specific actions when a <b>customer</b> is in arrears or the <b>retailer</b> knows that the <b>customer</b> may be experiencing payment difficulties for the purpose of supporting those <b>customers</b> <del>to maximise their potential to maintain in</del> accessing <del>to</del> and <del>maintaining an</del> affordable and constant <b>electricity</b> supply suitable for their needs.</p> <p>(2) For the purposes of these <b>Consumer Care Obligations</b>, a <b>retailer</b> is deemed to know that a <b>customer</b> may be experiencing payment difficulties when:</p> <p>(a) a <b>customer</b> tells the <b>retailer</b> that they anticipate challenges in meeting <b>invoice</b> due dates due to factors such as reduced income, upcoming financial commitments, or shifts in their financial circumstances;</p> <p>(b) a <b>customer</b> fails to pay an <b>invoice</b> by the <b>invoice</b> due date <del>misses a payment</del> for more than <del>1 one</del> billing cycle <del>in a 6-month period</del>; or</p> <p>(c) the <b>retailer</b> becomes aware of information that a reasonable <b>retailer</b> would consider indicates anticipated or actual payment difficulty; <del>which may include information arising out of customer interactions, consumption changes, the customer making only a partial payment towards an invoice or the customer having had payments overdue within the past 12 months.</del></p> <p>(3) Each <b>retailer</b> must record and use information relevant to the matters listed in subclause (2), to identify <b>customers</b> who may be experiencing payment difficulties.</p> <p>(4) Information under paragraph (2)(c) may include information provided by the <b>customer</b> or information gathered by the <b>retailer</b> through the use of a methodology or process to identify when <b>customers</b> may be experiencing payment difficulties based on information such as payment history and changes in consumption.</p> <p>(5) A <b>retailer</b> is not required to treat a <b>customer</b> as experiencing payment difficulties if the <b>customer</b> confirms that they are not experiencing payment difficulties, unless the <b>retailer</b> subsequently becomes aware of new information that meets one of subclauses (2)(a) to (c).</p>	<p>Feedback on this clause focused on subclause (2):</p> <p>ERANZ submitted: ‘This clause defines customers as experiencing payment difficulties if they miss “a payment for more than one billing cycle”. It appears the word “consecutive” is missing from this statement, otherwise the gap between missed billing cycles is undefined and could span years. Customers miss payments for many reasons, some innocuous and accidental. Additionally, the requirement in the following subclause for a customer’s consumption changes to indicate payment difficulties should not be a singular factor. While consumption changes in conjunction with other information may lead a reasonable retailer to consider a customer in payment difficulties, consumption changes alone vary due to a large number of factors including seasonal effects, household composition, specific appliance changes, and more. Given the purpose of this list is illustrative only, it means retailers can still take consumption changes into account, but it is not a primary indicator. ERANZ recommends inserting the word “consecutive” into Clause 25(2)(b) so that it reads “...more than one consecutive billing cycle...”. ERANZ recommends deleting the phrase “consumption changes” from Clause 25(2)(c).’</p> <p>FinCap submitted: ‘Requiring offers of assistance to all whānau who might need it is the best way to ensure those who need it are reached. The limitation in the purpose statement at 25(2)(b) in the Proposed Obligations should instead require Part 6 be actioned after one missed payment. While some customers may not appreciate offers for assistance when they have forgotten to pay but are not in hardship, this is a worthy trade-off for offers of assistance reaching those who could use it much sooner. We see no reason why a retailer could not halt offering support under Part 6 if someone clarified they were not experiencing difficulty paying. We recommend the list at 25(2)(a) be expanded to not just include situations where the retailer is told by a customer but also when the retailer ‘should know.’ We also recommend that common reasons for seeking assistance from financial mentors such as missed payment arising from administrative barriers related to health or mental health challenges should be included in the list.’</p> <p>Genesis submitted: ‘The definition of when a retailer is deemed to know a customer may be experiencing payment difficulties is currently too broad and will capture a significant number of customers (many of whom are not experiencing payment difficulty). This will unreasonably increase costs for retailers without creating any proportional added benefit for consumers.’ Genesis suggested change: ‘to ensure the Obligation is more tightly focused and therefore can better address potential harm from payment difficulty.’ Specifically, it suggested amending clause 25(2)(b) ‘so that it defines the time period within which missed payments should be considered. For</p>	<p>We have modified the heading of this clause as subclause (2) has broader relevance of the Obligations as a whole, not just to the interpretation of this Part.</p> <p>We have made changes to subclause (2)(b) to better define the situations in which a retailer should consider a customer may be experiencing payment difficulties. We accept the concerns raised by retailers that the paragraph as worded could be interpreted too broadly. We have therefore adopted the threshold of missing more than one payment in any six-month period. This time-bound clarification would help retailers better target those genuinely experiencing payment difficulties. It would capture (but would not be limited to) missing two consecutive billing cycles. It would also avoid capturing isolated, sporadic missed payments over the course of what may be a long-term contract.</p> <p>We have moved the illustrative list of information from subclause (2)(c) to new subclause (4). This relates to our decision to merge clauses 16 and 25 (see discussion at clause 16 above). This change clarifies that a retailer may use information provided by the customer to identify when a customer may be experiencing payment difficulties, or use information gathered through the use of a process or methodology to identify when customers may be experiencing payment difficulties, such as processes/methods which analyse payment history and changes in consumption. This ensures that while factors such as consumption changes can be part of a broader methodology for identifying customers who may benefit from support, they are not relied on in isolation (as changes in consumption can be for a range of reasons).</p> <p>While we accept that subclause (2)(c) does provide less certainty than subclauses (2)(a) and (2)(b), we consider that a simple, ‘reasonable retailer’ threshold is more workable than attempting to prescribe every situation in which a retailer ought to treat a customer as potentially experiencing payment difficulty.</p> <p>In relation to FinCap’s submission, we note that the obligations engaged when a retailer is deemed to know that a customer may be experiencing payment difficulties are significant and tailored to provide effective support to customers experiencing hardship. Expanding these obligations to all customers who miss one payment, even if they are not actually experiencing payment difficulties, would likely impose a significant cost on retailers for little added consumer protection benefit.</p>

	<p>example, this could include where a customer misses more than one billing cycle within a six-month period.'</p> <p>Mercury submitted: 'We have a concerns with a retailer being "deemed" to know that a customer may be experiencing payment difficulties based on the types of data listed at clauses 25(2)(b) and 25(2)(c). For example, missing a payment for more than one billing cycle or a change in consumption may be the result of a customer going away on holiday or spending time at another property. Requiring retailers to monitor this data when it is not necessarily providing any meaningful information is overly burdensome. We recommend that these more circumstantial indicators be deleted from clause 25.'</p> <p>In relation to subclause (2)(b), Meridian submitted 'Meridian requests that reference to "more than one billing cycle" be clarified in the drafting – that is, is this intended to mean more than one billing cycle "in a row" or "over the term of the relationship between the retailer and the customer" or "over a specified period of time for example 6, 12 or 18 months"?'</p> <p>In relation to subclause (2)(c), Genesis submitted: 'We also have reservations as to the workability of the proposed new 'reasonable retailer' test as proposed in clause 25(2)(c). This is a broad, subjective definition which creates uncertainty and compliance risk for retailers. The types of situations to which it will need to apply for retailers engaging with customers will be highly varied, and each retailer has its own operational practices. The workability of such a reasonableness test could be increased if the Obligations are complemented by guidance from the Authority, including examples of the types of practices that are (and are not) considered reasonable by the Authority. Such examples may only be available after a period of 'bedding-in', as retailers operationalise processes to give effect to the new Obligations... Reference to 'consumption changes' under clause 25(2)(c) also captures a significant number of customers, many of whom will not be in payment difficulty. For example, they may be on holiday, or the property may itself be a holiday home (a bach) with highly variable inter-season consumption.'</p> <p>In relation to subclause (2)(c), Independent Retailers submitted: 'Clause 25(2)(c): This is an example of an open-ended principles-based obligation that lacks clarity. The subclause vaguely refers to "information that ... indicates anticipated or actual payment difficulty", including "customer interactions" and "consumption changes" (which as discussed elsewhere can be due to many normal changes which have nothing to do with payment difficulties. We suggest clause 25(2)(c) is amended to bring it in line with (a) and (b): "the customer makes only a partial payment towards an invoice or the customer has had payments overdue within the past 12 months."</p> <p>Stack Energy submitted: 'Allowing retailers some flexibility to determine when a customer is experiencing payment difficulties rather than following obligations for every missed payment is a practical approach. This avoids overburdening retailers with requirements for isolated missed payments that might not indicate broader payment issues.'</p>	<p>We do, however, agree that the actions in Part 6 should not be required if a customer confirms to the retailer that they are not, in fact, experiencing payment difficulties, unless the retailer subsequently becomes aware of new, relevant information. New subclause (5) makes this clear.</p> <p>In relation to Stack Energy's submission, we note that obligations in clause 26 below relate to one missed payment, whereas clause 27 relate to customers experiencing more sustained forms of payment difficulty. As we discuss below we have reduced some of the prescription in clause 26 to ensure the obligation is workable.</p> <p>We have made consequential changes to subclause (1) to align with the changes made to clause 11A.1. See discussion at clause 11A.1 above.</p>
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<p><b>26 Retailers’ obligations if customer fails to pay invoice</b></p> <p>(1) Each <b>retailer</b> must take reasonable steps to support <b>customers</b> who fail to pay an <b>invoice</b> to resolve payment issues and avoid <b>electrical disconnection</b>.</p> <p>(2)(4) The steps under subclause (1) must include: <del>Where a customer on a monthly invoice cycle fails to pay an invoice by the invoice due date, the retailer must:</del></p> <p>(a) <del>issuing on or after the invoice due date, issue</del> a reminder notice to a <b>the customer</b> who fails to pay an <b>invoice</b> by the <b>invoice</b> due date as soon as reasonably practicable after the <b>invoice</b> becomes overdue <del>for the purpose of encouraging the customer to engage with the retailer to resolve the payment issue and avoid electrical disconnection;</del> and</p> <p>(b) if payment has not been made within <del>14-7</del> days of the <b>invoice</b> notice being issued <del>under paragraph (a), making further make at least three separate</del> attempts to contact the <b>customer</b> or the <b>customer’s alternate contact person</b> (if applicable and as appropriate) <del>via the customer’s preferred communication channels</del> for the purpose of seeking payment and avoiding <b>electrical disconnection</b>.</p> <p>(3)(2) Any notice issued under subclause (2)(1)(a), <del>and any written or oral communication under subclause (1)(b)</del> must include:</p> <p>(a) a statement that the <b>retailer</b> has a <b>consumer care policy</b>; <del>and which explains:</del></p> <p>(i) <del>what the retailer can and will do to support the customer to resolve the payment issue; and</del></p> <p>(ii) <del>how the retailer can assist the customer to be on the most suitable pricing plan for their circumstances; and</del></p> <p>(b) a copy of the <b>consumer care policy</b> or a direct hyperlink to it. <del>information on how to access the consumer care policy (such as a hyperlink in written communications, or directions to the retailer’s website, or an offer to post a copy of the consumer care policy, in oral communications);</del></p> <p>(4)(3) Any <del>The</del> contact attempts <del>required</del> under subclause (2)(1)(b) <del>above:</del></p> <p>(a) <del>must be:</del></p> <p>(i) <del>at different times of the day; and</del></p> <p>(ii) <del>spread over a period of more than seven days; and</del></p> <p>(b) <del>for any contact attempts</del> involving written communication, and any successful contact attempts involving oral communication, made <b>4</b> days or more after the initiation of contact attempts under subclause (2)(b) <del>ten days or more after the notice was issued under subclause (1)(a),</del> must include an offer to discuss with the <b>customer</b> <b>payment support plans</b> that appear suitable to the <b>customer’s</b> circumstances; and</p> <p>(b) <del>are no longer required if the customer pays the invoice or agrees a payment plan with the retailer.</del></p> <p>(4) <del>Where a customer on a non-monthly invoice cycle fails to pay an invoice by the invoice due date, subclauses (1) and (2) apply, with timing requirements adjusted so that they represent an equivalent proportion of the invoice cycle.</del></p>	<p>Flick Electric submitted: ‘The prescriptive nature of this clause will require changes to our existing processes at a great cost, even though our own existing processes align with the desired outcomes. We suggest a less prescriptive requirement that is based around delivering the desired customer outcome. This could be audited as part of the participant audit.’</p> <p>Independent Retailers submitted: ‘In the Authority’s “quick-guide for consumers” it comments that “Providing flexibility in the timing of certain steps a retailer must take when a customer is in payment arrears, so retailers can choose to give a customer more time to make a payment before initiating the process for missed payments” and “... retailers don’t need to follow the steps for customers experiencing payment difficulties for every customer who misses a single payment”. This recognises that one missed payment could be for reasons unrelated to payment difficulties.” Clause 26 should be amended to align with these statements.’</p> <p>Mercury submitted ‘This clause is highly prescriptive and would require Mercury to make changes that do not necessarily benefit our customers. We believe we already have best practice processes in place and are reluctant to alter these (at cost) simply to comply with the prescriptive obligations of clause 26. Mercury recommends the Authority build a mechanism into the CCOs that would allow retailers to demonstrate that their process meets the intent as set out at clause 11.A1 and the intended outcome of the relevant clause. As a drafting note, the requirements at clause 26 are so convoluted they are difficult to follow. We recommend the Authority produce a timeline of requirements to clarify what obligations are triggered when for parts 6, 7 and 8 of the CCOs.’</p> <p>In relation to subclause (1), Independent Retailers submitted: ‘This clause should be amended to make clear that the retailer must make at least 3 separate attempts to contact the customer before they can go to the next step in the nonpayment/disconnection process, rather than simply requiring the retailer to make at least 3 separate attempts regardless.’</p> <p>In relation to subclause (1)(b), Independent Retailers submitted: ‘It is unclear why the Authority has removed reference to attempting to contact the customer “via both the customer’s preferred communication channel and alternate contact person” and changed it to “via the customer’s preferred communication channels”.’</p> <p>In relation to subclause (2), Genesis submitted: ‘Taken together, the current wording of the requirements under clause 26(2)(a) and (b) effectively preclude certain forms of communication, particularly phone or text messaging, because the amount of information required to be provided will not be practically conveyable using these communication methods (e.g., there is a character limit to text messages). This may frustrate retailers’ ability to issue customers with notice under clause 26 using a customer’s preferred communication method, as well as undermining retailers’ attempts to contact customers, particularly as text message is the preferred communication method for the majority of our customers. We also</p>	<p>Clause 26 is based on the detailed process set out in paragraph 41 of the Guidelines. As we noted in the consultation paper, we see value in having a level of standardisation across retailers to ensure the process is accessible and easy to follow for customers.</p> <p>We do, however, consider that submitters’ concerns can be addressed by reducing some of the prescription in this clause without undermining consumer protection. Specifically, we agree that retailers should have more flexibility as to when and how to engage with customers about overdue payments. We have included a new subclause (1) to clarify that the general obligation is to have arrangements in place to support customers in payment arrears to resolve payment issues and avoid electrical disconnection.</p> <p>We have also removed more prescriptive elements of this clause to respond to submitters’ concerns, including the reference to ‘preferred communication channels’ (see discussion at clause 15 above), the requirement to make contact attempts at different times of the day, and the requirement to state what the consumer care policy includes. We have clarified that reminder notices can be issued as soon as an invoice becomes overdue, as early engagement benefits consumers and helps them to avoid further debt.</p> <p>We have also amended subclause (3) (previously subclause (2)) to address concerns raised by Genesis. We agree that retailers should not be prevented from using certain communication channels by the operation of this subclause. We have therefore clarified that the obligations in subclause apply only to the reminder notice. Retailers should have flexibility to tailor further contact attempts to the customer’s circumstances in a way that achieves the intent of this clause expressed in subclause (1). We have also simplified this obligation for consistency with other comparable references to a consumer care policy in the draft Code, noting that the consumer care policy will include the matters that were listed in sub-paragraphs (a)(i) and (ii).</p> <p>We also agree that a minimum of three contact attempts should only be required if the retailer intends to progress to clause 37 (disconnection) and have introduced a new subclause (5) to clarify the relationship between this clause and clause 37.</p> <p>We have retained the requirement that later contact attempts (now 4 days after the initiation of contact attempts, to align with the Guidelines) include an offer to discuss customer payment plans. While this could be viewed as a prescriptive requirement, we consider it is an important protection and it was strongly supported by FinCap.</p>
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<p>(5) A <b>retailer</b> must make at least 3 separate contact attempts under subclause (2)(b), spread over 7 or more days, before initiating the disconnection for non-payment process in clause 37.</p>	<p>suggestion the Obligation under clause 26(2)(a) could be clarified to confirm it only requires retailers to inform the customer of the existence of their consumer care policy (and where to find it), without requiring an explanation or summary as to the contents of the policy. We also suggest changing the Obligation so that the requirements under 26(2)(b) only apply to the requirement to issue a notice under clause 26(1)(a).'</p> <p>In relation to subclause (3)(a)(ii), Independent Retailers submitted: 'this should state that the contact attempts should be "spread over seven or more days".'</p> <p>In relation to subclause (3)(b), FinCap submitted: 'We strongly support the drafting in the Proposed Obligations at 26(3)(b) that payment plans discussed should appear suitable to customer's circumstances. Unrealistic payment demands from creditors can end engagement from whānau in payment difficulty as they see no hope of finding a solution. That, or they might agree to a payment plan that is unaffordable and just wastes resources for both parties. At times, essential electricity services will be unaffordable for whānau facing wider financial hardship and we recommend the Electricity Authority considers bolstering protections at 26(3)(b) and 27(i) to ensure this does not just give a retailer the ability to proceed to disconnection for non-payment where no repayment of arrears is currently feasible.'</p>	<p>We have deleted subclause (4) as this is no longer necessary given this clause no longer assumes a monthly invoice cycle.</p>
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<p><b>27 Retailers to engage with customers experiencing payment difficulties</b> Where a <b>retailer</b> knows that a <b>post-pay customer</b> not on a <b>payment support plan</b> may be experiencing payment difficulties, the <b>retailer</b> must:</p> <ul style="list-style-type: none"> <li>(a) use best endeavours to engage with the <b>customer</b> for the purposes of resolving the payment difficulties;</li> <li>(b) communicate the steps the <b>retailer</b> will follow to assist the <b>customer</b> to resolve their payment difficulties and the timeframes for those steps;</li> <li>(c) remind the <b>customer</b> that: <ul style="list-style-type: none"> <li>(i) they may nominate a <b>support person</b> or an <b>alternate contact person</b>; and</li> <li>(ii) the <b>retailer</b> has a <b>consumer care policy</b>, which explains what the <b>retailer</b> can and will do to support the <b>customer</b>;</li> </ul> </li> <li>(d) provide the <b>customer</b> with <b>relevant</b> information to assist them to improve energy efficiency at their premises, <del>or which may, where applicable, include</del> the information referred to in clause 6(1)(e)(i);</li> <li>(e) offer advice, and if the <b>customer</b> agrees, advise on changes that could be made to: <ul style="list-style-type: none"> <li>(i) the <b>customer's</b> consumption profile (which may include increasing the proportion of <b>electricity</b> used at off-peak times); or</li> <li>(ii) the <b>metering</b> at the <b>customer's</b> premises (which may include taking steps to support changes to the <b>customer's</b> consumption profile, or to enable load control),</li> </ul> that might reasonably be expected to reduce the amount of the <b>customer's</b> future <b>invoices</b>, after accounting for the cost of implementing such changes (which may include the cost of changing the <b>metering</b> at the <b>customer's</b> premises); </li> <li>(f) consider whether, based on the <b>customer's</b> consumption over the past 12 months, and any advice given under paragraph (e), the <b>retailer</b> has <del>1 one</del> or more <b>pricing plans</b> that could provide a lower cost of <b>electricity</b> to the <b>customer</b> and, if so: <ul style="list-style-type: none"> <li>(i) advise the <b>customer</b> of that plan or those plans that the <b>retailer</b> reasonably considers are most suitable for that <b>customer's</b> <del>current household circumstances, or as appropriate, any other residential consumers permanently or temporarily resident at their premises</del> (provided that the <b>retailer</b> does not need to advise the <b>customer</b> of more than <del>3 three</del> <b>pricing plans</b>), any conditions the person must meet in order to obtain the greatest benefit from any <b>pricing plan</b> and the drawbacks of any particular plan including any <b>fees</b> the person may incur; and</li> <li>(ii) where the <b>retailer</b> advises the <b>customer</b> of more than <del>1 one</del> <b>pricing plan</b>, identify the <b>pricing plan</b> which the <b>retailer</b> reasonably considers is the lowest cost option for the <b>customer</b>, taking into account those aspects of the <b>customer's</b> circumstances of which the <b>retailer</b> has knowledge;</li> </ul> </li> <li>(g) provided the <b>customer</b> has engaged with the <b>retailer</b>: <ul style="list-style-type: none"> <li>(i) satisfy itself, acting reasonably, that the <b>customer</b> is aware or has been reminded of the availability of <b>financial assistance</b>,</li> </ul> </li> </ul>	<p>FinCap submitted: 'We recommend the Electricity Authority considers bolstering protections at 26(3)(b) and 27(i) to ensure this does not just give a retailer the ability to proceed to disconnection for non-payment where no repayment of arrears is currently feasible.</p> <p>Mercury submitted: 'As per our comments above in relation to clause 26, clause 27 is highly prescriptive and impacts on some of Mercury's existing gold standard processes. For example, in relation to 27(h) where we are working with support agencies, we prefer to work with a timeframe that supports the customer rather than a prescribed 7 days + 7 days. In our experience, 14 days is frequently inadequate for a customer's financial situation to resolve; retailers can and should be prepared to meet customer needs as individuals and extend well beyond 14 days of credit pause (suppression). We do not believe this clause should apply to GLOBUG but request the Authority clarify this please. All GLOBUG customers in debt are on a payment plan however it is a largely automated process rather than one that is agreed between retailer and customer. Each GLOBUG customer has two accounts - one for their daily billing and a separate account for debt payments. A percentage of a customer's top-up is deducted at each top up until the debt is paid. This ensures customers are making incremental payments, removing the risk of debt repayments affecting their connection. Generally we deduct 10% in winter and 25% in summer however if a customer is currently living under transitional housing we start them off with 1% payments which might be increased based on the advice of the social service group that is supporting their budgeting requirements. We also offer the option to change the debt repayment rate for customers who may be struggling to pay their debt and have enough top-up remaining to last them or in cases where a customer wants to pay their debt off faster.'</p> <p>Meridian submitted: 'Meridian agrees with the general principle that retailers should seek to provide all necessary and relevant information to customers experiencing payment difficulties. However, we do not consider that advising a customer of all the information set out in clause 27 every time we need to communicate with that customer about their financial hardship situation, will always be the most appropriate way to assist a customer in financial hardship. Meridian proposes that clause 27 be amended to require that the matters listed must be communicated to the customer "at least once as and when necessary and relevant during the course of the retailer's engagement with a customer facing payment difficulties".'</p> <p>In relation to paragraph (d), FinCap submitted: Information overload could result in missed opportunities when someone is being provided with energy efficiency information. In many situations energy efficiency advice could be irrelevant. An example is information on air conditioning thermostat ranges for a person who does not have one. Drafting of the Proposed Obligation at 27(d) could be improved to instruct retailers to provide information relevant to what they should know about the customer's ability to action it, not just a 'kitchen sink' pamphlet.</p>	<p>We have made some adjustments to this clause to clarify that it applies to post-pay customers only (as is clear in the Guidelines). We do not expect that retailers will provide all the information in this clause in every communication with customers who may be experiencing payment difficulties. This clause merely requires that the retailer does the things specified at least once and does not require these things to be done multiple times. However, some information will be more important to communicate and may appropriate to provide more than once if payment difficulties have not been resolved, such as information in paragraph (b).</p> <p>We have amended paragraph (d) to avoid overload of irrelevant information. We have made this a requirement to provide information <i>relevant</i> to the customer's circumstances (including their ability to action the advice). Given that in some cases retailers may not have adequate information to know what will be relevant, we have included the alternative option of providing details of support agencies who can in turn provide this information (referred to in clause 6(1)(e)(ii)). This aligns with the existing recommendation in the Guidelines (paragraph 43(e)).</p> <p>We have not made any changes to paragraph (e). We note that the obligation is to provide advice on changes that could be made to a customer's consumption profile <i>or</i> the metering at the customer's premises. We consider this is sufficiently clear that retailers are not required to provide advice on metering. We acknowledge concerns that this might not always be appropriate.</p> <p>We have simplified the wording at paragraph (f) to align with similar obligations elsewhere in the Obligations.</p> <p>To address concerns raised in relation to the role of support agencies in the Obligations, we have made some changes in paragraph (g) and consequential changes throughout the Obligations. We have clarified that the obligation is to offer referrals 'where appropriate' to support agencies. We agree that retailers should not be required to make a referral if the retailer knows that it is unlikely to be able to provide effective support to that customer, for whatever reason. This will ensure that support is appropriately targeted to the customer. We have also amended paragraph (g) to include 'financial assistance', to address MSD's submission and acknowledge that a support agency includes the service delivery arms of MSD (Work and Income and Senior Services) who may provide direct financial assistance. The intention, we understand, was that paragraph (g) would not include support agencies offering direct financial assistance as that is addressed under (j). We appreciate, however, that this distinction may be unhelpful and is</p>
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<p>financial mentoring services and <b>electricity</b> efficiency advice from <b>support agencies</b>; and</p> <p>(ii) offer to refer the <b>customer</b> to any of those <b>support agencies</b> <del>as</del> <b>where</b> appropriate, with the <b>customer's</b> agreement;</p> <p>(h) if a referral is made under paragraph (g) or a <b>customer</b> advises the <b>retailer</b> that they have contacted a <b>support agency</b> directly:</p> <p>(i) advise the <b>customer</b> of the option to pause further steps in respect of any unpaid <b>invoices</b> but that, if the <b>customer</b> selects this option, any pause could cause the <b>customer</b> to go into more debt with the <b>retailer</b>;</p> <p>(ii) if the <b>customer</b> opts to pause further steps, wait <del>at least 7 seven</del> days before taking any further steps under clauses 26 or 37; and</p> <p>(iii) <del>if, within seven days of implementing the pause, the retailer is satisfied that the customer is making reasonable efforts to engage with receives confirmation from the support agency or agencies that the customer is engaging constructively with the agency, wait a further period of at least 7seven</del> days after the initial <del>period seven days</del> has elapsed; and</p> <p>(i) offer to discuss, and, if the <b>customer</b> agrees, discuss with the <b>customer payment support plans</b> that appear suitable to the <b>customer's</b> circumstances, including <del>1 one</del> or more <b>payment support plans</b> that a reasonable <b>retailer</b> would consider:</p> <p>(i) offer the best way for the <b>customer</b> to pay off any debt owed to the <b>retailer</b> while accommodating the <b>customer's</b> expected ongoing <b>electricity</b> use; and</p> <p>(ii) are most likely to help avoid the <b>customer</b> falling into debt, or further into debt, with the <b>retailer</b>. <del>and</del></p> <p><del>(j) having taken the steps required in paragraphs (a) to (i), and if the customer agrees, refer the customer to Work and Income or another support agency likely to help the customer pay their electricity supply debt.</del></p>	<p>Genesis' comments at clause 25 are also relevant to this clause. In relation to paragraphs (e) and (f), Genesis submitted: 'We do not think the requirement under clause 27(e) to advise on changes to metering at the premise of a customer (experiencing payment difficulty, and not on a payment plan), including potentially changing the metering, creates sufficient benefit for customers to justify its cost. Our specific comments are as follows:</p> <ul style="list-style-type: none"> <li>• Not all networks offer certain meter configurations.</li> <li>• It can be complex for CSRs to be required to calculate whether a customer will receive a net-benefit from metering changes, requiring the CSR to factor in the upfront costs for meter changes and calculate future benefits the customer may receive. Upfront costs from meter changes may outweigh potential benefits.</li> <li>• Changes to meter configuration may not suit future occupants of the premises, as they may have different consumption profiles.</li> </ul> <p>In relation to sub-paragraph (g)(i), MSD submitted: 'I would add – "... that the customer is aware or has been reminded of the availability of financial mentoring services, <i>the ability to have a redirection of assistance payments</i>, and...'"</p> <p>In relation to paragraph (h), FinCap submitted: Financial mentors cannot always see whānau within seven days. Our sector is currently adjusting to funding changes while there is increased demand. We recommend the drafting at 27(h)(ii)&amp;(iii) should not give retailers the expectation that financial mentors will be able to offer assistance within 14 days. At the very least, it should be clear that these pauses are 'at a minimum.' We also note that the MoneyTalks service and financial mentors may be constrained by the confidentiality of their work on sensitive financial matters and the Privacy Act 2020 from confirming a person's engagement with them, and drafting might need adjusting not to give the impression it will be provided to retailers.'</p> <p>In relation to paragraph (h), Independent Retailers submitted: 'We note that in relation to 27(h) the consultation states: "Some stakeholders were concerned that it is not practical or reasonable to expect confirmation from support agencies within the current 7 day timeframe. We acknowledge these concerns, however, we do not propose changes to these timeframes without conducting further policy work to understand the potential unintended consequences of extending the minimum timeframes, including implications of debt accumulation for customers." We consider this should be addressed and consulted on before mandating the Obligations.'</p> <p>In relation to sub-paragraph (h)(iii), MSD submitted: There's another barrier here implied by the wording. MSD may run into privacy trouble if they confirm a client is engaging constructively directly to the retailer, ie. bypassing the client. Can we add: "from the support agency or agencies (including such confirmation which has been sent directly to the customer)"</p> <p>In relation to paragraph (i), Independent Retailers submitted: 'It is unclear how it would be determined what a "payment plans that a reasonable</p>	<p>unnecessary. We have therefore combined the obligations in (g) and (j).</p> <p>We have also amended paragraph (h) to address submitters' concerns. We have clarified that the 7+7 timeframe is a minimum, to reflect current practice by Mercury and others that exceeds this. We have also removed the requirement for confirmation from support agencies to extend any pause from 7 to 14 days, providing retailers with the discretion to determine whether a customer is making reasonable efforts to engage with support without needing third-party confirmation. The revised wording ensures that retailers can rely on information provided directly by customers, reducing pressure on those agencies to confirm assistance within a set timeframe. To satisfy this threshold, retailers would be able to rely on what their customer has told them, or they might ask their customer to provide a contact number or other confirmation from the support agency that shows they are engaging with them (or making reasonable efforts to do so). We consider that this will address any privacy concerns and should remove pressure from support agencies to provide confirmation directly to retailers in every case within seven days.</p>
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	<p>retailer would consider” would be determined/how compliance would be determined.’</p> <p>In relation to paragraph (j) and clause 40(f), MSD submitted: ‘I can see what you mean about there being a distinction between Work and Income and “support agency” in some areas but not others. This would personally bother me since it would imply that a gentailer isn’t bound to consider W&amp;I when thinking about the kind of support a customer could access.’</p>	
<p><b>28—Part payment of debt for bundled goods and services</b></p> <p><del>(1) This clause applies where:</del></p> <p><del>(a) the customer is not on a payment plan;</del></p> <p><del>(b) the customer has received bundled goods or services; and</del></p> <p><del>(c) the retailer knows that the customer is in payment arrears or may be experiencing payment difficulties.</del></p> <p><del>(2) Where this clause applies, the retailer must:</del></p> <p><del>(a) advise the customer how any part payments are being applied against bundled components of an invoice; and</del></p> <p><del>(b) provide the customer with the opportunity to elect whether they wish to apply any part payments to clear the customer’s debt related to electricity supply first.</del></p>	<p>Independent Retailers submitted: ‘We recommend that this clause be removed. Bundled customers should not be able to determine which part of their debt is covered by part payment. When bundled customers sign up to plans they agree to terms including bundled invoices. This would require a large system change adding unnecessary costs to the business and customers. We do not consider that clause 28 is workable or reflects the commercial reality of bundled products. While tariffs and invoices separate out the different components of the product being offered, albeit that treatment of aspects like bundle discounts can be somewhat notional, the account balance is not broken down by product and it would not be meaningful to say payment is for element x but not element y. Trying to comply with clause 28 would result in substantial compliance cost (large system changes) and inefficiency and would be more likely to cause confusion and problems for customers who may already be distressed. A better approach would be for the Authority to liaise with the Telecommunications Commissioner and the GIC on how each of the respective regulator’s consumer protection rules should work together. It would not make any sense for a retailer offering bundled products, for example, to go through different notices/notice periods and warnings etc, but that is the direction notional separation of customer arrears/debt could take us. We also note that while Appendix B claims “No material changes proposed”, there is in fact a substantial difference between existing clause 41 (“Retailers should allow customers to elect to have part payments clear debt related to electricity supply or distribution services first”) which relates to electricity supply only and new proposed Obligation 28(2) (“the retailer must ... provide the customer with the opportunity to elect whether they wish to apply any part payments to clear the customer’s debt related to electricity supply first”) which applies to both electricity and non-electricity services.’</p> <p>Mercury, in its submission and when providing further clarification, explained that unless a customer has a payment arrangement, all payments are allocated to oldest debt first. This ‘allows us to improve customer credit by reporting that their oldest due periods are now up to date, which supports our goal to help customers into financial freedom’. Mercury further explained that ‘[t]here is a priority system within this so that electricity is automatically paid first, then gas, broadband and finally administrative costs. Our system does not however have the capability to allow customers to elect that any payments clear their electricity debt first. Following discussion with Customer if they had paid sufficient money to offset the electricity charges then we</p>	<p>This clause aligns with paragraph 44 of the Guidelines that relates to bundled goods/services. We do not consider that this paragraph was limited to bundling of electricity services. Our interpretation is that paragraph 44 applies whenever bundled goods/services are provided by a retailer and allows customers to elect to put part payments towards the electricity or distribution component of that bundle first, over other components (the reference to distribution services is there because the Guidelines applied to distributors who directly invoiced customers for distribution services). This interpretation is consistent with paragraph 66(f) of the Guidelines which states that retailers should not disconnect if the debt does not relate to electricity or distribution services (eg, if it relates to telephone or broadband).</p> <p>We do, however, acknowledge concerns that this obligation may not best protect consumers (as the alternative of putting part payments against oldest debt first can instead improve a customer’s credit position and support them to get out of debt faster), and that it raises workability and system issues as it does not reflect the commercial reality of bundled products or how payments systems are set up. For these reasons we have decided to remove this obligation at this stage.</p>

	would not disconnect provided they kept paying the electricity amounts due and we would pause any other services such as Broadband until the customer was able to clear the overdue amounts. We also note that since June 2024 Mercury has not disconnected customers for the nonpayment of electricity arrears. Therefore, the risk of electrical disconnection for nonpayment of debt has been removed. Further, if a Mercury customer is experiencing payment difficulties and is willing to engage with us, our dedicated Here to Help team will find a tailored solution for helping that customer with a payment arrangement that suits their needs and referrals to relevant agencies that may be able to provide additional assistance.'	
<b>29 No unilateral change to payment support plan</b> A retailer with a customer on a payment support plan must not unilaterally change the customer's payment support plan, other than in accordance with the retailer's terms and conditions.	FinCap submitted: 'Agreed payment arrangements changing could cause a financial mentor's work to make a budget balance to unravel. We strongly support the drafted Proposed Obligations requiring that retailers not unilaterally adjust payment plans at 29. We recommend the Electricity Authority monitor for the use of terms and conditions by retailers to change payment plans and consider the removal of any potential inappropriate loopholes.'	The Authority notes this submission. If it becomes aware of issues with the operation of this clause in practice it will consider the need for further changes as part of its ongoing consumer care work programme.
<b>30—Retailers to monitor customer consumption</b> <del>(1) Each retailer must work towards having the capability to monitor individual customer consumption to help them anticipate which customers may benefit from assistance.</del> <del>(2) If a retailer identifies a material and sudden increase in consumption by a customer on a payment plan that is not explained by seasonal effects or other known factors, the retailer must contact the customer to:</del> <del>(a) advise the customer of the change in consumption;</del> <del>(b) ask the customer whether the change in consumption was expected;</del> <del>(c) offer to help the customer identify potential reasons for the increase; and</del> <del>(d) taking into account the increased consumption and any change in circumstances, advise the customer of any pricing plans that the retailer reasonably expects would reduce the amount of the customer's invoices.</del> <del>(3) If a retailer identifies a material decrease in electricity use over a period of more than one month by a customer on a payment plan that is not explained by circumstances of which the retailer is aware (including seasonal factors), the retailer must:</del> <del>(a) contact the customer to check whether the customer is intentionally reducing their consumption due to actual or anticipated payment difficulties; and</del> <del>(b) taking into account the reduced consumption and any change in circumstances, advise the customer of any pricing plans that the retailer reasonably expects would reduce the amount of the customer's invoices.</del>	<p>ERANZ submitted: 'Many customers find their electricity retailer actively monitoring their usage and then asking them why their usage has either increased or decreased to be highly intrusive. As an alternative, retailers enable customers to view their usage data via website and mobile phone apps, including usage comparison charts on customer bills. Subclauses (2) and (3) are moderated somewhat by only requiring action for customers on a payment plan. However, the subjective nature of "sudden increase" and "material decrease" in consumption is problematic and it is uncertain exactly what benefits will accrue to customers from these requirements. ERANZ recommends limiting this requirement to retailers running high bill exception reporting and attempting to discuss potentially high bills with customers to prevent bill shock.'</p> <p>Flick Electric submitted: 'A customer may have a decrease in electricity usage for several reasons e.g. being on holiday, a flatmate moving, or payment difficulties. It is therefore generally inefficient and costly for a retailer to monitor usage information, as a reduction in usage does not necessarily mean a customer is experiencing payment difficulties. Furthermore, many customers would find it highly invasive and intrusive to be questioned by their retailer as to whether they are "intentionally reducing their consumption due to actual or anticipated payment difficulties". Metering data should be stored centrally, and government support agencies should be used to reach out to those in potential hardship based on a range of factors, not just electricity consumption.'</p> <p>Genesis submitted: 'Some customers will find it intrusive for retailers to proactively ask them why their usage has increased or decreased. Moreover, the definition of 'sudden increase' and 'material decrease' is subjective and too broad to be workable as an Obligation under the Code (we acknowledge this may be by design, to allow for different retailer approaches and different</p>	<p>We consider there are benefits in using consumption data to help identify customers who may be experiencing payment difficulties, as submitted by some consumer advocacy groups and other organisations. However, we acknowledge the concerns raised by retailers (in column 2), and some consumers (see below), with this proposed obligation.</p> <p>While most respondents to the consumer survey did not express concerns with retailers monitoring their electricity consumption, a significant minority (34%) did have concerns. These consumers often noted the potential for this to raise privacy concerns, and their ability to monitor their own consumption through apps.</p> <p>Taking this feedback into account, we have decided to remove subclause (1) at this stage, and instead have clarified, in clause 25(4), that consumption data <i>may</i> be used to help identify when customers may be experiencing payment difficulties. We encourage retailers to explore ways to identify and respond to indicators of potential hardship among payment support customers, in ways that do not involve systematic monitoring of all consumption changes. This approach respects consumer privacy and choice while balancing the costs and operational feasibility for retailers.</p> <p>We have retained subclause (2) and have moved it to clause 31 as it relates to customers on payment plans. We agree with ERANZ and Genesis that this clause should be revised to focus more clearly on the risk of bill shock. We have therefore made some changes to the drafting to reflect this, and we have also reduced the prescriptive obligations in this clause to make it</p>

	<p>situations). However, we suggest the Obligation should be narrowed to focus more tightly on the risk of bill shock. A better approach to mitigating bill shock would be to limit this requirement to apply to retailers running high bill exception reporting.'</p> <p>Independent Retailers submitted: 'We have substantive misgivings about the requirement to monitor customer consumption. We consider this clause is poorly/inefficiently targeted and should be deleted in its entirety. While the clause may be well meaning it is paternalistic and overly intrusive. We are cautious about anything that would suggest the retailer knows better who the customer should manage their own affairs. There are any number of reasons why a customer's consumption may change which has nothing to do with payment difficulties etc e.g. there can be changes in the number of household members, members of the household may be travelling out-of town/hospitalised for an extended period, and weather micro events (beyond normal seasonal changes) can mean large differences in electricity consumption, for example, between a mild (2024) and colder than normal winter (2023).'</p> <p>Mercury submitted: 'We agree there is high customer value in this proposition but it will require substantial work and we appreciate the acknowledgement that retailers must "work towards" having the capacity to monitor individual customer consumption. Could the Authority please clarify if smoothpay would be considered a payment plan for the purposes of monitoring changes in consumption?'</p> <p>Meridian submitted: 'Based on Meridian's experience working closely with customers in energy hardship, we do not think a material decrease in usage is a good indicator of hardship. For example, this criteria may lead to identification of baches and households that travel frequently. Meridian recommends that this subclause be deleted in its entirety on the basis that this information is insufficient to provide a clear indication that a customer is experiencing actual or anticipated payment difficulties.'</p> <p>Nova submitted: 'Nova maintains that aiming to monitor customer consumption, as per proposed clause 30, is excessively intrusive. This process involves complex analysis, incorporating a variety of other data and factors. For instance, consumption patterns can vary significantly with the use of certain appliances across different seasons or among different demographic groups (i.e. elderly individuals versus a family of six). Consequently, what constitutes a material change in consumption for one customer may not be so significant for another. Other scenarios where a change in consumption can occur include when the customer has visitors staying for a period, they go on holiday, a new person(s) moves in, someone moves out of the property, or they are doing house repairs or renovations. Having your energy company contacting you when your consumption goes up or down is likely to cause annoyance, create distrust around being monitored and upset some customers who may consider that their privacy is being breached. Nova provides a mobile App (Nova Hub) that provides</p>	<p>more workable and targeted to what meaningful assistance the retailer can provide.</p> <p>We have removed subclause (3) as we agree with submitters that decreases in electricity use are less helpful in identifying customers in need of assistance. As retailers noted, a reduction may be for a range of reasons and may not necessarily be an indicator of energy hardship.</p> <p>In response to Mercury's submission, we discuss whether Smooth Pay would qualify as a payment plan at clause 11A.2 (definition of payment options) above.</p>
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	<p>hourly, daily, monthly electricity usage data, This App is promoted to all our customers as a way to track usage and compare previous consumption patterns. Despite Nova's excellent track record of managing customer relationships with comparatively low disconnection rates, it believes that certain elements within the Obligations (i.e: clause 30) are impractical for full compliance without incurring excessive costs. As previously suggested, the authority could conduct spot audits of cases where customers are disconnected and carry out assessments of how each case was handled. This would be more cost effective than the current expectations in the proposed obligations.'</p> <p>Common Grace Aotearoa submitted: 'This is a helpful step to enable retailers to identify and support customers in hardship, or to identify customers who would be better off on a different plan.'</p> <p>Salvation Army submitted: 'Making this information available to customers via website or mobile apps would be added support. But a key reason is that the earlier that issues with hardship and payment can be identified, the less likely it is that customers will face the risk of hardship or disconnection. Pricing plans are source of hardship for people. The complex and untransparent way pricing plans are presented mean that frequently people are not on the most cost-effective plan for their living situation. One way to help would be to require retailers to monitor use and recommend the best plan based on that usage.'</p> <p>Disabled Persons Assembly NZ submitted: 'DPA agrees that full monitoring of a customer's electricity usage by retailers could help them identify and support customers in hardship or identify customers who would be better off on a different plan. Introducing greater monitoring requirements would particularly benefit disabled electricity customers. Providing this information via an electricity data right (as is also being proposed by the Authority) will empower consumers through having real time access to their user data, rather than in delayed time as at present. However, we seek to remind the Authority that it is important to acknowledge the digital divide and its disproportionate impact on disabled people. A Department of Internal Affairs report (2020) on digital access by disabled people showed that the disability community continue to experience a reduced ability to engage with digital and online services compared to non-disabled people.'</p> <p>Community Law Centres o Aotearoa (CLCA) submitted: 'there may be privacy issues, but we feel these are outweighed by the intent of this clause – to ensure all power consumers are on the correct power plan for their needs and for the energy retailer to ensure a consumer is contacted before disconnection happens. While we agree with the view that many consumers should be able to monitor their own usage through the use of online apps and by reading their bills, CLCA knows many whānau we work with are digitally excluded and or illiterate. Some other consumers may lack the understanding of what they are reading. If consumers have their power usage monitored and then are contacted if there is an issue identified, this</p>	
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	<p>should assist in early interventions rather than disconnections for our most at risk members of our communities. Our CLCs report regularly seeing clients with \$1000 power bills (as high as \$5000). The stress and mental health this causes the customer can be severe. The lack of contact by the energy retailer to the customer in these situations is uncaring and dismissive at best. Power usage monitoring should help in assisting the customer avoid this situation. CLCA would be interested in knowing how the energy retailer kaimahi help the whānau identify what is the best plan for them to be on, and whether independent and regular reviews of these decisions would be scheduled. Customers are guided by what they told is the best option for them by the retailer. Who monitors this? We think thought should be given to how this is monitored. Retailer reporting should be put in place to monitor why and when consumers are contacted by the retailer when the retailer has noticed something different in energy usage. Retailers may have to have a policy about this to ensure consistency across consumers.'</p>	
<p><b>31 Retailer's obligations in respect of customers on <del>with</del> payment support plans</b></p> <p>(1) If a <b>retailer</b> identifies a significant and sudden increase in consumption by a <b>customer</b> on a <b>payment support plan</b> that is not explained by circumstances of which the <b>retailer</b> is aware (including seasonal factors), the <b>retailer</b> must:</p> <p>(a) notify the <b>customer</b> of the change in consumption in order to avoid bill shock; and:</p> <p>(b) if appropriate, advise the <b>customer</b> of any <b>pricing plans</b> that the <b>retailer</b> reasonably expects would reduce the amount of the <b>customer's invoices</b> taking into account the increased consumption and any change in circumstances.</p> <p>(2)(4) A <b>retailer</b> must, for a <b>customer</b> on a <b>payment support plan</b>, monitor the <b>customer's</b> debt repayments at a frequency appropriate to the <b>payment support plan</b>.</p> <p>(3)(2) A <b>retailer</b> must contact a <b>customer</b> on a <b>payment support plan</b>:</p> <p>(a) if a part payment has been made, to assess whether the <b>payment support plan</b> should be reviewed; and</p> <p>(b) on a regular basis, and not less than once every <del>six</del> <b>three</b> months, to discuss with the <b>customer</b> whether their current <b>payment support plan</b> is meeting their needs.</p> <p>(4)(3) If a <b>customer</b> on a <b>payment support plan</b> indicates they are experiencing payment difficulties, the <b>retailer</b> must offer to:</p> <p>(a) discuss with the <b>customer</b> what the <b>customer</b> can afford in terms of repayments;</p> <p>(b) based on the discussion in paragraph (a), review the <b>payment support plan</b>; and</p> <p>(c) refer the <b>customer</b> to <del>1 one</del> or more <del>appropriate</del> <b>support agencies</b> offering <b>financial assistance</b>, financial mentoring services <del>or and</del> <b>electricity</b> efficiency advice <del>where appropriate</del>, with the <b>customer's</b> consent.</p> <p>(5)(4) A <b>retailer</b> must, within <del>5 five</del> <b>business days</b> of a <b>customer</b> on a <b>payment support plan</b> falling behind in their repayments, contact the <b>customer</b>, and:</p>	<p>Flick Electric submitted: 'Retailers each have their own processes in place in regard to customers on payment plans. The overly prescriptive nature of this would add cost to the retailers without adding any value for the customer.'</p> <p>Mercury submitted: 'We agree there is high value in offering support and early intervention under this clause 31. Given the increasing number of customers who are struggling financially and based on the directions outlined in the CCOs, there will be a significant increase in the volume of referrals to NGO's and other support agencies. Mercury would like to stress the importance of welcoming these NGO's and support agencies to the table to discuss whether they are they funded and staffed adequately to support the additional referrals and ongoing customer support? If not, we are likely to create further hardship by increasing debt while customers wait for support and place additional pressure on their support networks. Could the Authority please advise if finalised debt is to be included in the scope of clause 31? If yes, this would significantly extend our requests to NGO's. The Authority may not be aware that NGO's have advised us not to send finalised accounts to them (although our finalised team offer a 50% discount on overdue balances).'</p> <p>In relation to subclause (2)(b), Genesis submitted: 'The requirement to contact customers on a payment plan every three months to discuss whether the payment plan is meeting their needs is onerous relative to the benefit this Obligation is likely to achieve. We suggest reducing the frequency to a minimum of six months. Arguably, clause 31(2)(b) is unnecessary given the protections provided by clause 31(3), requiring retailers to engage customers if they indicate they are in payment difficulty.'</p> <p>In relation to subclauses (3)(c) and (4)(c), MSD submitted: "refer the customer to one or more appropriate support agencies offering financial mentoring services" ... MSD is a major source of knowledge of some of these services, such as those which provide access to microfinance loans.</p>	<p>New subclause (1) has been moved from clause 30(2) above (see discussion at clause 30 above)</p> <p>In relation to Mercury's submission, clause 31 is clear that it applies when a customer is on a payment plan, so it will not apply to someone who is no longer a customer of that retailer and whose account and debt has been finalised.</p> <p>We have also clarified the role of referrals to support agencies at subclauses (3)(c) and (4)(c) (now subclauses (4)(c) and (5)(c)) as discussed above at clause 27. We consider that these changes are flexible enough to anticipate referrals to MSD in order to make the best use of other support agencies who may only work on MSD referrals, and situations when making a referral is not appropriate.</p> <p>We have amended subclause (2)(b) (now subclause (3)(b)) to reduce the frequency for regular check ins with customers on payment plans. We agree with Genesis that this is appropriate given the protections in subclause (3) (now subclause (4)).</p> <p>We have not made any changes to subclause (4) (now subclause (5)). This imposes a strict obligation on retailers to contact a customer no later than five business days after a customer on a payment plan falls behind in their repayments. We consider this obligation is clear and workable.</p> <p>New subclause (6) replaces clause 5(b) and aligns with the obligation in clause 27 (see discussion at clause 5).</p>

<p>(a) inform the <b>customer</b> that they have fallen behind in their repayments;</p> <p>(b) offer to discuss with the <b>customer</b> what the <b>customer</b> can afford and to review the <b>payment support plan</b> if the <b>customer's</b> circumstances have changed;</p> <p>(c) offer to refer the <b>customer</b> to <del>1 one</del> or more <del>appropriate support agencies</del> offering <del>financial assistance</del>, financial mentoring services or <del>and</del> <b>electricity</b> efficiency advice <del>where appropriate</del>, with the <b>customer's agreement-consent</b>; and</p> <p>(d) explain the next steps if repayment is not made.</p> <p>(6) If a referral is made under subclause (3)(c) or (4)(c), or a <b>customer</b> advises the <b>retailer</b> that they have contacted a <b>support agency</b> directly, the <b>retailer</b> must:</p> <p>(a) advise the <b>customer</b> of the option to pause further steps in respect of any <b>payment support plan</b> repayments but that, if the <b>customer</b> selects this option, any pause could cause the <b>customer</b> to go into more debt with the <b>retailer</b>;</p> <p>(b) if the <b>customer</b> opts to pause further steps, wait 7 days before initiating the disconnection for non-payment process in clause 37; and</p> <p>(c) if the <b>retailer</b> is satisfied that the <b>customer</b> is making reasonable efforts to engage with the <b>support agency</b> or <b>agencies</b>, wait a further period of at least 7 days after the initial period has elapsed.</p>	<p>Some may be likely to only accept clients if they come referred by MSD. I recommend discussing this with Building Financial Capability at MSD.'</p> <p>In relation to subclause (4), FinCap submitted: 'Often optimism bias can see people commit to repayments that ultimately turn out to be unrealistic. The Proposed Obligations at 31(4) are critical for maintaining constructive communication between parties when this reality plays out. We recommend the Electricity Authority requires best endeavours for this contact if the current drafting does not already require that action or an even stronger standard.'</p>	
<p><b>32 Retailer obligations in respect of representatives</b></p> <p>A <b>retailer</b> must ensure its representatives who engage with <b>customers</b> about invoicing or debt <del>repayments-collection</del>:</p> <p>(a) receive appropriate training that includes:</p> <p>(i) building rapport with <b>customers</b>; and</p> <p>(ii) recognising signs of anticipated or actual payment difficulties when interacting with <b>customers</b>, including through review of changes in consumption as well as account history data; and</p> <p>(b) are able to provide targeted assistance to <b>customers</b> to help them avoid payment arrears or resolve payment difficulties as far as possible, including in relation to the matters specified in clause 27.</p>	<p>Flick Electric submitted: 'While our internal staff are trained in engaging with customers and building rapport, we have little control over the training of our external contractors e.g. debt collectors, and there would be privacy issues in sharing customer data with these representatives.'</p> <p>Independent Retailers submitted: 'We note the "representatives" may be either internal or 3rd party suppliers, such as debt collection agencies. This isn't entirely clear from the wording in the clause.'</p>	<p>The intent of this clause is to ensure that a retailer's representatives are adequately trained and authorised to provide appropriate support to the retailer's customers. This clause is not limited to employees of a retailer. If a retailer uses a third party such as an external contractor or call centre to engage with its customers in this capacity, it must ensure that those third parties also receive appropriate training.</p> <p>This clause is, however, limited to engagement with a retailer's customer. Where, for example, a retailer has terminated a contract with a customer and has engaged the services of a debt collector, this clause does not apply to that debt collection agency. Instead, debt collectors are subject to regulation under the Fair Trading Act 1986 and the Credit Contracts and Consumer Finance Act 2003. We have clarified the wording of this provision to make this clearer, replacing 'debt collection' with 'debt repayments', which is the wording used in clause 31 above.</p> <p>Our expectation is that, at this stage in the customer journey, where a retailer is working with a customer experiencing payment difficulties, engagement of third-party debt collection agencies is avoided, to provide customers with the opportunity for early intervention and support.</p>
<p><i>Obligations in respect of prepay customers</i></p>		

<p><b>33 Retailers to monitor the frequency and duration of prepay electrical disconnections</b></p> <p>A <b>retailer</b> must monitor the frequency and duration of <b>electrical disconnections</b> of <b>prepay customers</b>’ premises.</p>		
<p><b>34 Retailers to contact prepay customers</b></p> <p>(1) This clause applies if a <b>retailer</b> has a <b>prepay customer</b> and:</p> <p>(a) <del>the <b>retailer</b> identifies a significant and sudden increase in consumption that is the <b>customer’s electricity</b> consumption materially changes in a manner</del> not explained by circumstances of which the <b>retailer</b> is aware (including seasonal factors); or</p> <p>(b) the <b>prepay customer</b> runs out of credit frequently (for example, on average <del>1 one</del> day in <del>7 seven</del> days) or for relatively long durations (for example, for several days at a time).</p> <p>(2) Where this clause applies, a <b>retailer</b> must contact the <b>customer</b> and offer to:</p> <p>(a) discuss options with the <b>customer</b> that may reduce or avoid instances of <b>electrical disconnection</b>; and</p> <p>(b) refer the <b>customer</b> to <del>1 one</del> or more <b>support agencies</b> offering financial assistance, financial mentoring services or <b>electricity</b> efficiency advice where appropriate, with the <b>customer’s</b> agreement, <del>with the aim of ensuring the <b>customer</b> will be able to more consistently maintain their <b>electricity</b> supply.</del></p>	<p>Mercury submitted: ‘GLOBUG is working on systems to identify customers who may be experiencing hardship.’</p>	<p>We have made consequential changes to this clause to align with our approach under clause 31 and ensure a consistent set of expectations across post-pay and prepay customers where appropriate. See discussion at clause 31 above.</p>



## Consumer Care Obligations – Part 7: Disconnection and reconnection of residential premises

Draft provision (redlined changes since consultation)	Summary of issues raised in submissions	Response to submissions
<b>35 Purpose of this Part</b> This Part of the <b>Consumer Care Obligations</b> sets out obligations on <b>retailers</b> before, at and after <b>electrical disconnection</b> of <b>residential premises</b> , for the purpose of minimising harm to <b>residential consumers</b> caused by insufficient access to <b>electricity</b> .		
<i>Disconnecting post-pay customers for non-payment of invoices</i>		
<b>36 Disconnection a measure of last resort</b> A <b>retailer</b> must use best endeavours to ensure that <b>electrical disconnection</b> of a <b>post-pay customer's</b> premises for non-payment of <b>invoices</b> is a measure of last resort.	<p>Mercury submitted: 'Mercury has proactively adopted a policy of no disconnections for arrears where a customer is experiencing payment difficulties, except in the case of fraud or criminal activity; dangerous activity that creates risk for the network; sites that are shown in our system as occupied but now vacant; or for health and safety concern. Disconnection is always a measure of last resort for us after attempting to work with customers in other ways eg NGO and third party support. Since June 2024, we have had zero credit disconnections.'</p> <p>Independent Retailers submitted: 'Does the Authority consider disconnection or engaging a debt collection agency a measure of last resort? Does the Authority intend that disconnection should be applied after (as implied by "last resort") pursuing other means to obtain payment such as debt collection agencies or court orders?'</p>	<p>We have not made any changes to this clause. This wording reflects a long-standing expectation that dates to the earlier Guideline on arrangements to assist vulnerable consumers. The reference to 'best endeavours' here records our expectation that retailers will take all possible courses of action to fulfil the stated objective, but within practical limits. This should not, therefore, be interpreted as a blanket requirement to recover debt through court proceedings, or engage debt collection agencies before proceeding with disconnection, as such actions are unlikely to be practical or in the consumer's best interests in every case.</p>
<b>37 Conditions for disconnection for non-payment</b> (1) A <b>retailer</b> must not <b>electrically disconnect</b> a <b>post-pay customer's</b> premises for non-payment of an <b>invoice</b> , unless: (a) the <b>retailer</b> has the right to <b>electrically disconnect</b> the premises under its contract with the <b>customer</b> ; (b) the <b>retailer</b> has complied with all relevant and applicable obligations in Part 6 of the <b>Consumer Care Obligations</b> ; (c) if any unpaid <b>invoice</b> uses an <b>estimated reading</b> , the conditions in clause 38 are met; (d) the <b>customer</b> : (i) has not agreed to a <b>payment support plan</b> ; or (ii) is not substantially adhering to a <b>payment support plan</b> ; (e) the <b>retailer</b> has used its best endeavours to satisfy itself that the <b>customer</b> , and any <b>residential consumer</b> who permanently or temporarily resides at the <b>customer's</b> premises, is not a <b>medically dependent consumer</b> ; (f) the <b>retailer</b> has: (i) made at least <del>5</del> <b>five</b> separate attempts to contact the <b>customer</b> <del>to inform them of the pending electrical disconnection of their premises;</del> (ii) issued the <b>customer</b> with an initial notice of disconnection, no earlier than 28 days after the <b>invoice</b> was issued; and (iii) issued the <b>customer</b> with a final notice of disconnection, which must be issued:	<p>This clause received significant feedback which is summarised below for ease of reading. Please refer to the submissions on the website for full context.</p> <p>Genesis submitted 'The communication requirements in clause 37 are costly, and the benefits can be limited particularly where customers are unresponsive. We note signed courier letters do not guarantee the customer has received the letter, and in our experience a significant number of courier letters are returned unsigned. We suggest the requirement to attempt in-person contact under clause 37(2)(c) could be removed, and that the costs of doing so would not outweigh the benefits. We also urge the Authority to allow text messages and emails, provided they have read receipts, as forms of traceable contact under clause 37(3). We note the requirement to send courier packs to uncontracted premises currently costs Genesis around \$50,000 per annum, with relatively low levels of response or success rates.'</p> <p>ERANZ submitted (in relation to this clause and clause 43): 'These clauses are the highest compliance cost clauses of the proposed Code changes, yet the evidence of effectiveness is mixed. For example, the requirement to use in-person visits or signed courier letters to warn of disconnections is costly, impractical, and ineffective - especially when customers are already unresponsive to multiple previous contact attempts. Signed courier letters are not a guarantee that the account holder has received the letter. In</p>	<p>Submissions on this clause identified a strong divergence in views among retailers and consumer advocacy groups and other organisations, in particular on the cost and benefits of in-person visits to customers prior to disconnection.</p> <p>We accept that there are challenges in codifying these recommendations from the Guidelines. We note submitters' concerns around prescribing certain forms of communication such as 'traceable' forms of contact that might produce false positives – delivered/read receipt confirmations or signed courier deliveries might not be a good indicator that a customer has in fact read and understood the communication. We also note submitters' concerns about mandating a requirement for a representative to visit a customer's premises, when this might create health and safety risks and add significant cost to retailers' operations.</p> <p>Considering the significant feedback received, we have made some changes to the steps retailers must take before disconnecting a post-pay customer for non-payment, to provide more operational flexibility for retailers to choose the best way to comply with the obligation to make five contact attempts before proceeding with a disconnection.</p>

<p>(A) only after an initial disconnection notice has been issued and the <b>retailer</b> has not received payment in full, or in accordance with a <b>payment support plan</b>;</p> <p>(B) no earlier than 44 days after the <b>invoice</b> was issued;</p> <p>(C) no less than 24 hours or more than 10 days before <b>electrical disconnection</b>; and</p> <p>(iv) in the case of a physical <b>electrical disconnection</b>, ensured that <b>information on how to contact the retailer to reconnect the premises</b> <del>a copy of the final notice of disconnection</del> is provided to the <b>customer</b>, or left at the <b>customer's</b> premises, by the person visiting the premises to action the <b>electrical disconnection</b>; and</p> <p>(g) following the contact attempts required by paragraph <del>(4)</del>(f)(i), the <b>retailer</b> has not received payment in full for the <b>invoice</b> or <b>invoices</b>.</p> <p>(2) The contact attempts required under <del>subclause-subparagraph</del> (1)(f)(i) <b>must</b>:</p> <p>(a) <del>include at least three contact attempts using the customer's preferred communication channels, and</del> may comprise up to 3 the <del>three</del> attempts <del>made required</del> under clause 26(2)<del>(4)</del>(b); and</p> <p>(b) except for the contact attempts <del>made required</del> under clause 26(2)<del>(4)</del>(b), <b>must</b>:</p> <p>(i) seek to explain the pending <b>electrical disconnection</b> of the <b>customer's</b> premises and the potential consequences of not responding to the <b>retailer's</b> contact attempts in a manner the <b>customer</b> is reasonably likely to understand, having regard to any relevant <b>communication</b> information recorded about the <del>customer's communication preferences</del> under clause 15; and</p> <p>(ii) <b>use communication channels that are reasonable in the circumstances and which the retailer reasonably considers are most likely to result in the relevant information being communicated to the customer, which may include phone calls, emails, posted letters or a representative of the retailer visiting the customer's premises, subject to any health and safety risks to the representative, the customer or any other person at the premises.</b></p> <p><del>(c) subject to subclause (3), include at least one contact attempt through a representative of the retailer visiting the customer's premises for the purpose of contacting the customer about the non-payment of an invoice.</del></p> <p><del>(3) Subclause (2)(c) does not apply if the retailer uses and successfully completes at least one traceable form of communication with the customer (which may include a phone call which is answered by the customer, an in-app message with a read receipt or a courier letter which is signed by the customer).</del></p>	<p>retailers' experience, letters are left in mailboxes, returned to sender, or refused to be signed for. ERANZ recommends the Code does not specify high-cost yet ineffective types of communications channels; instead, retailers should be required to use communications channels that either the customer prefers, has used successfully in the past, or can be proven to have been received, such as in-app messages with read receipts.'</p> <p>Mercury submitted: 'The prescriptive nature of the requirements at clause 37 risk putting customers in a less desirable position than with Mercury's current processes. For example, we have concerns regarding the "preferred method of communication". Many customers opt for email but do not keep their email addresses up to date with Mercury. In our view, it is more customer centric to attempt contact using all methods possible, with attention to that customer's preference but not being limited to that. Our customers are different and therefore solutions must be individual and shaped to their needs - for some customers this means more contact, for others the preference or need is less, and the methodology needs to meet their specific needs rather than being prescribed at this level. We reiterate our view expressed above that the Authority should build a mechanism in to the CCOs to enable retailers to demonstrate that their process meets the intended outcome of 11.A1 and the relevant clause.'</p> <p>Meridian submitted: 'Meridian considers an email that has been sent to an email address provided by a customer and which has not bounced, should be considered as successful completion of a traceable form of communication. We recommend this further example is added to the list of examples provided in clause 37(3).'</p> <p>In relation to subclause (1)(e), Independent Retailers submitted: 'We consider that if the retailer has met the requirements of clauses 40, 41, 43 44, 54 and 55 then they should be deemed to have made best and reasonable endeavours making clauses 37(1)(e) and 68 unnecessary.'</p> <p>In relation to subclause (1)(f)(iii), Independent Retailers submitted: 'Does requiring 44 days before final notice of disconnection (clause 37) provide an optimal balance between efficiency and consumer protection, or an optimal balance between the risk of disconnection and the risk of accumulating excessive debt that the customer will have difficulty managing and paying back? We would question, for example, whether a 44 minimum would be superior to, say, a minimum of 30 days, even if in reality the actual time-period for most customers may be longer. A 30-day minimum would allow a more case-by-case approach. It would allow retailers to better manage the debt situation of customers that are already having payment difficulties and, may, for example have moved to a week-by-week payment arrangement to help manage payments. It would also better allow addressing customers that don't engage/have built up a large debt.'</p> <p>In relation to subclause (1)(f)(iv), Independent Retailers submitted: 'The Obligations should not require "the person visiting the premises to action the electrical disconnection" is the person that provides the customer with a copy</p>	<p>These changes aim to maintain consumer protection by ensuring customers are properly informed and have a reasonable opportunity to respond before they are disconnected, while allowing more operational flexibility and reducing prescription where it carries a significant operational cost. While we acknowledge the submissions from consumer advocacy groups and others on the importance of in-person visits, we consider these changes will best support retailers to adopt the most appropriate communication channels based on specific circumstances, aiming to encourage adequate and fit-for-purpose engagement.</p> <p>We have amended subclause (2) to require retailers to use communication channels that are 'reasonable in the circumstances and which the retailer reasonably considers most likely to be successful'. We intend this wording to address the workability concerns raised by submitters and give retailers more flexibility to use communication methods that are suitable in the circumstances, having regard to both the individual circumstances of the customer and the business's wider operations.</p> <p>We agree with Toast that it would be beneficial to understand further how retailers engage with customers facing disconnection, including when visiting a customer's premises. The annual compliance reporting framework will provide an opportunity for us to seek more information from retailers on how they contact consumers facing disconnection in order to meet their obligations under subclause (2), and we will consider doing so in due course.</p> <p>In relation to other submissions on this clause, we have amended subclause (2)(f)(iv) to clarify that the technician performing the electrical disconnection must only leave information on how to contact the retailer to reconnect the premises. This could be left in the mailbox if the customer is not present or there are health and safety risks that would prevent this.</p> <p>We have made a consequential amendment to subclause (2)(a) to reflect the decision to remove the requirement to record and use 'preferred' communication channels (see clause 15 above). We have also clarified in subclause (2) that the contact attempts required under subclause (1)(f)(i) may include up to three contact attempts performed under clause 26.</p> <p>We address Mercury's submission in relation to alternative actions in the decision paper.</p>
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	<p>of the final notice of disconnection. Retailers should have discretion to use staff with the type of training reflected in clause 32 or the 32(3)(c) representative to provide the customer with a final notice.'</p> <p>In relation to subclause (1)(f)(iv), Contact submitted: 'The requirement to provide a physical invoice upon physical disconnection is problematic... This requirement has a number of challenges that make it unworkable:</p> <ul style="list-style-type: none"> <li>• As with the requirement above to visit a consumer's property it would put the technician in a challenging situation, risking their physical safety.</li> <li>• There is a significant privacy risk if the technician accidentally provides the wrong letter to the client. They will likely have a number of letters on them at any one time, and as it is a human process, there is a high chance of error.</li> <li>• The administrative burden of implementing this would be significant. For privacy reasons the technician would not be able to print the letters themselves, so the retailer would need to print and seal a set of letters, and send them to the technician's office, creating a number of extra process steps, and costs ultimately borne by the consumer.'</li> </ul> <p>Contact proposed that: 'instead of the technician leaving individualised final warning notices that they instead leave an information sheet in the letterbox saying that they have been, and how to contact their retailer to get reconnected. This would ensure that the customer understands what has happened, and how to get reconnected, which appears to be the intent of the obligation. However, it would have significantly lower privacy risk and would have a much lower administrative burden, and therefore cost to the consumer.'</p> <p>In relation to subclause (2)(a), Independent Retailers recommended further clarification that the three contact attempts under clause 26 can count towards the five contact attempts under subclause (1)(f)(i): 'The problem though is that the clause 37 contacts are to inform the customer of pending disconnection, but the clause 26 contact is at the earlier non-payment of invoice stage. The clause 26 contacts would not therefore qualify as "attempts to contact the customer to inform them of the pending electrical disconnection of their premises" and so would not quality as 3 of the 5 contacts under clause 37 UNLESS the retailer started threatening disconnection early in the non-payment process which is presumably not the Authority's intention. What this means is that the proposed Obligations would necessitate up to 8 attempts to contact the customer before disconnection can occur. We consider this to be inefficient and excessive...'</p> <p>In relation to subclause (2)(c), Toast submitted 'The outcome of this clause is to satisfy the retailer that a customer who is at risk of disconnection is fully aware of the pending disconnection and has been given opportunity to respond. Practically there are situations where a customer will either not respond to any communications in 37:3. So this then obliges the retailer to conduct a physical visit by a representative. We note that the physical visits to a customer facing disconnection may be delivered by a wide range of local</p>	<p>We have not made any changes to the timeframes in this clause. The 44-day minimum period is, we consider, a key protection and provides a reasonable period of time for customers to engage with their retailer to prevent disconnection.</p> <p>In relation to medically dependent consumers, we have made changes discussed below to clarify retailers' obligations in different circumstances to ensure that retailers are not required to unnecessarily repeat the same enquiries. We have not otherwise made any changes to subclause (1)(e) as we consider this is an important protection.</p>
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	<p>representatives with likely inconsistencies in approaches and quality. As part of the annual CCO reporting we favour documentation of this process including the organisations delivering the site visit.'</p> <p>In relation to subclause (2)(c), Independent Retailers submitted: 'The clause should clarify that this may include the person visiting the premises to action the electrical disconnection if clauses 37(1)(f)(iv) stands.'</p> <p>In relation to subclauses (2)(c) and (3), Contact submitted: 'Requiring retailer visits to a property prior to disconnection will be a poor outcome for consumers... We do not consider that we will be able to successfully use a traceable form of contact for customers who do not wish to engage with us. In practical terms email read-receipts are not reliable as there are often false positives, and can easily be ignored by customers who do not want to engage. We expect similar challenges for signature required post packages, and we already know some customers do not answer our calls. That means that these clauses effectively require all retailers to have in place a team of people that visit customers who are unwilling to engage with us in other ways. We have two serious concerns with this:</p> <ul style="list-style-type: none"> <li>• Most importantly it would create significant risk for the retailer's representative visiting the property. Some customers who have reached disconnection will be verbally and physically abusive to any representative from a retailer. We are not confident that we can ensure the safety of our staff or contractors to undertake that function.</li> <li>• This requirement is likely to impose significant additional costs. Around 90% of all disconnections and reconnections are performed fully remotely, implementing this requirement would add the full costs of property visits; it would not be incremental to existing visit requirements. It will therefore require all retailers to set up representatives across the country, or pay the representative to travel significant distances for some customers. We expect that this will have a material negative impact on consumers for two reasons: <ul style="list-style-type: none"> <li>○ We recently implemented a policy to not charge for disconnections or reconnections related to debt. We would not be able to retain this policy if this significant cost were imposed on us, we would have to move back to some sort of user fee, either to all disconnections, or specifically to those customers who we are required to send a representative to. We are happy to talk to the Authority about the costs of this service and why we would not be able to absorb it.</li> <li>○ It may encourage some retailers to not offer services in certain regions if they are harder to reach with a physical representative. This reduction in competition is likely to be a significant detriment to these consumers. ....'</li> </ul> </li> </ul> <p>Contact further submitted that: 'If the Authority considers that a similar programme [to Australia's 'Knock to Stay Connected' trial] is important in New Zealand it should be properly designed to meet the often complex mix of needs of customers who are unable to pay for their electricity bills. We</p>	
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	<p>propose a separate programme is designed together with the Ministry of Social Development...'</p> <p>In relation to subclause (3) and clause 43(1)(iii), FinCap submitted: 'Couriers are paid in a way that incentivises them to rush to doors and request a quick signature from anyone answering, without an open interaction. A message opened on an app does not reflect it having been read. A very brief phone call that is answered but quickly ended does not provide time for conversation around assistance to avoid a disconnection that could pose a safety risk. Having these as tick boxes that retailers can utilise to move to disconnection does not reflect drafting that adequately considers the challenges faced by whānau unable to make payments. FinCap recommends that 37 (3) &amp; 43(1)(iii) remove courier letters and in app messages and also set a higher threshold for recorded phone calls where assistance under part 6 is clearly offered.'</p> <p>In relation to subclause (3) and clause 43(1)(iii), CAB submitted: 'A message opened on an app does not necessarily reflect it having been read. A very brief phone call that is answered but quickly ended does not provide time for conversation around assistance to avoid a disconnection that could pose a safety risk. Having these as tick boxes that retailers can utilise to move to disconnection does not reflect drafting that adequately considers the challenges faced by whānau unable to make payments. We recommend that 37 (3) &amp; 43(1)(iii) remove courier letters and in app messages and also set a higher threshold for recorded phone calls where assistance under part 6 is clearly offered.'</p> <p>In relation to subclause (3), Independent Retailers submitted: 'The clause should clarify successful communication includes an open read receipt from an e-mail.'</p> <p>UDL submitted: 'UDL suggests consideration be given to including an obligation in paragraph 37 for a retailer to send a physical copy of a disconnection notice to the customer's premises before progressing to disconnection for non-payment. In UDL's experience, complainants often express a preference to have multiple points of contact from a retailer before a disconnection takes place.'</p> <p>Common Grace Aotearoa submitted 'Please add in a requirement for companies to visit every customer before disconnecting them. Disconnecting without visiting a property can be dangerous. Other forms of contact, such as signed courier letter, answered phone call or read in-app message may not provide the full picture of what is going on. Customers, especially if highly stressed, may not read courier letters even if they receive them. A fleeting glance at a message-app may not mean the customer has engaged with the message properly. It is important that the company visit before disconnecting.'</p> <p>Disabled Persons Assembly submitted: 'digital access by disabled people showed that the disability community continue to experience a reduced ability to engage with digital and online services compared to non-disabled</p>	
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	people. That is why we prefer that other means of contact are used by companies including and up to in person home visits to ensure that disabled customers are not disconnected.'	
<p><b>38 Additional conditions for invoices using estimated readings</b></p> <p>(1) A <b>retailer</b> must not <b>electrically disconnect</b> a <b>post-pay customer's</b> premises for non-payment of an <b>invoice</b> that uses an <b>estimated reading</b> unless the <b>retailer</b> is reasonably satisfied that:</p> <p>(a) the <b>estimated reading</b> used in that <b>invoice</b> is a reasonable estimation of actual consumption; and</p> <p>(b) at least <del>1 one</del> of the following applies:</p> <p>(i) a <b>meter reading</b> is not available due to:</p> <p>(A) the <b>customer</b> obtaining <b>electricity</b> by or involving deception; or</p> <p>(B) vandalism; or</p> <p>(C) an issue with the <b>metering installation</b>;</p> <p>(ii) the <b>retailer</b> cannot obtain a <b>meter reading</b> due to its, or another person's, obligations under the Health and Safety at Work Act 2015; or</p> <p>(iii) both of the following apply:</p> <p>(A) the <b>customer</b> has, for at least <del>20 40-business days</del>, <b>failed to respond to or refused requests from</b> <del>refused</del> the <b>retailer</b>, or the <b>retailer's</b> agent, <b>for</b> access to a <b>metering installation</b> at the <b>customer's</b> premises for the purpose of <b>obtaining a meter reading or</b> carrying out a <b>metering installation</b> repair, replacement or certification; and</p> <p>(B) the <b>retailer</b> does not accept any <b>meter reading</b> provided by the <b>customer</b> because any of the circumstances in subclause (2) apply.</p> <p>(2) The circumstances referred to in <del>subclause-subparagraph</del> (1)(b)(iii)(B) are:</p> <p>(a) the <b>meter reading</b> does not lie within an acceptable range compared with the expected pattern, previous pattern or trend of consumption;</p> <p>(b) the <b>meter reading</b> does not relate to that <b>customer</b>;</p> <p>(c) the <b>customer</b> does not provide sufficient information to enable the <b>retailer</b> to identify the <b>meter</b>; or</p> <p>(d) the <b>customer</b> supplies a cumulative <b>meter</b> register reading when the <b>retailer</b> requires absolute half-hourly <b>meter readings</b> that are only available electronically.</p>	<p>FinCap submitted: 'Pre-pay customers should not be disconnected on an estimated reading just like post-pay customers. We recommend the Proposed Obligation at 38 is extended to pre-pay customers too.'</p> <p>In relation to subclause (1)(b), Meridian submitted: 'A further instance that will require using an estimated reading is where the customer does not respond to our communications requesting access for a meter reading. Meridian recommends that this be added as a new sub-clause (D).'</p> <p>In relation to subclause (3)(a), Independent Retailers submitted: '40 business days is excessive and inefficient. It is well over the 44 days in clause 37(1)(f) for disconnection. Then 40 business day period could undermine consumer protection by resulting in the customer building up a large debt they may then have difficulty repaying.'</p>	<p>This clause applies to post-pay customers only because they are invoiced for electricity they have consumed, whereas prepay customers pay in advance. Clause 51 provides that a prepay customer cannot be disconnected unless they have run out of credit for electricity supply.</p> <p>We agree that this clause should anticipate situations where a customer does not respond to requests for access for a meter reading, and also that the timeframe in this clause should be better aligned with the timeframe for disconnection in clause 37. We have amended subclause (1)(b)(iii)(A) accordingly, reducing the period to 20 business days which will ensure that debt does not accumulate to unsustainable levels, while still allowing a reasonable amount of time for customers to provide access to the meter.</p>
<p><b>39 Failure to disconnect within timeframe</b></p> <p>If a <b>retailer</b> does not <b>electrically disconnect</b> a <b>customer's</b> premises within the timeframe set out in a final notice of disconnection, <del>the retailer must:</del></p> <p>(a) <del>the retailer must,</del> before <b>electrically disconnecting</b> the premises, issue a further final notice of disconnection; and</p> <p>(b) <del>issue that notice no less than 24 hours or more than 10 days before electrical disconnection-clause 37 applies to that final notice of disconnection.</del></p>	<p>Flick Electric submitted: 'We believe issuing another final notice will have an adverse effect on the customer as the overdue amount will increase. This requirement can be achieved by advising the customer of the new disconnection date.'</p>	<p>We have clarified retailers' obligations under this clause, which is simply to give the customer at least 24 hours' notice of the revised disconnection time. This should prevent confusion and minimise the customer accruing further debt while ensuring the customer has reasonable notice of disconnection, to ensure they can make the appropriate arrangements.</p>

<p><b>40 Notices issued to a post-pay customer</b></p> <p>(1) Any notice issued to a <b>post-pay customer</b> under this Part of the <b>Consumer Care Obligations</b> must be in writing <b>and include information about how to contact the retailer to discuss payment of the debt.</b></p> <p>(2) <del>and contain</del> The following information <b>must be included in at least 1 notice issued under this Part:</b></p> <p><del>(a) — contact details of persons who can be contacted to discuss payment of the debt;</del></p> <p>(a)(b) a statement that, if the <b>customer</b> makes contact with the <b>retailer</b> before the point of <b>electrical disconnection</b>, the <b>retailer</b> will actively work with them to resolve any payment difficulties and avoid <b>electrical disconnection</b> occurring, even if the <b>customer</b> has failed to act on prior attempts by the <b>retailer</b> to engage with them;</p> <p>(b)(e) information regarding <b>payment options</b> available (which may include Smooth Pay or redirection of income);</p> <p>(c)(d) information regarding the <b>retailer’s</b> internal dispute resolution process and the dispute resolution scheme identified under clause 3 of Schedule 4 of the <b>Act</b>;</p> <p>(d)(e) details of all <b>fees</b> that must be paid:</p> <p>(i) in the event of <b>electrical disconnection</b>; and</p> <p>(ii) if <b>electrical disconnection</b> occurs, in order for the <b>customer’s</b> premises to be <b>reconnected</b>;</p> <p>(e)(f) contact details of Work and Income <del>or one or more other support agencies from which the customer may seek assistance with arranging payment of the debt</del>; and</p> <p>(f)(g) where to obtain information on how to apply to be recorded as a <b>medically dependent consumer</b> and a summary of what it means to be a <b>medically dependent consumer</b>.</p>	<p>Mercury submitted: ‘Mercury’s Friendly Reminder Notice (FRN), or first notice, is compliant with this section. However, we believe that the following notices we issue should not just be repetition of the FRN. They should offer substantial and helpful information that is relevant at each stage of the credit cycle and in our view information regarding payment options (40(c)) should not have to be covered in the second and final disconnection letters. We recommend the Authority consider whether it is effective to send repetitive notices if they are not effective the first or second time and redraft clause 40 to give retailers some discretion as to content provided minimum requirements are met. Again, we reiterate our request that the Authority should build a mechanism in to the CCOs to enable retailers to demonstrate that their process meets the intended outcome of 11.A1 and the relevant clause. We also do not think it is reasonable for a representative to have to provide details of support agencies other than WINZ at 40(f). Every customers situation is different, and we cannot be asked to pick one or two for support agencies. We should be more focused on connecting with the customer as a retailer and then on the back of the connection refer customers to supporting agencies once we know their situation and what support is needed.’</p> <p>Meridian submitted: ‘Meridian does not consider it is appropriate or helpful to include a reference to disconnections in every notice we issue to a customer relating to the payment of debt. For example, we may choose to only include such a reference from a customer’s second reminder (ie first disconnection notice) onwards as we do not consider it appropriate to refer to disconnections when a customer may have simply missed a payment and their first reminder due to, for example, being overseas on holiday. Meridian recommends this clause is amended to provide retailers with the flexibility to decide when to advise customers of the possibility of disconnection in accordance with their own debt recovery process.’</p>	<p>Clause 40 applies to notices issued under Part 7 of the Obligations and does not apply to reminder notices issued under clause 26 (in Part 6) of the Obligations, which will be the first notices issued to a customer after a missed payment.</p> <p>That said, we accept submitters’ concerns that repeating the same detailed information in every notice issued under this Part (including initial notices of disconnection and final notices of disconnect) may not be the best way of encouraging customers to engage with their retailer. We agree that retailers should have the flexibility to provide information that is most relevant and helpful to the customer’s current situation. We have amended this clause to clarify that the information in this clause must be provided in at least one notice issued under this Part. This will give retailers flexibility to decide when in the process it provides what information to its customers. The one exception is information as to how to contact the retailer, which we consider needs to be included in every notice issued under this Part.</p> <p>We have also amended subclause (2)(e) (previously (f)) to remove reference to other support agencies. We accept that any referral to support agencies should be something that is discussed with customers directly and this is provided for in Part 6 of the Obligations.</p>
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<p><b>41—Visits to a post-pay customer’s premises</b>  <del>A retailer must ensure that any representative of that retailer visiting a post-pay customer’s premises for the purpose of contacting the customer about the non-payment of an invoice:</del></p> <p><del>(a) uses reasonable endeavours to contact the customer, having regard to any health and safety risks to the representative, the customer or any other person at the premises;</del></p> <p><del>(b) if contact is made with the customer:</del></p> <p><del>(i) advises the customer to contact the retailer, including, if necessary, providing information relevant to the customer’s situation to enable this (which may include details of how to contact the retailer if the customer has no phone or internet access);</del></p> <p><del>(ii) informs the customer that, if they make contact with the retailer before the point of electrical disconnection, the retailer will actively work with them to resolve any payment difficulties and avoid electrical disconnection occurring, even if the customer has failed to act on prior attempts by the retailer to engage with them;</del></p> <p><del>(iii) provides contact details for one or more support agencies from which the customer could seek financial mentoring services or electricity efficiency advice; and</del></p> <p><del>(iv) uses reasonable endeavours to ascertain whether there are any reasons why the electrical disconnection should be put on hold (which may include that there is, or may be, at least one medically dependent consumer residing at the premises, there is a dispute in progress between the customer and the retailer, or the customer provides reasonable evidence to show they are making genuine efforts to arrange payment of the debt); and</del></p> <p><del>(c) maintains and provides the retailer with a reasonable record of the matters in paragraphs (a) and (b) above.</del></p>	<p>Flick Electric submitted: ‘This clause does not add value and is workably impractical. This clause would require external contractors to implement new training processes that cover these requirements, and we question whether it is reasonable to expect them to undertake this level of customer contact. At present, we have little control over the training of our external contractors. We also believe there would be privacy issues in sharing customer data with these representatives. Furthermore, as part of the debt collection process, the retailer will have already informed the customer of this information in written communication, and all avenues will have been exhausted prior to sending a representative to site. Requiring this process to be repeated at the customer’s premises by an external contractor is unlikely to have any further impact.’</p> <p>In relation to this clause and clauses 43 and 44, Independent Retailers submitted: ‘If the site visit can be the contractor visiting for disconnection then the requirements on what they have to discuss with the customer go past the realm of what their role and responsibility is. We question the appropriateness of requiring the contractor to discuss support agency options with customers and believe that these clauses need to be reviewed to avoid unnecessary site visits and costs.’</p> <p>Mercury submitted: ‘Through TRM and our other NGO Social Partnerships, we are almost fully compliant with clause 41 however the requirement at 41(b)(iii) to add in contact details of an agency to support with financial mentoring and electricity monitoring is likely to come across as condescending and judgmental. Some customers are already overwhelmed with a third party attending their property on behalf of Mercury, so bringing in another party may not be beneficial. We recommend that this requirement be considered on a case by case basis, not applied as a general rule. We also need to recognise the value and power of the NGO’s we engage with - they know their communities better than us and are making a commitment to support our mutual customers and are far better equipped to gauge customer need than Mercury are. If they assess a customer as needing financial mentoring or energy coaching they have the freedom to do so, we should not be placing this obligation on them where it may be detrimental to the customer or Mercury/NGO relationship with that customer. The focus throughout the CCO’s should be achieving outcomes that are mana enhancing practices for our customers and our social partners.’</p> <p>Meridian submitted: ‘When a contractor makes contact with a customer on a site visit for non-payment purposes, it will not always be possible for the contractor to discuss all of the items listed under clause 41(b). In some cases, customers simply do not want to talk to the contractors. Meridian recommends adding the wording “to the extent possible” at the start of clause 41(b) to give contractors the flexibility to discuss as much as they can with the customers, taking into account the circumstances of each visit.’</p>	<p>This clause complemented the recommended actions in the Guidelines relating to visits to a customer’s premises prior to disconnection. Given the decision not to require in-person visits, for the reasons discussed at clause 37 above, this clause is no longer necessary. We have instead incorporated the relevance of health and safety risks to representatives in clause 37 above.</p> <p>We also note that the obligations in paragraph (b) are largely provided for elsewhere in the Obligations. For example, information similar to that in sub-paragraph (b)(i) and (ii) must be provided in all notices issued under this Part under clause 40, and in relation to sub-paragraph (b)(iv), clause 45 already provides that a retailer must not disconnect a premises if a medically dependent consumer is residing at the premises or if the customer disputes the relevant charges. We are also satisfied that deleting the reference to contact details for support agencies in sub-paragraph (b)(iii) is appropriate, as we agree with Mercury that the potential to contact support agencies should be something that is discussed with customers where that is relevant to their circumstances, and this is provided for in Part 6 of the Obligations.</p>
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<p><b>42 Restriction on disconnection for non-payment by distributor</b></p> <p>(1) This clause applies if a <b>distributor</b> directly invoices <b>residential consumers</b> for <b>distribution</b> services.</p> <p>(2) A <b>distributor</b> must not <b>electrically disconnect</b> a <b>residential consumer's</b> premises for non-payment in respect of <b>distribution</b> services if that <b>distributor</b> has been notified of an application or a decision to record a person as a <b>medically dependent consumer</b> in relation to those premises under clause 58.</p> <p>(3) A <b>distributor</b> must not otherwise <b>electrically disconnect</b> a <b>residential consumer's</b> premises for non-payment in respect of <b>distribution</b> services unless the <b>distributor</b> has provided at least <b>5 five business days'</b> notice to the <b>retailer</b> who is the <b>trader</b> recorded in the <b>registry</b> as being responsible for the relevant <b>ICP</b>.</p>	<p>ENA submitted: 'The proposed code amendment doesn't clearly state that clause 42 is only applicable to distributors that invoice residential consumers directly.... ENA recommends the heading for clause 42 be amended to "Restriction for distributors who invoices residential consumers directly on disconnections for non-payment." 42(1) could be amended to clarify that it is for distributors who invoice residential consumers directly. For example: "A distributor that invoices residential consumers for distribution services directly must not electrically disconnect a residential consumer's premises for nonpayment..." Under clause 11A.3, ENA recommends adding a paragraph to clarify this point further. For example, "Every distributor who invoices residential consumers directly must, in addition to the clauses set out in (2), also comply with clause 42." In addition, under clause 11A.3(2), remove "42" as it refers to every distributor.'</p> <p>Network Waitaki submitted: 'Network Waitaki, similar to the majority of Electricity distributors invoice retailers for network services, i.e. they do not invoice residential consumers directly. Recommendation: Clause 42 should clarify that this applies to Electricity Distributors that directly invoice residential consumers.'</p> <p>Orion submitted: 'Orion agrees in principle with the ENA submission.'</p> <p>Unison and Centralines submitted: 'Clarify clause 42 is applicable only to the distributors who directly bill ICPs proposed to be classed as residential customers. Amend the clause to include "distributor that directly invoice residential consumers for electricity lines services".'</p> <p>Waipā Networks submitted: 'Most Distributors, including Waipā Networks, have an interposed arrangement for distribution services where these are billed to the Retailer. This clause therefore needs revision to clarify that it refers only to Distributors who have a direct billing relationship with consumers for the provision of distribution services.'</p>	<p>We do not consider that this clause as drafted created any ambiguity, as a distributor will only be able to disconnect for non-payment if they have in fact invoiced a residential consumer directly and have not received payment. However, we have made this clearer in the Code drafting to address submitters' concerns and remove any doubt. We do not consider clause 11A.3 requires amendment as that clause simply requires distributors to comply with clause 42, and clause 42 will only impose an obligation when new subclause (1) is met.</p>
<i>Disconnecting uncontracted premises</i>		
<p><b>43 Disconnection of uncontracted premises</b></p> <p>(1) A <b>retailer</b> must not <b>electrically disconnect uncontracted premises</b>, unless:</p> <p>(a) the <b>retailer</b> has confirmed that the premises are not being switched to another <b>retailer</b>; <del>and</del></p> <p>(b) the <b>retailer</b> has issued a notice to any <b>residential consumers</b> at the premises encouraging them to contact a <b>retailer</b> to sign up as a new <b>customer</b>;</p> <p>(c) the <b>retailer</b> has given any <b>residential consumers</b> at the premises no less than 7 days' notice of <b>electrical disconnection</b>;</p> <p>(d) the <b>electrical disconnection</b> is to be carried out at a time that would not endanger the wellbeing of any <b>residential consumer</b> at the premises (which may require <b>electrical disconnection</b> to occur at times other than just before nightfall or during a severe weather event) or at a time at which it would be unreasonably difficult for any <b>residential consumer</b> to seek rapid <b>reconnection</b> (which may require <b>electrical disconnection</b> to occur at times other than after</p>	<p>This clause received significant feedback which was similar to the feedback in relation to clause 37 above, particularly around the requirements for contact attempts. We have summarised some of this feedback below but we have not duplicated the relevant submissions already summarised at clause 37 (from CAB, ERANZ and FinCap).</p> <p>Flick Electric submitted: 'We have a number of issues with this clause. This clause unfairly makes the retailer responsible for determining whether there is, or may be, a medically dependent consumer residing at a non-contractual site. If a consumer at a non-contractual site is Medically Dependent, we believe the responsibility should lie with them to sign up with a retailer as soon as practical. We do not agree with the requirement of making numerous attempts to contact the consumer before disconnecting a non-contractual property which is consuming electricity. We recently updated our process so that we now disconnect a customer's property the day after their 'move out' day. This change was implemented due to the high costs we were</p>	<p>Clause 43 is based on paragraphs 63 and 64 of the Guidelines which were first introduced in July 2021. At that time, retailers raised concerns around the costs of and practical difficulties in following recommendations for engagement prior to disconnecting uncontracted premises. The Authority intended to facilitate workshops with stakeholders to determine effective engagement approaches and indicated a practice note or further revision to the Guideline may follow. Feedback received during this consultation indicates these concerns persist for reasons including perceived appropriateness or effectiveness of the recommended actions, workability and cost.</p> <p>We agree that the situation of uncontracted premises is different to customers facing disconnection for non-payment and requires a different approach. We acknowledge retailers' concerns relating to the potential for abuse of this process by consumers</p>

<p>midday on the day before a non-business day, on a non-business day, at night, during a severe weather event or during a civil emergency); and</p> <p>(e) in the case of remote <b>electrical disconnection</b> of the premises, the <b>electricity meter</b> or disconnection device to be used can safely <b>electrically disconnect</b> the premises.</p> <p><del>(b) the retailer has taken the following steps to contact any residential consumers residing at the premises and ascertain whether there is, or may be, a medically dependent consumer residing there:</del></p> <p><del>(i) issuing a notice informing any residential consumers at the premises that they must contact the retailer;</del></p> <p><del>(ii) no earlier than seven days after the retailer has issued the notice under paragraph (i), issuing a final notice of disconnection, including the proposed timeframe for electrical disconnection; and</del></p> <p><del>(iii) making at least one contact attempt through a communication channel that provides a traceable form of contact (which may include a courier letter requiring signature, or a representative of the retailer visiting the premises) to deliver one or more of the notices described in subparagraphs (i) and (ii) above.</del></p> <p>(2) A <b>retailer</b> need not comply with subclauses paragraphs (1)(b) or (1)(c) if:</p> <p>(a) the <b>retailer electrically disconnects</b> the <b>uncontracted premises</b> within 48 hours of a <b>customer</b> vacating the property; or</p> <p>(b) half-hour metered <b>electricity</b> consumption data is available for the premises and analysis of that data does not indicate a <b>residential consumer</b> resides at the premises.</p> <p>(3) The notices required under subclauses (1)(b) and (1)(c):</p> <p>(a) may be provided in the same notice or in separate notices at different times;</p> <p>(b) must be in writing and delivered to the <b>uncontacted premises</b>; and</p> <p>(c) must include information about how to contact the <b>retailer</b> to discuss signing up as a new <b>customer</b>.</p> <p><del>(3) Any notice issued under paragraph (1)(b) must contain the following information:</del></p> <p><del>(a) contact details of persons who can be contacted about contracting with the retailer;</del></p> <p><del>(b) a statement that if the residential consumer makes contact with the retailer before the point of electrical disconnection, the retailer will actively work with them to avoid electrical disconnection occurring, even if the residential consumer has failed to act on prior attempts by the retailer to engage with them;</del></p> <p><del>(c) information regarding payment options available (which may include Smooth Pay or redirection of income);</del></p> <p><del>(d) information about the retailer's internal dispute resolution process and the dispute resolution scheme identified under clause 3 of Schedule 4 of the Act;</del></p> <p><del>(e) details of all of fees that must be paid if electrical disconnection and reconnection occur;</del></p>	<p>experiencing from uncontracted premises. To revoke this process would impose significant costs on our business. Similarly, contacting each uncontracted premises via a "traceable form of contact" would impose more cost burdens on retailers. In most cases if a consumer has not made contact with the property's previous retailer, they will have already chosen another retailer as such this is an unnecessary cost for the retailer to incur. If a retailer's only option of a traceable form of contact is to send a representative to site, this will impose significant additional costs on the retailer, and therefore consumers, too. We also believe this requirement would encourage fraudulent behaviour with consumers choosing to remain at the property longer without signing up with a retailer.'</p> <p>Contact submitted: 'Clause 43 requires retailers to attempt to use a traceable form of contact before disconnecting uncontracted properties. While we can comply with this, it will likely impose material costs that will be borne by consumers, and it is unclear how successful it will be. In this case, we are likely to rely on signed courier envelopes to meet this requirement. In the majority of cases these premises will be vacant, so these letters will not be signed. In the cases where the property is in use (potentially someone who has moved in, but has not yet set up an electricity contract), we expect that in many cases the letters will remain unsigned too. This is because the residents may not be home when the letter arrives, and there is a high chance that the post service will have no way of contacting them (if they have only recently moved in). We expect that a more carefully designed intervention would likely deliver a better outcome for consumers than what is currently proposed.'</p> <p>Genesis submitted: 'Clause 43(c) requires retailers to offer payment options to uncontracted consumers, however this does not seem relevant given there is no contractual relationship. We also do not think it reasonable to require retailers to provide an uncontracted consumer with contact details for support agencies, or information for establishing medically dependent status (clauses 43(3)(f) and (g)).'</p> <p>Independent Retailers submitted: 'Where a premise is uncontracted the focus should be on establishing whether there is someone residing at the premises and, if so, determining whether the retailer (or some other retailer) will sign them up. Details such as applying for medical dependent status is dealt with at the signing up stage and should not be part of, or duplicated during, the process for establishing whether a premise is vacant. The references to medical dependence and sub-clauses 43(3)(c) – (g) should be deleted.'</p> <p>Independent retailers also submitted: 'The proposed Obligations create a scenario where a medical dependent consumer can choose to stay in a vacant site and not sign up with any retailer and power must stay on. It would be untenable for a premise to be able to continue to be supplied electricity indefinitely without signing up to a retailer regardless of their circumstances. This is quite distinct from not disconnecting a premise with a medical</p>	<p>who may deliberately avoid signing up with a retailer to take advantage of uncontracted electricity supply. However, we also acknowledge that there would be also situations in which consumers may be harmed by electrical disconnection and may not have arranged an electricity contract for a range of reasons. Our view is that there remains a need to establish some minimum protections for consumers residing at uncontracted premises, but these should be more targeted to ensuring retailers provide uncontracted consumers with a reasonable opportunity to contact them (or another retailer) and sign up, before their power is disconnected. This approach protects consumers from immediate disconnection while ensuring that consumer non-engagement cannot be indefinitely used as a strategy to avoid entering into a contract with a retailer.</p> <p>We have therefore made the following changes to respond to the practical concerns raised by retailers while ensuring core consumer protections remain and are appropriate to the context:</p> <p>We have simplified the contact requirements, replacing the requirement for a traceable form of communication or in-person visit (noting the same concerns with these contact methods as discussed at clause 37 above) with a requirement to issue a notice to any residential consumers at the premises and providing at least seven days' notice of disconnection. Other than in-person visits, written communications are the most appropriate method of communication for uncontracted premises, given that retailers are unlikely to have any other contact details for consumers residing at uncontracted premises.</p> <p>We have clarified that the notices required under this clause can be provided together rather than separately, but that in any event retailers must give 7 days' notice before disconnecting the premises, to give consumers a reasonable period of time to arrange a contract with a retailer. This replaces the more staggered approach in the clause as proposed, which would have involved an initial notice followed by a final notice 7 days later. While a staggered approach to disconnection is appropriate in the context of a post-pay customer (under clause 37), we are satisfied that requiring retailers to supply electricity to an uncontracted premises for any longer period of time, when the retailer is unlikely to be able to recover that cost, would be unreasonable.</p> <p>We have also clarified that the notice requirement does not apply if a retailer disconnects a property within 48 hours of its customer vacating the property. A retailer may decide not to maintain a supply of electricity to vacant premises, to avoid the costs associated with uncontracted electricity usage. Disconnection of</p>
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<p><del>(f) the contact details of one or more support agencies from which the residential consumer could seek assistance in relation to the payment of electricity costs; and</del></p> <p><del>(g) where to obtain information on how to apply to be recorded as a medically dependent consumer and a summary of what it means to be a medically dependent consumer.</del></p> <p>(4) If a <b>retailer</b> is notified that <b>medically dependent consumer</b> may be permanently or temporarily residing at an <b>uncontracted premises</b>, the <b>retailer</b> must use its best endeavours to:</p> <p>(a) encourage <b>residential consumers</b> residing at that premises to sign up with a <b>retailer</b> and avoid <b>electrical disconnection</b>; and</p> <p>(b) if the <b>retailer</b> has been unsuccessful in encouraging a <b>residential consumer</b> to sign up as a <b>customer</b> of a <b>retailer</b>, ensure that <b>electrical disconnection</b> occurs in a way that does not endanger the wellbeing of any <b>medically dependent consumer</b> residing at that premises.</p>	<p>dependent consumer for not paying their electricity bill. Just as the proposed Obligations make gaining medical status contingent on a verification process the Obligations should also make it contingent on signing up with a retailer. It is reasonable to expect that the rights provided to consumers in the Obligations also come with an expectation consumers will act in goodfaith. It is also reasonable to assume that if a household had a genuinely medically dependent consumer they would sign up to a retailer rather than risking disconnection as a vacant/uncontracted premise. The Obligations should clarify that: (i) retailers are required to provide an opportunity for consumer(s) at the premise to sign-up with the retailer for electricity supply; and (ii) be given the opportunity to seek medical dependent status; but (iii) continued supply/gaining medical dependent status requires that consumer(s) at the premise sign-up for electricity supply.'</p> <p>In relation to clause 43(1)(b)(iii), Independent Retailers submitted: 'The clause should clarify that the visit may be the contractor disconnecting the property.'</p> <p>Mercury made several comments on clause 43, 'which we believe is overly prescriptive, will not achieve desired outcomes, and we prefer our existing processes'.</p> <p>In relation to subclause (1)(b), Mercury submitted: 'We currently send cards to uncontracted properties. These have the benefit of better garnering the attention of any consumer at the property. However the detail we can put on these cards is limited. If we had to send notices containing the detail outlined in 43(3) then we would have to send letters and these will have a significantly lower response rate as they are less likely to be read. We believe the information requested at (c) and (d) may not be necessary and is information that can be gained at signup; (e) although we don't charge for "vacant" disconnections we can't viably provide individualised reconnection fees as these can vary from one property to another and depend on contractor fees if a manual job is required. Further, we don't know if and when a reconnection may be required, and will always gain consent around any charges before a job is logged; (f) is unlikely to be necessary and can be gained at signup or elsewhere; (g) is unlikely to be necessary and can be gained elsewhere however our cards do highlight the need for any MDC to contact us and the phone number for this.'</p> <p>In relation to subclause (3), Mercury submitted: 'If the Authority considers it important that consumers at an uncontracted properties are informed of all the requirements at clause 43(3) we recommend this clause be amended to skip the first notice requirement at 43(1)(b)(i). We already send over 500 initial cards each week to uncontracted sites - without this amendment, we estimate a direct cost increase of approximately \$30k per annum.'</p> <p>Also in relation to subclause (3), Mercury submitted: 'Could the Authority please clarify: 43(3)(a) - whether a general team contact number is adequate to satisfy this requirement. We would be reluctant to include individual</p>	<p>vacant premises during a short window of time after a customer moves out means that the power is likely to be disconnected before new residential consumers move in, or before they form a dependence on electricity being supplied to the premises. This promotes consumer protection as it would incentivise consumers to sign up with a retailer and obtain the protections under the Obligations as soon as they move into a disconnected property, avoiding reliance on uncontracted electricity supply which is at risk of disconnection.</p> <p>We have reduced the prescription in relation to the information retailers must provide in the notices. The intent of this clause is now more clearly focused on ensuring retailers provide a reasonable opportunity for consumers who are using uncontracted electricity to get in touch with them (or another retailer) before disconnection. We agree with Mercury that providing an overload of information at this time may not promote that intent. We have therefore removed duplication by deleting requirements to provide information where that same information must be provided on or following sign-up (specifically, paragraphs (3)(b) to (f)). We have also clarified that the notices must include information on how to contact the retailer, not individual representatives' contact details.</p> <p>In relation to medically dependent consumers, we accept that it would be unreasonable to require retailers to provide electricity to uncontracted consumers indefinitely, even if a medically dependent consumer may reside at an uncontracted premises. We have therefore replaced the prohibition on disconnection of medically dependent consumers at uncontracted premises (in clause 45) with a more proportionate obligation to use best endeavours to encourage residential consumers at the premise to sign up with a retailer and avoid disconnection, and if that is unsuccessful, the retailer must ensure that disconnection is undertaken in a way that does not endanger the wellbeing of any medically dependent consumer residing at that premises.</p> <p>We note that we understand 'best endeavours' to mean that retailers will take all possible courses of action to fulfil the stated objective, but within practical limits. In relation to disconnection, we expect that this may require ensuring there is appropriate support available to the residents at the premises at the time of disconnection, should urgent medical attention be needed.</p> <p>We have consolidated the obligations in relation to uncontracted premises in this clause, and as a result have included the relevant pre-requisites to disconnection from clause 45 in new subclauses (1)(d) and (1)(e).</p>
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	<p>names for privacy and safety reasons. 43(3)(c) - that these requirements would not apply to a prepay product.'</p> <p>In relation subclause (3)(f), Mercury submitted: 'we note every customers situation is different, and we cannot be asked to pick one or two support agencies. We should be more focused on connecting with the customer as a retailer and then on the back of the connection refer customers to supporting agencies once we know their situation and what support is needed.'</p> <p>Genesis submitted: 'We note the requirement to send courier packs to uncontracted premises currently costs Genesis around \$50,000 per annum, with relatively low levels of response or success rates. Clause 43(c) requires retailers to offer payment options to uncontracted consumers, however this does not seem relevant given there is no contractual relationship. We also do not think it reasonable to require retailers to provide an uncontracted consumer with contact details for support agencies, or information for establishing medically dependent status (clauses 43(3)(f) and (g)).'</p> <p>Momentous Consulting submitted: 'some of the requirements are covered under Part 10 Clause 10.32 to 10.33 B which discuss the responsibilities for connection and disconnection. Rather than adding another clause in a separate section, suggest amending responsibilities under these existing clauses to include requirements noted in Part 7 under 43.'</p>	<p>We have not moved this clause to Part 10 as suggested by Momentous Consulting, because this clause is primarily about consumer care whereas Part 10 relates to responsibilities for metering installations.</p>
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<p><b>44—Visits to uncontracted premises</b>  A <b>retailer</b> must ensure that any representative of that <b>retailer</b> visiting <b>uncontracted premises</b> for the purpose of contacting any <b>residential consumers</b> residing there about pending <b>electrical disconnection</b>:</p> <p>(a) <del>uses reasonable endeavours to contact the <b>residential consumer</b> or <b>residential consumers</b> who control the premises, having regard to any health and safety risks to the representative, the <b>residential consumers</b> or any other person at the premises;</del></p> <p>(b) <del>if contact is made with a <b>residential consumer</b> in control of the premises:</del></p> <p>(i) <del>advises the <b>residential consumer</b> to contact the <b>retailer</b>, including, if necessary, providing information relevant to the <b>residential consumer</b>'s situation to enable this (which may include details of how to contact the <b>retailer</b> if they have no phone or internet access);</del></p> <p>(ii) <del>informs the <b>residential consumer</b> that, if they make contact with the <b>retailer</b> before the point of <b>electrical disconnection</b>, the <b>retailer</b> will actively work with them to avoid <b>electrical disconnection</b> occurring, even if the <b>residential consumer</b> has failed to act on prior attempts by the <b>retailer</b> to engage with them;</del></p> <p>(iii) <del>provides contact details for one or more <b>support agencies</b> from which the <b>residential consumer</b> could seek financial mentoring services or <b>electricity</b> efficiency advice; and</del></p> <p>(iv) <del>uses reasonable endeavours to ascertain whether there are any reasons why the <b>electrical disconnection</b> should be put on hold (which may include that there is, or may be, at least one <b>medically dependent consumer</b> residing at the premises); and</del></p> <p>(e) <del>maintains and provides the <b>retailer</b> with a reasonable record of the matters in paragraphs (a) and (b) above.</del></p>	<p>Flick Electric submitted: ‘Requiring retailers to conduct a site visit before disconnecting a consuming site which has not been signed up with a retailer would add costs to retailers which will ultimately be passed on to consumers. We believe the proposed amendment to include “avoid electrical disconnection occurring, even if the residential consumer has failed to act on prior attempts by the retailer to engage with them” would discourage consumers from engaging with the retailer on the grounds that they would be able to avoid disconnection through the site visit representatives. We are concerned this would add undue costs to the retailer and debt for the consumer at a cost they may be unable to afford.’</p> <p>Independent Retailers submitted: ‘If the site visit can be the contractor visiting for disconnection then the requirements on what they have to discuss with the customer go past the realm of what their role and responsibility is. We question the appropriateness of requiring the contractor to discuss support agency options with customers and believe that these clauses need to be reviewed to avoid unnecessary site visits and costs.’</p> <p>Mercury submitted: ‘We appreciate the Authority's intention to place fewer obligations on a representative visiting uncontracted premises to carry out a physical disconnection by virtue of their exclusion from this clause and clause 40. We are a little bit confused however as to what the representative who carries out the actual physical disconnection at uncontracted premises is or isn't required to do so it might be helpful if the Authority could expressly clarify this either by exclusion or specific provision.’</p> <p>In relation to sub-paragraph (b)(iii), Mercury submitted: ‘we also do not think it is reasonable for a representative to have to provide details of support agencies, for the same reasons expressed above in relation to 43(3)(f) and 40(f).’</p>	<p>We have removed this clause for the same reasons discussed at clause 41 – that is, because we have decided not to require in-person visits before disconnecting uncontracted premises under clause 43, it is no longer necessary to regulate what matters those visits should address. This aligns with our approach at clause 43 to reduce prescription and refocus obligations in relation to uncontracted premises to providing consumers at an uncontracted premises a reasonable opportunity to sign up with a retailer before disconnection.</p> <p>We note that retailers are required to record interactions in relation to uncontracted premises under clause 11A.6, and that would include any visits by a representative of the retailer, should the retailer choose to do so.</p>
<p><i>Restrictions on <del>disconnections</del> disconnecting post-pay customers</i></p>		
<p><b>44A Restrictions on disconnecting medically dependent consumers</b></p> <p>(1) Notwithstanding anything else in these <b>Consumer Care Obligations</b>, a <b>retailer</b> must not <b>electrically disconnect</b> a <b>post-pay customer's</b> premises at which the <b>retailer</b> knows a <b>medically dependent consumer</b> may be permanently or temporarily residing.</p> <p>(2) Subclause (1) does not apply to emergency <b>electrical disconnections</b>.</p> <p>(3) A <b>retailer</b> must notify the <b>Authority</b> in the <b>prescribed form</b> as soon as it becomes aware of an <b>electrical disconnection</b> resulting in a person being without <b>electricity</b> in the circumstances described in subclause (1).</p> <p><b>45 Restrictions on disconnecting premises</b></p> <p>(1) Notwithstanding anything else in these <b>Consumer Care Obligations</b>, a <b>retailer</b> must not <b>electrically disconnect</b> a <b>post-pay customer's</b> premises, <del>or <b>uncontracted premises</b></del> in any of the following circumstances:</p>	<p>In relation to subclause (1)(b), Independent Retailers made the same points as it made on clause 43 discussed above.</p> <p>Common Grace Aotearoa submitted: ‘please require companies to inform the EA urgently (within 2 hours) if they accidentally disconnect a medically dependent consumer so that you can immediately follow up.’</p> <p>Disabled Persons Assembly similarly recommended: ‘that a requirement for companies to inform the Electricity Authority urgently (within 2 hours) if they disconnect a medically dependent consumer is introduced.’</p> <p>In relation to subclause (1)(c), Independent Retailers submitted: ‘We remain of the view that the Authority should provide greater clarity around how this clause should be interpreted. In our last submission, we raised the example of what the Authority expects should happen “in the middle of winter in the South Island where it could be interpreted the disconnection at any time</p>	<p>We have made subclause (1)(b) a separate clause for ease of reading, because this obligation will come into force on 1 January 2025, ahead of the remaining prohibitions in clause 45, as discussed in the decision paper.</p> <p>In response to submissions from Common Grace Aotearoa and Disabled Persons Assembly, we have included an obligation on retailers to notify the Authority as soon as they become aware of disconnecting a medically dependent consumer contrary to clause 45A(1). We expect such incidents to be rare and limited to inadvertent or accidental disconnections. However, we agree that immediate reporting of medically dependent consumer disconnections is important to ensure the Authority can effectively exercise its monitoring functions. While the Obligations do include annual compliance reporting at clause 11A.4, this obligation will enable the Authority to monitor retailers</p>



<p>(a) the <b>retailer</b> has failed to comply with any <b>relevant</b> obligations in this Part of the <b>Consumer Care Obligations in relation to that customer</b>;</p> <p><del>(b) the <b>retailer</b> knows that a <b>medically dependent consumer</b> may be permanently or temporarily residing at the premises;</del></p> <p><del>(b)(e)</del> the <b>electrical disconnection</b> is to be carried out at a time that would endanger the wellbeing of the <b>customer</b> or any <b>residential consumer</b> at the premises (which may include just before nightfall or during a severe weather event) or at a time at which it would be unreasonably difficult for the <b>customer</b> or <b>residential consumer</b> to seek rapid <b>reconnection</b> (which may include after midday on the day before a non-<b>business day</b>, on a non-<b>business day</b>, at night, during a severe weather event or during a civil emergency);</p> <p><del>(c)(d)</del> in the case of remote <b>electrical disconnection</b> of the premises, the <b>electricity meter</b> or disconnection device to be used cannot safely <b>electrically disconnect</b> and/or <b>reconnect</b> the premises;</p> <p><del>(d)(e)</del> in the case of <b>electrical disconnection</b> for non-payment of an <b>invoice</b>, the debt does not relate to <b>electricity</b> supply (which may include because it relates to telephone or broadband services); and</p> <p><del>(e)(f)</del> in the case of <b>electrical disconnection</b> for non-payment of an <b>invoice</b>, the <b>customer</b> disputes the charges relating to the <b>electricity</b> supply and:</p> <p>(i) the <b>customer</b> is engaging with the <b>retailer's</b> internal dispute resolution process and/or the dispute resolution scheme identified under clause 3 of Schedule 4 of the <b>Act in good faith</b>;</p> <p>(ii) the dispute is unresolved; and</p> <p>(iii) the <b>customer</b> has paid all other charges and parts of any charges relating to <b>electricity</b> supply that are not disputed (the <b>retailer</b> having credited, with the <b>customer's</b> agreement, any part-payment to the <b>electricity</b> supply portion of its <b>invoice</b> to a <b>customer's</b> non-disputed debt first).</p> <p>(2) Subclause (1) does not apply to emergency <b>electrical disconnections</b>.</p>	<p>could “endanger the wellbeing of the customer or any consumer at the premises”?’</p> <p>In relation to subclause (1)(c) and 51, FinCap submitted: ‘Protections against disconnection during a potential local emergency are vital to preventing harm. We strongly support the protections in Proposed Obligations at 45(c) and 51 to not disconnect during a severe weather event but further recommend this also prescribe no disconnections where an official severe weather warning is in place. No one should be disconnected from their essential electricity supply as a debt collection tool for a previous account or for a different service.’</p> <p>In relation to subclause (1)(c) and clause 51, CAB similarly submitted: ‘Protections against disconnection during a potential local emergency are vital to preventing harm. We support the protections in Proposed Obligations at 45(c) and 51 to not disconnect during a severe weather event but further recommend this also prescribe no disconnections where an official severe weather warning is in place.’</p> <p>In relation to subclause (1)(e), FinCap submitted: ‘Financial mentors have reported that some retailers move whānau to prepay and then recoup a proportion of each ‘top up’ as a repayment on a previous postpay account. The drafting at Proposed Obligation 45 (e) and 51 (c) rightly prevent disconnection related to bundled services but we recommend they also prevent retailers enforcing a debt not related to the current electricity service pricing plan.’</p> <p>In relation to subclause (1)(f), Genesis submitted: ‘There is need for greater clarity and specificity as to how disputes are to be handled under the new Obligations. Without greater definition as to the conditions that must be satisfied for a dispute to be valid, and the conditions under which a dispute can be considered to be resolved, retailers are exposed to the risk of disputes that can go on indefinitely with no clear process for determining an endpoint. We recommend the Obligations explicitly state (in clause 45) that once a dispute is resolved it can no longer be used for a second time as a reason not to proceed to disconnection.’ Genesis recommended inserting the words ‘engaging in good faith’ in subparagraph (i), and inserting the words ‘the dispute is unresolved, <u>with a dispute to be regarded as having been resolved once the retailer has completed their internal dispute resolution process</u>’ in subparagraph (ii).</p>	<p>more effectively, including ensuring the retailer complies with their obligation to reconnect medically dependent consumers who are disconnected as soon as possible at no cost at clause 46 below.</p> <p>In relation to the remaining feedback on clause 45, we have removed reference to uncontracted premises in this clause to consolidate all obligations in relation to uncontracted premises in clause 43.</p> <p>We have made a minor drafting change to subclause (1)(a) to clarify that this only applies when relevant obligations have not been complied with.</p> <p>In relation to subclause (1)(c), we note the examples given are examples only of the type of situations that would endanger wellbeing of a consumer at the premises. We consider this would include where a severe weather event is anticipated/forecast. However, we do not consider that typical (average) winter conditions would, of themselves, be sufficient to meet this threshold. We also note that disconnection must also not be at a time at which it would be unreasonably difficult to seek rapid disconnection.</p> <p>We have not made any changes to prohibit disconnection for non-payment of an unrelated electricity debt as recommended by FinCap, as this goes beyond the scope of the current Guidelines and our decision to mandate them.</p> <p>We have amended subclause (1)(f)(i) to clarify that this restriction on disconnection applies when a customer is engaging in good faith, as suggested by Genesis. We have not made any further changes to this paragraph at this time as we consider it is clear that ‘unresolved’ means that the dispute is still progressing through the retailer’s internal dispute resolution process or the dispute resolution scheme process. We will however consider whether guidance to support this clause would be helpful.</p>
<p><i>General requirements for reconnection of post-pay customers</i></p>		



<p><b>46 Reconnection required</b>  A <b>retailer</b> that <b>electrically disconnects</b> a <b>post-pay customer’s</b> premises must <b>reconnect</b> those premises as soon as possible and at no cost if:</p> <p>(a) the <b>electrical disconnection</b> was inadvertent; or</p> <p>(b) the <del>retailer is notified that</del> <b>electrical disconnection</b> of the premises (whether intentional or not) has resulted in a person <del>who is, or may be, a medically dependent consumer</del> being without <b>electricity</b> who:</p> <p>(i) is recorded by that <b>retailer</b> as having <b>medically dependent consumer</b> status under clause 56; or</p> <p>(ii) has made an application (in any form) for <b>medically dependent consumer</b> status, and the <b>retailer</b> has not yet decided the application.</p>	<p>Independent Retailers submitted: ‘The wording has changed from the current Guidelines which states: “an MDC person or a person who has an MDC application underway.” The new clause states: “a person who is, or maybe a medically dependent consumer.” This is quite vague. The clause also requires the reconnection to be at no cost – even if the consumer turns out not to be medically dependent/doesn’t follow the verification process for medical dependence. We do not support the Authority’s proposal to regulate or ban fees.’</p>	<p>The Authority acknowledges the concern raised by Independent Retailers and has revised the wording of this clause so that it is limited to recorded medically dependent consumers and those who have made an application for medically dependent consumer status.</p> <p>The requirement that reconnection of such consumers be at no cost is an existing obligation in the Guidelines. We have not changed this as we do not agree that a retailer should charge for reconnection when disconnection this is clearly at odds with the obligation in clause 45(1)(b) not to disconnect.</p>
<p><b>47 Remote reconnection</b>  A <b>retailer</b> should not authorise or carry out remote <b>reconnection</b> of a <b>post-pay customer’s</b> premises unless the <b>retailer</b> is reasonably satisfied that the premises can be safely <b>reconnected</b> remotely (which may include ensuring that the <b>retailer</b> is satisfied that ovens and heaters are turned off).</p>	<p>Independent Retailers submitted: ‘It would be useful to clarify that the retailer can be reasonably satisfied the premises can be safely reconnected remotely if, for example, they ask the customer if it would be and/or give the customer sufficient notice to turn anything off that needs to be.’</p>	<p>We have not made any changes to this clause. However, we consider it would be capable of being met if the retailer has confirmed with the customer that the premises can be safely reconnected, that is, that ovens and heaters are turned off.</p>
<p><i>Process for reconnection of post-pay customers</i></p>		
<p><b>48 Reconnection for payment</b>  A <b>retailer</b> must <b>reconnect</b> a <b>post-pay customer</b> whose premises were <b>electrically disconnected</b> under this Part of the <b>Consumer Care Obligations</b> as soon as reasonably practicable after:</p> <p>(a) the <b>customer</b> has paid the debt in full; or</p> <p>(b) the <b>customer</b> has otherwise satisfied the <b>retailer’s</b> reasonable requirements for <b>reconnection</b>.</p>		

<p><b>49 Customer care following disconnection</b>  If a <b>retailer electrically disconnects a post-pay customer for non-payment of invoices under this Part of the Consumer Care Obligations</b>, the <b>retailer</b> must:</p> <ul style="list-style-type: none"> <li>(a) continue to be responsive if the <b>customer</b> contacts the <b>retailer</b> seeking further assistance and information on <b>reconnection</b>; and</li> <li>(b) if the <b>customer</b> is still contracted to the <b>retailer</b> and has not <b>reconnected</b> five <b>business days</b> after <b>electrical disconnection</b>, contact the <b>customer</b> for the purpose of offering assistance and information on <b>reconnection</b>, including: <ul style="list-style-type: none"> <li>(i) reminding the <b>customer</b> of the financial mentoring services and <b>electricity</b> efficiency advice available from one or more <b>support agencies</b>; and</li> <li>(ii) <b>where appropriate</b>, offering to refer the <b>customer</b>, with the <b>customer's</b> agreement, to a <b>support agency</b> from which the <b>customer</b> could seek assistance with arranging payment of the debt.</li> </ul> </li> </ul>	<p>Mercury submitted: 'Mercury do not disconnect for non payment however will need to add these steps to our processes.'</p>	<p>We have made a drafting change to clarify that this clause applies to disconnection for non-payment of invoices, as per the original paragraph 69 of the Guidelines. We note, in response to Mercury's concern, that if they do not disconnect customers for non-payment, then in practice this clause would not be engaged.</p>
<p><b>50 Steps following reconnection</b>  Following the <b>reconnection</b> of a <b>post-pay customer</b> who is <b>electrically disconnected for non-payment of invoices under this Part of the Consumer Care Obligations</b>, the <b>retailer</b> must undertake the steps in clause 27 with appropriate modifications.</p>	<p>Mercury submitted: 'Mercury do not disconnect for non payment however will need to add these steps to our processes.'</p>	<p>As with clause 49 above, we have made a drafting change to clarify that this clause applies to disconnection for non-payment of invoices, as per the original paragraph 71 of the Guidelines. We note, in response to Mercury's concern, that if they do not disconnect customers for non-payment, then in practice this clause would not be engaged.</p>
<p><i>Disconnecting prepay customers</i></p>		

<p><b>51 Restrictions on disconnecting a prepay customer's premises</b> A <b>retailer</b> must ensure a <b>prepay customer</b> is not <b>electrically disconnected</b> for running out of credit, unless:</p> <p>(a) the <b>electrical disconnection</b> occurs at a time:</p> <p>(i) that does not endanger the wellbeing of the <b>customer</b> or any <b>residential consumer</b> at the premises (which may require <b>electrical disconnection</b> to occur at times other than just before nightfall or during a severe weather event); and</p> <p>(ii) at which it would be reasonably easy for the <b>customer</b> to seek rapid <b>reconnection</b> (which may require <b>electrical disconnection</b> to occur at times other than after midday on the day before a non-<b>business day</b>, on a non-<b>business day</b>, at night, during a severe weather event or during a civil emergency);</p> <p>(b) the <b>prepay</b> service can safely <b>electrically disconnect</b> and <b>reconnect</b> the premises;</p> <p>(c) the expiry of the pre-paid credit relates to the supply of <b>electricity</b> (and does not relate to other matters such as telephone or broadband); and</p> <p>(d) either of the following apply:</p> <p>(i) the <b>customer</b> has not disputed the charges through the <b>retailer's</b> internal dispute resolution process or the dispute resolution scheme identified under clause 3 of Schedule 4 of the <b>Act</b>; or</p> <p>(ii) if the <b>customer</b> has disputed the charges, the <b>customer</b> has not paid all other charges and parts of any charges relating to <b>electricity</b> supply that are not disputed, the <b>retailer</b> having credited, with the <b>customer's</b> agreement, any part-payment to the <b>electricity</b> supply portion of the <b>invoice</b> to the non-disputed charges first.</p>	<p>FinCap submitted: 'No one should be disconnected from their essential electricity supply as a debt collection tool for a previous account or for a different service. Financial mentors have reported that some retailers move whānau to prepay and then recoup a proportion of each 'top up' as a repayment on a previous post-pay account. The drafting at Proposed Obligation 45 (e) and 51 (c) rightly prevent disconnection related to bundled services but we recommend they also prevent retailers enforcing a debt not related to the current electricity service pricing plan.'</p> <p>In relation to subclause (a)(i), also see FinCap and CAB's submissions summarised at clause 45 (and our response).</p>	<p>We have not made any changes to prohibit disconnection for non-payment of an unrelated electricity debt as recommended by FinCap, as this goes beyond the scope of the current Guidelines and our decision to mandate them.</p>
<p><i>Reconnecting prepay customers</i></p>		
<p><b>52 Reconnecting a prepay customer's premises</b></p> <p>(1) A <b>retailer</b> must ensure that <b>reconnection</b> of a <b>prepay customer</b> occurs as soon as reasonably practicable after the <b>customer</b> has completed their purchase transaction for new credit.</p> <p>(2) Subclause (1) requires that <b>reconnection</b> take place within 30 minutes of the <b>customer</b> completing their purchase transaction for new credit, unless:</p> <p>(a) remote <b>reconnection</b> fails due to connectivity issues which would require sending a technician to the premises; or</p> <p>(b) the <b>meter</b> owner has system issues; <b>or</b></p> <p>(c) <b>the retailer is waiting on confirmation from the customer that the premises can be safely reconnected.</b></p>	<p>Contact submitted: 'The obligations relating to prepay reconnection are unsafe. Clause 52 of the obligations requires that a retailer must reconnect a prepay customer within 30 minutes of completing their purchase transaction for new credit. We are unable to comply with this requirement as it would cause a safety issue. We only reconnect prepay customers when they have made a purchase transaction and then contacted us. This is to ensure that the property can be safely lived in, eg there are no appliances turned on in an unsafe place. The proposed obligations would lead to unsafe situations, with uncertain liability. We note that clause 47 says that for remote reconnection of post-pay customers we are unable to connect a premise unless we are reasonably satisfied that it can be done safely. We are unsure why this same obligation does not apply to prepay customers, and in effect the obligations would prevent us from assessing safety for prepay customers? We also note that the speed of reconnection largely sits with the metering providers. It may be appropriate for this reconnection timeframe obligation to apply to both retailers and metering providers. While we can replicate this obligation in our service agreements with metering providers, in</p>	<p>Safe disconnection and reconnection of prepay customers is addressed in clause 51(b). We note that an important distinction between post-pay and prepay is that the electrical disconnection and reconnection for running out of credit is inherent to how prepay products operate, and consumers are advised of these elements of the product before they sign up to them (see clause 9). We have, however, amended subclause (2) to include, as a further exception to the 30-minute reconnection timeframe, situations where the retailer is waiting on confirmation from the customer that the premises can be safely reconnected, to address Contact's submission.</p> <p>We note Contact's submission that this obligation should extend to metering equipment providers. As this would go beyond the scope of the existing Guidelines, and our decision to mandate them, we have not made this change at this time.</p>

	cases where it is breached it may be more appropriate for liability to sit with the metering provider rather than having the retailer in the middle.'	
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## Consumer Care Obligations – Part 8: Obligations in relation to medically dependent consumers

Draft provision (redlined changes since consultation)	Summary of issues raised in submissions	Response to submissions
<p><b>53 Purpose <del>and interpretation</del> of this Part and knowledge of medically dependent consumers residing at customers' premises</b></p> <p>(1) This Part of the <b>Consumer Care Obligations</b> requires <b>retailers and distributors</b> to take specific actions in relation to <b>customers and any other residential consumers permanently or temporarily residing at a customer's premises</b> who are, or may be, <b>medically dependent consumers</b>, for the purpose of ensuring that:</p> <p>(a) any <b>customer premises residential premises</b> at which <b>medically dependent consumers</b> reside are not <b>electrically disconnected by their retailer</b>; and</p> <p>(b) <b>medically dependent consumers</b> receive appropriate care and consideration in relation to planned and unplanned outages.</p> <p>(2) For the purpose of these <b>Consumer Care Obligations</b>, a <b>retailer</b> is deemed to know that a <b>medically dependent consumer</b> may be permanently or temporarily residing at a <b>customer's</b> premises if:</p> <p>(a) the <b>retailer</b> has recorded that the <b>customer</b>, or any other <b>residential consumer</b> who permanently or temporarily resides at the premises, has <b>medically dependent consumer</b> status under clause 56 of these <b>Consumer Care Obligations</b>;</p> <p>(b) the <b>retailer</b> has received an application (in any form) from the <b>customer</b> or any other <b>residential consumer</b> who permanently or temporarily resides at the premises for <b>medically dependent consumer</b> status, and the <b>retailer</b> has not yet decided the application; or</p> <p>(c) the <b>retailer</b> becomes aware of information that a reasonable <b>retailer</b> would consider indicates that a <b>medically dependent consumer</b> may be residing at those premises.</p>	<p>Independent Retailers submitted: 'The Authority should review the consistency of the language in terms of the actions retailers are required to undertake to identify medically dependent consumers – clause 54 refers to "request information", clause 55 refers to "request ... application", clauses 40 and 43 refers to providing information about "where to obtain information on how to apply to be recorded as a medically dependent consumer", and clauses 41 and 44 refer to making "reasonable endeavours to ascertain" (without specifying how to ascertain). We think that these clauses could be made less inefficient/compliance more straightforward if they were limited to requesting information about whether there may be a medically dependent consumer (remove reference to "application" and "reasonable endeavours to ascertain") and providing information about medical dependence.'</p> <p>Independent Retailers also submitted: 'The Obligations could clarify that where a medically dependent consumer lives in more than one household and has confirmed medical dependence with one of the retailers, that verification can be used in relation to the other household/retailer without having to go through the Obligations proposed full application/verification process.'</p> <p>Common Grace Aotearoa submitted: 'Please make explicit that companies may not refuse or discontinue service to customers who are, or become, medically dependent on power. To refuse or discontinue service for this reason would be discriminatory.'</p> <p>In relation to subclause (2)(c), Genesis submitted: 'we have some reservations as to whether such a 'reasonable retailer' test will be workable in practice. At minimum, we suggest the Authority will need to provide guidance to retailers about how this clause will be interpreted, and that such guidance is likely to be improved after the Obligations have been in force for a period of time. This reinforces our suggestion that the EA adopt a phase-in period, to allow time for both the EA and retailers to better understand how certain new or changed clauses will apply in practice.'</p> <p>Also in relation to subclause (2)(c), Mercury submitted: 'it might be helpful if the Authority were able to provide some examples or categories to flesh out what is meant by information that a reasonable retailer be rely on.'</p>	<p>We have modified the heading of this clause as subclause (2) has broader relevance of the Obligations as a whole, not just to the interpretation of this Part. We have also made changes to subclause (1) to clarify this Part relates to customers, not uncontracted premises.</p> <p>The obligations in this Part require retailers to take steps to identify and record medically dependent consumers. We have made a clarification to subclause (1) to reflect the fact that this Part also includes an obligation on distributors (clause 70) and includes obligations that relate to ensuring medically dependent consumers receive appropriate care and consideration in the context of power outages. This is reflected in clause 58 (requiring retailers to notify distributors and metering equipment providers of medically dependent consumers), clause 66 (requiring retailers to give advice on the need for medically dependent consumers to have their own individual emergency response plans in the event of an emergency, when power is not guaranteed), and clause 70 (requiring retailers and distributors to coordinate in relation to planned electrical outages).</p> <p>In response to Independent Retailers' submission, the different actions required to be taken at different points in time are deliberately chosen and are and tailored to the circumstances. As to medically dependent consumers living at two households, if the retailer is the same for two or more properties at which the same medically dependent consumer resides, then we expect they will only follow one process and record the medically dependent consumer's details against each property. If the retailers are different, they will need to follow their own processes, however we expect that this will impose minimal additional process requirements on consumers, as they would be able to obtain two confirmation of status forms at the same time (if required), one for each retailer, or the second retailer may be satisfied with the consumer providing an earlier confirmation of status form provided to another retailer.</p> <p>In relation to Common Grace Aotearoa's submission, the Obligations do not expressly prohibit discrimination based on medical dependency as this is already prohibited under the Human Rights Act. Under that Act, discrimination on grounds of disability is prohibited, which includes physical disability or impairment by physical illness.</p>



		In relation to subclause (2)(c), we note that this is not very different to the existing definition in the Guidelines of ‘unverified MDC’ who have similar protections as ‘verified MDCs’. That definition refers to ‘a person whom a retailer believes could be an MDC, unless the retailer has made reasonable efforts to contact the person ... and the person has not made an application for MDC status’.
<i>Information about medically dependent consumers</i>		
<p><b>54 Retailers to request and record information about medically dependent consumers</b></p> <p>(1) A <b>retailer</b> must request information which the <b>retailer</b> reasonably requires to identify whether a <b>customer</b> or any other <b>residential consumer</b> who permanently or temporarily resides at the <b>customer’s</b> premises may be a <b>medically dependent consumer</b> <b>when</b>:</p> <p>(a) first signing up a <b>customer</b>;</p> <p>(b) contacting a <b>customer</b> under clause 19; and</p> <p>(c) communicating with a <b>customer</b> who may be experiencing payment difficulties under clause 27.</p> <p>(2) A <b>retailer</b> <del>may must</del> request information under subclause (1) <b>at any other time the retailer reasonably considers it appropriate.</b><del>when:</del></p> <p>(a) <del>first signing up a customer;</del></p> <p>(b) <del>contacting a customer under clause 19;</del></p> <p>(c) <del>communicating with a customer who may be experiencing payment difficulties under clause 19; and</del></p> <p>(d) <del>at any other time the retailer reasonably considers it appropriate.</del></p> <p>(3) If a <b>retailer</b> knows that a <b>customer</b> or any other <b>residential consumer</b> who permanently or temporarily resides at the <b>customer’s</b> premises may be a <b>medically dependent consumer</b>, the <b>retailer</b> must request the following information:</p> <p>(a) the name of that <b>customer</b> or <b>residential consumer</b>;</p> <p>(b) for <b>residential consumers</b>, their communication <b>information preferences</b> as listed under clause 15;<del>and</del></p> <p>(c) <del>the name of the customer or residential consumer’s general practitioner.</del></p> <p>(4) Whenever a <b>retailer</b> receives the information <b>under this clause specified in subclauses (1) or (3)</b>, the <b>retailer</b> must:</p> <p>(a) record <del>such the</del> information <b>as is necessary for the retailer to perform its obligations under this Part</b>; and</p> <p>(b) <b>only</b> use the information to inform the <b>retailer’s</b> performance of its obligations under <b>this Part the Consumer Care Obligations</b>.</p>	<p>Independent Retailers submitted: ‘It is unclear what circumstances clause 54(2)(d) is intended to capture for identifying medically dependent consumers “at any other time the retailer reasonably considers it appropriate” that would not be captured by clause 55... Clause 54(2)(d) is too open-ended and should either be deleted or made discretionary (“may” rather than “must”) to make it clear that retailers can request information to determine whether there is a medically dependent consumer at any time. Again, this is an example where highly prescriptive rules are overlaid with open-ended principles-based requirements.’</p> <p>In relation to subclause (3)(b), Independent Retailers submitted: ‘The retailer has a relationship with the residential customer. We question whether the Obligations should require the retailer communicate with residential consumers other than the customer. The contractual relationship is between the retailer and the customer. We would not assume all residential customers or consumers would welcome this extension of communication requirements; particularly depending on the particular circumstances/vulnerable nature of the medically dependent consumer.’</p> <p>In relation to subclause (3)(c), Independent Retailers submitted: ‘We question the need to obtain information such as the potential medically dependent consumer’s General Practitioner. The Obligations should be clear it would not be appropriate for the retailer to communicate with the General Practitioner and be clear about what this information would/could be used for.’</p> <p>In relation to subclause (4), Mercury submitted: ‘Clause 54(4) indicates we are required to obtain, record and use the information that we record. We believe recording this type of information to be a privacy breach risk and labelling a customer. Could the Authority please confirm that we are not required to hold any of the original documentation?’</p>	<p>We accept Independent Retailers’ submission in relation to subclause (2) and agree that this clause should be amended to clarify that paragraphs (a) to (c) are the points at which a retailer must request the information specified, and that a retailer may request this information at any other time. We have preferred making this express rather than deleting paragraph (d) entirely as we think it is a helpful signal to retailers that (a) to (c) are minimum expectations but do not prevent retailers from requesting this information at any other time. This is different to clause 55, which is engaged when a retailer <i>receives</i> information.</p> <p>We have made a drafting change to subclause (3)(b) to reflect the changes made to clause 15 discussed above. While we acknowledge Independent Retailers’ concerns, we note that the obligations in this Part are focused on protecting medically dependent consumers who may live at a customer’s premises and who will not necessarily be the customer. In some cases, it will be appropriate to communicate directly with that consumer, for example when seeking verification via a confirmation of status form. Such consumers would however be able to nominate the customer as their alternate contact person to avoid the retailer having to contact them directly.</p> <p>We have removed subclause (3)(c). While this is an existing requirement in the Guidelines, we agree that it is unnecessary to record details of a person’s general practitioner given this information is not required for any purpose under these Obligations.</p> <p>We have made some changes to subclause (4) to address Mercury’s concerns around recording unnecessary information to clarify that the obligation to record and use information is limited to where this is necessary to support the retailer’s performance of its obligations under this Part of the Obligations.</p>
<i>Recording and verifying medically dependent consumer status</i>		



<p><b>55 Retailer must request application for medically dependent consumer status</b></p> <p>(1) A <b>retailer</b> must, as soon as practicable after it becomes aware of information that a reasonable <b>retailer</b> would consider indicates that a <b>customer</b> or <b>residential consumer</b> who permanently or temporarily resides at a <b>customer’s</b> premises may be a <b>medically dependent consumer</b>, use best endeavours to request that they make an application (in any form) for <b>medically dependent consumer</b> status with the <b>retailer</b>.</p> <p>(2) The <b>retailer</b> must advise the <b>customer</b> or <b>residential consumer</b> under subclause (1) that if the <b>retailer</b> does not receive an application (in any form) within a period specified by the <b>retailer</b>, which must be least 21 <b>business days</b>, the <b>retailer</b> may decide to no longer regard that <b>customer</b> or <b>residential consumer</b> as someone who may be a <b>medically dependent consumer</b>.</p> <p>(3) Subclause (2) does not apply if the <b>retailer</b> records the <b>customer</b> or <b>residential consumer</b> as a <b>medically dependent consumer</b> under clause 56.</p>	<p>Meridian submitted: ‘While Meridian understands that medically dependent customers (MDCs) are required under the Guideline and also the draft Obligations to apply to become MDCs, it seems like an unnecessarily administrative and burdensome process for both retailers and potential MDCs. Meridian’s experience with this has been when the information comes to Meridian’s attention that a customer may be medically dependent, to record that individual as an unconfirmed MDC in the system and then ask them to confirm their MDC status with their health practitioner. Once they do that, their information is then verified and the customer is “confirmed” in the Meridian system as an MDC. This way still allows the customer to be recorded as an MDC (albeit initially “unconfirmed”) as soon as Meridian becomes aware of this information and does not wait until this status is verified before adding this information to the system, thereby closing the gap between first learning of the information and having that information verified. Meridian recommends that the Authority consider removing the additional step of applying to become an MDC to lessen the administrative burden for both the retailer and the customer of registering an MDC.’</p>	<p>We have not removed this clause, because we consider it is important that retailers be required to act on information they receive that indicates there may be a medically dependent consumer residing at a customer’s premises. This clause makes it clear that the application for medically dependent consumer status can be in any form, and this would include verbal request via a phone call, for example, that a person wishes to be recorded as a medically dependent consumer. We do not therefore consider this step creates any significant administrative burden on customers or retailers.</p> <p>Whenever this clause applies, the retailer must treat that person as someone who may be a medically dependent consumer for at least 21 business days, by operation of clause 53(2)(c) and clause 73(c). This means a retailer cannot disconnect a premises if it becomes aware of information of the kind referred to in this clause, until it has followed the process outlined in this Part. Even if the retailer does not receive an application within the specified period, the retailer could still, at its discretion, record that person as having medically dependent consumer status under clause 56. For example, if a retailer is notified by a carer or customer’s relative that a customer is medically dependent, but the retailer has been unable to contact that customer directly within the timeframe, the retailer could record their customer as a medically dependent consumer and advise them of that decision, with the customer being able to correct that information at any time in accordance with their rights under the Privacy Act, and the retailer being able to review that status at a later time in accordance with clause 64. There is, therefore, no gap in protections between a retailer first learning of the information and having that information confirmed.</p> <p>We have inserted subclauses (2) and (3) to clarify the relationship between clauses 55 and 73, and to ensure that consumers are made aware of the consequences of not making an application. This is one of a number of minor changes which replace the more general ‘best endeavours’ obligation in clause 68, instead providing concrete steps a retailer must take before it is able to disconnect a premises when it has previously become aware of information that indicates there may be a medically dependent consumer at a customer’s premises.</p>
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<p><b>56 Recording medically dependent consumer status</b></p> <p>(1) Subject to subclause (2), a <b>retailer</b> may, at its discretion, record that a <b>customer</b>, or <b>residential consumer</b> who permanently or temporarily resides at a <b>customer’s</b> premises, has <b>medically dependent consumer</b> status, having regard to the information gathered by the <b>retailer</b> in accordance with these <b>Consumer Care Obligations</b> or otherwise provided by a <b>customer</b>, <b>residential consumer</b>, or any third party.</p> <p>(2) A retailer must record that a <b>customer</b>, or <b>residential consumer</b> who permanently or temporarily resides at a <b>customer’s</b> premises, has <b>medically dependent consumer</b> status if the <b>retailer</b> receives a valid <b>confirmation of status form</b> or <b>reconfirmation form</b> in relation to that person.</p>		
<p><b>57 Retailer’s obligations after receiving application for medically dependent consumer status</b></p> <p>(1) Upon receipt of an application (in any form) for <b>medically dependent consumer</b> status in relation to a <b>customer</b> or <b>residential consumer</b> residing at a <b>customer’s</b> premises, the <b>retailer</b>:</p> <p>(a) must record that the application has been received;</p> <p>(b) must <del>advise the applicant that the retailer will ask for the applicant’s consent (unless such consent has already been provided) to:</del></p> <p>(i) record and hold relevant information relating to the application <del>for the purposes described in clauses 53(1)(a) and (b);</del> and</p> <p>(ii) <del>will share that where necessary</del> information with the relevant <b>distributor, metering equipment provider</b> and <b>trader</b> recorded in the <b>registry</b> as being responsible for a relevant <b>ICP</b> (unless the <b>retailer</b> is itself the relevant <b>trader</b>);</p> <p>(c) may, if appropriate to do so, take reasonable steps to confirm that the applicant is permanently or temporarily resident at the premises;</p> <p>(d) may ask the applicant for a <b>confirmation of status form</b> if one has not been provided with the application, provided that, if the <b>retailer</b> requests a <b>confirmation of status form</b>, it must provide the applicant with the <b>confirmation of status form</b> <del>prescribed</del> by the <b>Authority</b> and advise the applicant that it may decline the application if the applicant fails to provide a valid form; and</p> <p>(e) may, where applicable and if appropriate to do so, take reasonable steps to confirm the validity of the <b>confirmation of status form</b>.</p> <p>(2) If a <b>retailer</b> receives an application for <b>medically dependent consumer</b> status but the application does not relate to a <b>customer’s</b> premises, the <b>retailer</b> must, as soon as reasonably practicable:</p> <p>(a) use reasonable endeavours to determine who the current <b>retailer</b> is for the premises;</p> <p>(b) inform the applicant, <del>or the health practitioner who completed the confirmation of status form (if a form has been received by the retailer) and, if a confirmation of status form has been received, the health practitioner who completed the form,</del> that:</p> <p>(i) the <b>retailer</b> is not responsible for the supply of <b>electricity</b> to the premises; and</p>	<p>In relation to subclause (1)(b)(i), Independent Retailers submitted: ‘If a customer or residential consumer has applied for medically dependent status it should be able to be inferred that they have consented to recording and holding relevant information relating to the application. Clause 57(1)(b)(i) is a superfluous step and should be deleted.’</p> <p>In relation to subclause (1)(b)(ii), Mercury submitted: ‘Could the Authority please clarify whether the expectation ... is to advise distributor/MEP/trader of the specifics of a customer’s GP or condition, or is it sufficient to state that there is a MDC at the property?’</p> <p>In relation to subclause (1)(d), Meridian submitted: ‘Meridian notes the reference to the Authority providing “the applicant with the confirmation of status form prescribed by the Authority” in this clause. Meridian recommends that the form be provided by the Authority outside of the Code.’</p> <p>In relation to subclause (2)(b), Genesis submitted: ‘We do not agree with the changes to the Obligations (from the Guidelines) to require retailers to contact doctors on behalf of non-customers under clause 57(2)(b). We do not believe it is appropriate for retailers to act in this capacity for a person with whom we have no contractual relationship. We suggest removing this part of the Obligation (‘...and, if a confirmation of status form has been received, the health practitioner who completed the form...’).’</p>	<p>We have amended subclause (1)(b) to more clearly align with retailers’ obligations under the Privacy Act and the Information Privacy Principles (IPPs). IPP3 requires agencies collecting personal information to take reasonable steps to ensure the individual concerned is aware of the purpose for which the information is being collected and the intended recipients of the information. We agree with Independent Retailers that a person who has applied for medically dependent consumer status does not need to give explicit consent to that information being shared with the relevant distributor, metering equipment provider and trader, given that is sufficiently connected to the purpose for which the application is made, and information is provided. This aligns with IPP11(1)(a).</p> <p>In relation to Mercury’s submission, we confirm that a retailer will only be expected to share relevant information, where necessary for the prescribed purposes, with the relevant distributor, metering equipment provider or trader. This would include the fact that a person who may be a medically dependent consumer is residing at a premises (see clause 58 below). We have clarified the drafting in subclause (1)(b)(ii) to make this clear.</p> <p>The confirmation of status form will be prescribed by the Authority but will be available on its website rather than forming part of the Code. This will ensure that the form is accessible and can be updated without amending the Code. ‘Prescribed form’ simply means a form prescribed from time to time by the Authority, under clause 1.1(1) of the Code.</p> <p>In relation to Genesis’ submission, as we noted in the consultation paper, this requirement was added to ensure the Code addresses all the different situations that might arise under this Part, specifically the situation where the retailer receives a confirmation of status form directly from a health practitioner. We accept that contacting the health practitioner might not be necessary if a retailer is able to contact the applicant directly. The intent was to address the potential gap where that might not</p>

<p>(ii) if the <b>retailer</b> has determined who the responsible <b>retailer</b> is under paragraph (a), that <b>retailer's</b> name and contact details; and</p> <p>(c) encourage the applicant to contact the responsible <b>retailer</b> as soon as practicable.</p>		<p>be possible. We have decided to retain this requirement but have clarified that a retailer does not need to contact the health practitioner directly if they can contact the applicant instead.</p>
<p><b>58 Retailer's obligations to share information about medically dependent consumers</b></p> <p>(1) If a <b>retailer</b> receives an application under clause 57, <del>or otherwise decides to record the customer or residential consumer as a medically dependent consumer, and the applicant has given their consent in accordance with clause 57(1)(b),</del> the <b>retailer</b> must:</p> <p>(a) if the <b>retailer</b> is the <b>trader</b> recorded in the <b>registry</b> as being responsible for the relevant <b>ICP</b>, advise the relevant <b>distributor and metering equipment provider</b>, using the relevant <b>EIEP published by the Authority under clause 58A</b>, of:</p> <p>(i) <del>as applicable</del>, the application, at the time the <b>retailer</b> receives the application; and</p> <p>(ii) the <b>retailer's</b> decision regarding whether to record the applicant as a <b>medically dependent consumer</b>, as soon as practicable once the <b>retailer</b> has made that decision; and</p> <p>(iii) <del>any subsequent change in medically dependent consumer status; and</del></p> <p>(b) if the <b>retailer</b> is not the <b>trader</b> recorded in the <b>registry</b> as being responsible for the relevant <b>ICP</b>, advise that <b>trader</b>, using the <b>relevant EIEP published by the Authority under clause 58A</b>, of the matters in subparagraph (a)(i) <del>to and</del> (iii).</p> <p>(2) If a <b>trader</b> receives advice under <del>subclause-subparagraph</del> (1)(b), the <b>trader</b> must record that information and advise the relevant <b>distributor and metering equipment provider</b> as soon as practicable, using the relevant <b>EIEP published by the Authority under clause 58A</b>, of the matters in subclause (1)(a)(i) to (iii).  <del>(a) the application; and</del>  <del>(b) the retailer's decision regarding whether to record the applicant as a medically dependent consumer.</del></p> <p>(3) If a <b>trader</b> authorises a <b>metering equipment provider</b> to undertake any work at a <b>customer's</b> premises, it must notify the <b>metering equipment provider</b> if the <b>trader</b> knows a <b>medically dependent consumer</b> may reside at the premises.</p> <p>(4) A <b>retailer</b> must, if it has not already done so, comply with subclause (1) (with all necessary modifications) in respect of any <b>medically dependent consumers</b> as recorded by that <b>retailer</b> at the time this clause comes into effect.</p> <p><b>58A Authority to publish procedures for sharing information about medically dependent consumers</b></p> <p>(1) The <b>Authority</b> must prescribe and <b>publish</b> 1 or more <b>EIEPs</b> with which a <b>retailer</b> must comply when providing information to a <b>distributor</b> under clause 58(1)(a) or a <b>trader</b> under clause 58(1)(b).</p> <p>(2) Before the <b>Authority</b> prescribes an <b>EIEP</b> under subclause (1), or amends an <b>EIEP</b> that it has prescribed under subclause (1), it must consult with</p>	<p>This clause received significant feedback which is summarised below for ease of reading. Please refer to the submissions on our website for full context.</p> <p>ENA submitted: 'This clause relies heavily on the use and exchange of electricity information exchange protocols (EIEP4) data, which is non-regulated and voluntary. Because it is non-regulated, it is exchanged inconsistently from retailers to distributors. EDBs have varying systems set up to hold this data. In addition to the varying systems that store data, distributors use EIEP4 data indifferently. Some EDBs may not be able to easily utilise EIEP4 for MDC identification or other purposes without implementing system and operational changes which would likely require significant additional cost beyond that which the EA has assessed. ENA is concerned that without clear rules about when and how data should be exchanged, the integrity of that data will remain inconsistent. The lack of rules around data exchange also heighten the risk of breaching privacy obligations.' ENA noted the Authority had previously discussed a secure registry/database to store MDC information that external parties (eg health practitioners) could access. It submitted: 'A central repository would act as one source of truth and help to ensure that MDC data is more accurate and easily accessible. Without a central repository, ENA recommends that some rules are outlined to make sure EIEP4 data is exchanged consistently. These could include:</p> <ul style="list-style-type: none"> <li>• mandating specific requirements around EIEP4 data exchanges from retailers (e.g. data integrity/content/frequency of delivery)</li> <li>• mandate specific requirements regarding what distributors should do with EIEP4 data once received.'</li> </ul> <p>ENA further submitted: 'If EDBs are not required to do anything with EIEP4 data, further consideration should be given as to why EDBs should be provided with it, especially in regards to the risk of breaching privacy obligations... We encourage the Authority to consult further on any significant EIEP4 requirements and/or changes and ensure that privacy law and other regulatory requirements are considered alongside any decisions'</p> <p>EA Networks also noted inconsistent use of EIEP4 and said 'some second tier (white label) Retailers refuse to provide EIEP4 information. In these situations, we only receive the name of the second tier retailer, which provides no MDC or consumer data that can be used.' EA Networks 'suggests an improvement to the requirements for retailers to provide up-to-date information (including email and contact numbers) which would enable greater communications and messaging to all consumers impacted by outages. For those that have this functionality, it would provide the ability to</p>	<p>An important purpose of retailers recording medically dependent consumer status is to ensure the identification of residences where electricity disconnection, for whatever reason, may have significant consequences. This information has relevance across the electricity network. While electricity supply cannot be guaranteed to any household, including to medically dependent consumers, we expect this information, when it is reliable and easily accessible, will generally be relevant to a distributor's operations, such as planning maintenance that might require a planned service interruption and when responding to unplanned service interruptions and emergency events. For example, a distributor might choose to prioritise reconnection of certain ICPs in an emergency if it knows that medically dependent consumers are affected by the outage.</p> <p>When a distributor is responsible, under their DDAs, for notifying customers of service interruptions, we also expect that this information could inform a distributor's communication decisions. While we acknowledge Vector's submission, medically dependent consumer information would enable distributors to tailor their notifications to medically dependent consumers and/or choose to use different communication methods or make multiple communication attempts given the higher known risk of disconnection to those consumers.</p> <p>Given the general relevance of medically dependent consumer information across the electricity network, we do not agree that this clause should be removed. However, we do acknowledge the concerns with the existing EIEP4. We will be developing a new EIEP4A for medically dependent consumer information specifically. This would be used by traders when sharing information with distributors, and by retailers when sharing information with traders. It would require sharing ICPs for all premises at which a medically dependent consumer is recorded or an application is received, and any subsequent changes in medically dependent consumer status. We have also inserted new subclause (1)(a)(iii) to ensure that any later changes in medical dependent consumer status are also shared, so that the information in the new EIEP4A will remain up to date.</p> <p>We agree that consultation on this new form is desirable, and we will consult on and publish a new EIEP4A before this clause comes into effect. We have included a new clause 58A (which will be renamed in the final Code amendment) to clarify the</p>



<p>the participants that the Authority considers are likely to be affected by the <b>EIEP</b>.</p> <p>(3) The <b>Authority</b> need not comply with subclause (2) if it proposes to amend an <b>EIEP</b> prescribed under subclause (1) if the <b>Authority</b> is satisfied that—</p> <p>(a) the nature of the amendment is technical and non-controversial; or</p> <p>(b) there has been adequate prior consultation so that the <b>Authority</b> has considered all relevant views.</p>	<p>go over and above baseline requirements, which can vary amongst EDBs, but is often clearly defined within the DDAs with Retailers. While we are suggesting this improvement, we are not recommending mandating an EDB to have the ability to receive, store and use EIEP4 information. Building this functionality comes at a significant cost and we do not agree with the Authority's view that these changes would be "unlikely to result in significant additional costs". We would also highlight that if the Authority maintained its approach to this, then a review of the date that the Consumer care obligations would take effect would also be required, given system implementations can take multiple years to implement.'</p> <p>Vector submitted clause 58 'be deleted, on the basis the requirements compromise the privacy of medically dependent consumers for no apparent reason or benefit and is also inconsistent with the privacy obligations of distributors and retailers.' It noted that it 'already notifies <u>all</u> customers of planned interruptions under its DDA, which negates the need for the 'medical status information' contemplated by clause 58.' Vector 'considers the better approach is to notify <u>all</u> customers (thus capturing medically dependent consumers), as we do, which eliminates the need for the MDC field in EIEP4.'</p> <p>MainPower and Marlborough Lines submitted: 'we support the comments of Vector and the ENA in relation to EIEP4... As noted by the ENA, use of EIEP4 is inconsistent across retailers and distributors. The information is often out of date and mandatory provision carries a risk of privacy breaches. EIEP4 should only be made mandatory after a full assessment of its usefulness and any legal and privacy implications of requiring retailers to share customer information with EDBs through the EIEP4 mechanism.'</p> <p>Other distributors recommended mandating EIEP4 to ensure consistent and reliable information is provided by retailers. Waipā Networks submitted: '... Waipā Networks receives files from Retailers that vary significantly in terms of accuracy, format and frequency, and in the case of some Retailers, no files at all. We believe that EIEP4 should be mandated to ensure this clause can be relied upon. Furthermore, the data quality issue should be addressed through the participant audit process where Retailers processes for maintaining EIEP4 fields, particularly those relating to Medically Dependent Consumers, are regularly audited.'</p> <p>The Lines Company also recommended mandating EIEP4, noting 'While TLC generally finds the quality of these files satisfactory, we question whether it makes sense to mandate the Guidelines without first regulating EIEP4 files.' Unison and Centralines similarly recommended 'Mandate a consistent approach to EIEP4 customer data information exchange to promote consistency in the data received by distributors'</p> <p>Orion submitted: 'The Authority should specify the required EIEP form within the clause, consider developing rules and regulations around the relevant EIEP form. This change, should the Authority decide to progress it, should be consulted on prior to implementation to ensure that the proposed changes</p>	<p>Authority's process for prescribing a new EIEP. This mirrors the existing provision in clause 11.32F for EIEPs relating to consumption information. As part of this process, we will consult on whether the new EIEP4A should include (mandatory or optional) contact details for medically dependent consumers. We note that not all distributors will require this information, and those that do have responsibility for notifying customers of service interruptions will already have contact information for all customers. We expect that those distributors would be able to integrate their existing data with the information provided under EIEP4A. Including contact information in EIEP4A may, therefore, be unnecessary.</p> <p>We have included new subclause (4) to clarify the transitional requirements in relation to existing medically dependent consumers.</p> <p>We agree that metering equipment providers do not require the same, ongoing access to information about medically dependent consumers. We have therefore inserted new subclause (3) to allow a simpler process, as suggested by Meridian, to ensure that metering equipment providers are advised when an medically dependent consumer may be present at a premises it is conducting work at, in the same way information about hazards is shared.</p> <p>Other options suggested, such as changes to the electricity registry to record medically dependent consumer status, or establishing a separate, central database of medically dependent consumers, require further significant policy work. Any consideration of these options would be part of the Authority's ongoing consumer care work programme.</p>
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	<p>are workable for all participants. These regulations should mandate specific requirements around EIEP4 data exchanges from retailers to distributors that cover:</p> <ul style="list-style-type: none"> <li>• Frequency of delivery,</li> <li>• Content of data, and</li> <li>• Integrity/accuracy of data.</li> </ul> <p>The Authority should also consider requiring that contact information for medically dependent consumers be shared with the relevant distributor to allow for enhanced ability to notify consumers about emergency and unplanned outages... As an additional value-add enhancement, the Authority should consider requiring contact information for all consumers to be shared with the relevant distributor to allow for enhanced notification of planned, unplanned and emergency outages.'</p> <p>One individual noted that there is no EIEP that covers traders passing information to MEPs, and in relation to distributors, recommended, instead of relying on EIEP4, 'The status of medical dependency should be an attribute of the Trader event in the Registry.'</p> <p>Network Waitaki submitted: 'We do not agree with traders/retailers advising an Electricity Distributor when they receive applications for "medically dependent consumer" status. We only need to know that a customer is a MDC once it has been confirmed by the retailer.' It made two recommendations: '1. If a distributor is obligated to use the EIEP4 data from retailers then there needs to be an obligation on retailers regarding data integrity, content and frequency of delivery. 2. Retailers only advise distributors of MDC status once it has been confirmed.'</p> <p>Meridian submitted: 'Meridian notes the reference to advising MEPs of MDC statuses via an EIEP, which is currently only used by retailers to inform distributors (not MEPs) of MDC statuses. Meridian currently makes MEPs aware of an individual customer's MDC status only when work is required to be performed at a specific customer's ICP. It would be good to understand the Authority's reason for requiring retailers to provide all customers' MDC status' via EIEP when MEPs won't be required to action anything off the list. Implementing the process currently proposed by the Obligations (which could be a daily process) would require significant time and budget to implement. Meridian also notes the requirement to advise all distributors and MEPs about (a) an MDC application at the time the application is made and then (b) confirmation (or not) of the MDC application. Practically, as these interactions may well be daily notifications between all three parties, they could become administratively burdensome for retailers, distributors and MEPs to manage. Currently Meridian provides monthly updates on all customers' MDC status (via EIEP4) to those distributors who request this information and provides MDC information to MEPs on a customer-by-customer basis when we request an MEP to perform an action on a particular customer ICP (see note on clause 55 above). Meridian suggests</p>	
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	<p>that these two processes are appropriate to ensure distributors and MEPs have sufficient MDC information on a customer. To implement what could amount to daily notifications of MDC status', the Obligations as drafted would require significant budget and development time for retailers.'</p> <p>Mercury submitted: 'We currently share that a customer is recorded as an MDC.'</p>	
<p><b>59—Retailer's obligations if no consent provided</b></p> <p><del>(1) If an applicant does not provide the consent referred to in clause 57(1)(b)(i) above after a period of at least 21 business days of making the request, the <b>retailer</b> must advise the applicant:</del></p> <p><del>(a) if the applicant does not provide their consent, the <b>retailer</b> may decide to decline the application; and</del></p> <p><del>(b) the applicant should, as soon as practicable, inform their <b>health practitioner</b> that the <b>retailer</b> may not treat the applicant as a <b>medically dependent consumer</b>.</del></p> <p><del>(2) If a <b>retailer</b> has completed the steps in subclause (1) and has still not received consent within ten <b>business days</b>, the <b>retailer</b> may decline the application to record the applicant has <b>medically dependent consumer</b> status.</del></p>	<p>Independent Retailers submitted: 'This clause requires that the retailer advise the applicant, if they haven't provided consent in relation to clause 57(1)(b)(i), that "the retailer may decide to decline the application". If consent has not been granted then the retailer would not be able to record or hold the information needed to inform the applicant's health practitioner. We also consider that it would be over-reach on the part of the retailer to be contacting the health practitioner over a matter that should be between the applicant and their health practitioner/GP. Another problem is that the retailer may decide it would not be necessary or consistent with consumer protection to decline the application. It would not make sense for the retailer to have to notify the applicant the application may be declined if the retailer has no intention of declining the application. Clause 60(2) has more appropriate qualification which could address this issue: "and is considering declining the application".'</p> <p>In relation to subclause (1)(b), Independent Retailers also submitted: 'The Independent Electricity Retailers consider that the Obligations should be Obligations on retailers (and where applicable distributors) NOT on consumers. From our compliance reporting this would qualify as 'not applicable'.'</p> <p>Mercury submitted: 'Clause 59 is another example of where Mercury prefers its own processes to those prescribed by the CCOs. We are uncomfortable with the concept that a retailer can opt to decline MDC status if they have received no response within a given timeframe (21 + 10 business days). If someone is medically dependent they are vulnerable and may struggle to respond within a 10 business day timeframe. We believe there should be multiple forms of communication and efforts to support that customer and recommend a minimum of 21 business days should be provided at clause 59(2) before a retailer can decline the application.'</p>	<p>We have removed this clause as we consider that it is unnecessary. As explained at clause 57 above, we agree with Independent Retailers that a person who has applied for medically dependent consumer status does not need to give explicit consent to that information being recorded or shared with the relevant distributor, metering equipment provider and trader, given that is sufficiently connected to the purpose for which the application is made, and information is provided. Failure to give explicit consent, therefore, should not be a ground to decline an application. Under the Privacy Act, retailers must still provide individuals the opportunity to correct that information, and clause 73(a) below makes it clear that a retailer is not required to treat a person as someone who may be a medically dependent consumer if the person requests that they not be so treated.</p> <p>We comment on Mercury's submission at clause 60 below.</p>
<p><b>60 Retailer's obligations in respect of confirmation of status forms</b></p> <p>(1) Where the <b>retailer</b> has received a <b>confirmation of status form</b>, the <b>retailer</b> must record the following information in respect of that <b>confirmation of status form</b> and any subsequent <b>reconfirmation form</b> received:</p> <p>(a) when the form was received;</p> <p>(b) the name of the <b>health practitioner</b> who completed the form;</p> <p>(c) the date on which the form was completed by the <b>health practitioner</b>; and</p> <p>(d) the time period to which the <b>health practitioner's</b> confirmation given in the form applies, if any period is specified.</p>	<p>In relation to subclause (2), Genesis submitted: 'We do not agree with the requirement for retailers to advise applicants they can ask retailers to obtain a confirmation status form directly from a health practitioner. We think it is unreasonable to mandate this requirement, as it will impose cost on retailers without any tangible benefit; nor do we think it unreasonable to expect consumers, who have a relationship with their health provider, to be able to provide a confirmation form. We note there is a caveat - 'If Applicable' - it would be useful to clarify the meaning of this caveat.'</p> <p>Mercury submitted: 'We note that 60(2)(d) is an alteration of Mercury's current process. Should a retailer be relying on the customer to supply this information to their Health Practitioner? It may be more reliable for the</p>	<p>We have not made any changes to the 21 business day timeframe in this clause or elsewhere. While it is an unusual timeframe, the Guidelines currently require '21 business days' and we do not wish to reduce that timeframe by adopting 21 calendar days instead.</p> <p>We have removed subclause (2)(b). While this references an existing recommended action in the Guidelines (at paragraph 93), we accept that requiring retailers to offer this option to all medically dependent consumers who have not provided a confirmation of status form would impose a cost on retailers. We have decided to remove this subclause and instead clarify at</p>



<p>(2) If a <b>retailer</b> does not receive a valid <b>confirmation of status form</b> after a period of at least 21 <b>business days</b> after making a request under clause 57(1)(d), and is considering declining the application under subclause (4), the <b>retailer</b> must advise the applicant that:</p> <p>(a) the applicant must provide a valid <b>confirmation of status form</b> as soon as practicable;</p> <p><del>(b) the applicant can request that the retailer obtain the confirmation of status form directly from the health practitioner who completed the form (if applicable);</del></p> <p><del>(b)(e)</del> if the <b>retailer</b> does not receive a <b>confirmation of status form</b> within a period specified by the <b>retailer</b>, which must be least 10 <b>business days</b>, the <b>retailer</b> may decide to decline the application; and</p> <p><del>(c)(d)</del> the applicant should, as soon as practicable, <b>contact the retailer</b> if they are unable to provide a <b>confirmation of status form</b> within the period specified in paragraph (c) <del>inform their health practitioner that the retailer may not treat them as a medically dependent consumer.</del></p> <p>(3) <del>If the customer makes a request under subclause (2)(b), the A</del> <b>retailer may must</b> request the <b>confirmation of status form</b> directly from the <b>health practitioner</b> who completed the form, if authorised to do so by the applicant <del>directly</del>.</p> <p>(4) If a <b>retailer</b> has advised the applicant of the information specified in subclause <del>(2)(1) and complied with subclause (3) (if applicable)</del>, and has still not received a valid <b>confirmation of status form</b> within the period specified in subclause <del>(2)(b) ten business days</del>, the <b>retailer</b> may, after considering any information provided under subclause (2)(c), decline the application to record the applicant has <b>medically dependent consumer</b> status.</p>	<p>retailer to make this contact directly however customer consent would be required so this may be impractical.'</p> <p>In relation to subclause (3), Meridian submitted: 'Meridian notes the amendment from "may" to "must", adding an obligation on the part of the retailer to directly request a copy of a confirmation of status form from a customer's health practitioner if the customer requests the retailer to do so. Practically speaking, unless health practitioners are aware of and accept this new duty placed on retailers, this process will place an unrealistic administrative burden on retailers as not all health practitioners are willing (for various reasons including not having time to communicate with third parties) to share the information directly with retailers. Meridian proposes that the word "must" be replaced with "may" leaving it up to the discretion of the retailer (depending on resourcing) to decide whether they are able to obtain a copy of the confirmation of status form for the customer.'</p> <p>Independent Retailers submitted: 'We assume the reference to "21 business days" was intended to be "21 days", otherwise 21 is an odd number of business days.' We also note Independent Retailers' submission above in relation to clause 59(1)(b) and the appropriateness of imposing 'obligations' on consumers is also relevant to clause 60(2)(d).</p>	<p>subclause (3) that a retailer may request a confirmation of status form from a health practitioner directly if the applicant authorises this. This might be appropriate, for example, if the customer is for health reasons unable to do so themselves.</p> <p>In relation to subclauses (2)(c) and (4), we acknowledge Mercury's concern (at clause 59 above) that a retailer can opt to decline medically dependent consumer status if they have received no response within a given timeframe of 21+10 business days. As Mercury noted, if someone is medically dependent, they are vulnerable and may struggle to respond within a 10 business day timeframe. We have amended this clause to clarify that a retailer must provide a further 10 business days as a minimum. We have also clarified that this timeframe should be explained to the customer. Retailers may choose to use an alternative, longer timeframe, and may choose to take additional steps, such as contacting applicants more than once when they have not yet provided a confirmation of status form. We will monitor the operation of this Part of the Guidelines over time to decide whether further requirements should be included as minimum standards.</p> <p>Subclause (2)(d) references an existing recommended action in the Guidelines (at paragraph 94(b)). We accept, however, that it is overly prescriptive, and not necessarily helpful, to require retailers to tell their customers to tell their health practitioner something. The better approach, we think, is to require retailers to tell their customers to contact them if there is a reason why they cannot provide a confirmation of status form within the specified period (for example, if they cannot arrange to see their GP in time), and for retailers to take this information into account when making a decision under subclause (4). We note that this is part of a series of minor changes which replace the overarching 'best endeavours' obligation in clause 68.</p>
<p><b>61 Further obligations before declining an application</b></p> <p>(1) Before declining an application for <b>medically dependent consumer</b> status, other than on grounds that the applicant does not permanently or temporarily reside at a <b>customer's</b> premises, <del>or does not give their consent under clause 57(1)(b)(i);</del> a <b>retailer</b> must request from the applicant a <b>confirmation of status form</b> under clause 57(1)(d).</p> <p>(2) Before declining an application for <b>medically dependent consumer</b> status on grounds that the <b>confirmation of status form</b> is not valid, the <b>retailer</b> must take reasonable steps to confirm the validity of the form under clause 57(1)(e).</p>		<p>We have made a consequential change to this clause to reflect changes made to clause 57 discussed above.</p>

<p><b>62 No response to questions</b> If a <b>retailer</b> receives an application for <b>medically dependent consumer</b> status but the applicant does not respond to any questions from the <b>retailer</b> communicated to the applicant <del>using in accordance with</del> the applicant's communication <del>information preferences</del> recorded under clause 15 <del>or 54</del>, and does not otherwise communicate with the <b>retailer</b> within a period of at least 21 <b>business days</b>, the <b>retailer</b> may decline the application to record the applicant has <b>medically dependent consumer</b> status.</p>		<p>We have made two drafting changes, to include a reference to clause 54 (which will apply instead of clause 15 in relation to medically dependent consumers who are not the customer), and to make a consequential change to reflect changes made to clause 15 discussed above.</p>
<p><b>63 Obligations if retailer declines application for medically dependent consumer status</b> If a <b>retailer</b> declines an application for <b>medically dependent consumer</b> status, the <b>retailer</b> must:</p> <ul style="list-style-type: none"> <li>(a) notify the applicant as soon as practicable of the <b>retailer's</b> decision;</li> <li>(b) inform the applicant of how to reapply to be recorded as a <b>medically dependent consumer</b>;</li> <li>(c) inform the applicant of the dispute resolution process they may follow, including: <ul style="list-style-type: none"> <li>(i) making a complaint to the <b>retailer</b> through the <b>retailer's</b> internal dispute resolution process; or</li> <li>(ii) making a complaint to the dispute resolution scheme identified under clause 3 of Schedule 4 of the <b>Act</b>; and</li> </ul> </li> <li>(d) if a complaint is made under paragraph (c), <del>and the customer or residential consumer is engaging with the retailer's internal dispute resolution process and/or the dispute resolution scheme identified under clause 3 of Schedule 4 of the Act in good faith</del>, treat the <b>customer</b> or <b>residential consumer</b> as if they are a <b>medically dependent consumer</b> <del>while the dispute is unresolved for at least the duration of the dispute.</del></li> </ul>	<p>Genesis submitted: 'See above our comments and suggestions regarding disputes under clause 45 – we suggest these be considered for clause 63 as well.'</p>	<p>We have amended paragraph (d) to clarify that this restriction on disconnection applies when a consumer is engaging with the dispute resolution process in good faith, as suggested by Genesis at clause 45 above. We have also aligned the wording of this clause with clause 45(1)(e) above. As we explained above, we consider it is clear that 'unresolved' means that the dispute is still progressing through the retailer's internal dispute resolution process or the dispute resolution scheme process.</p>
<p><i>Reviewing medically dependent consumer status</i></p>		
<p><b>64 Review of medically dependent consumer status</b></p> <ul style="list-style-type: none"> <li>(1) A retailer may review whether a <b>customer</b> or <b>residential consumer</b> should continue to be recorded as having <b>medically dependent consumer</b> status no more than once in any 12-month period.</li> <li>(2) If a <b>retailer</b> decides to undertake a review under subclause (1), the <b>retailer</b> must contact the <b>customer</b> or <b>residential consumer</b> (or <b>alternate contact person</b>, as the case may be) to: <ul style="list-style-type: none"> <li>(a) ask them to advise the <b>retailer</b> if: <ul style="list-style-type: none"> <li>(i) they continue to reside at the premises;</li> <li>(ii) they still consider themselves a <b>medically dependent consumer</b>; and</li> </ul> </li> <li>(b) give them an opportunity to provide any further information that they wish to provide regarding whether or not they should continue to be recorded as having <b>medically dependent consumer</b> status.</li> </ul> </li> <li><del>(3) A retailer is not required to comply with subclause (2)(a)(ii) if the retailer is satisfied that the customer or residential consumer's medical dependency on mains electricity is permanent.</del></li> <li><del>(4)(3)</del> If having made contact under subclause (2), the <b>retailer</b> is informed that the <b>customer</b> or <b>residential consumer</b> continues to reside at the</li> </ul>	<p>Mercury submitted: 'Mercury views the requirement to check in under clause 64(1) to be a positive one and recommends it should be done every 6 months. Please could the Authority clarify what costs the retailer is being asked to cover under clause 64(5)? For example, are we being asked to pay customers for their time as well as doctors visit and if so to what cost?'</p> <p>In relation to subclause (2), Independent Retailers submitted: '...the Authority's Consumer Care requirements should recognise medical dependence could be a permanent condition. In relation to 64(2), this means the retailer should be able to request confirmation that a medically dependent consumer continues to reside at the premises (64(2)(a)(i)) but not force the retailer to also ask whether they consider themselves to still be medically dependent (64(2)(a)(ii)).'</p> <p>In relation to subclause (5), Independent Retailers submitted: 'We do not support retailers being required to cross-subsidise potentially medically dependent consumers cost of reconfirming medical dependent status – effectively requiring all residential customers to subsidise a subset of</p>	<p>In relation to Mercury's submission, we have not changed the timeframe for reviews under clause 64 as this is intended to prevent retailers from overburdening medically dependent consumers with unnecessary reviews and reconfirmations of medically dependent consumer status. Shifting this to a 6-month minimum timeframe review may place unnecessary strain on retailers and consumers.</p> <p>We have inserted new subclause (3) as we agree with Independent Retailers' submission that retailers should not be required to ask consumers if they still consider themselves medically dependent, if a retailer has previously satisfied itself that the condition is permanent, and they are not requiring reconfirmation of that status. We have made a change accordingly. We also note that reviews under clause 64 are not mandatory – a retailer may choose not to undertake a review or may choose to review with less frequency, such as every two or three years.</p>

<p>premises and still considers themselves a <b>medically dependent consumer</b>, clauses 57 to 62 apply with all necessary modifications.</p> <p><del>(5)(4)</del> If a <b>retailer</b> has previously been provided with a <b>confirmation of status form</b> or <b>reconfirmation form</b> for that <b>medically dependent consumer</b>, the <b>retailer</b> may, as part of a review under subclause (1) and if it reasonably considers it appropriate in the circumstances, request that a <b>medically dependent consumer</b> provide the <b>retailer</b> with a <b>reconfirmation form</b> and provide the applicant with the <b>reconfirmation form prescribed</b> by the <b>Authority</b>.</p> <p><del>(6)(5)</del> If a <b>retailer</b> requests a <b>reconfirmation form</b> under subclause (4), and a valid <b>reconfirmation form</b> is provided, the <b>retailer</b> must meet the <b>customer's</b> or <b>residential consumer's</b> reasonable costs of obtaining that <b>reconfirmation form</b>, unless the earlier <b>confirmation of status form</b> or <b>reconfirmation form</b> had specified a time period to which the <b>health practitioner's</b> confirmation given in the form applied, and that period has ended.</p> <p><del>(7)(6)</del> Upon completion of any review under subclause (1), the <b>retailer</b> must:</p> <ul style="list-style-type: none"> <li>(a) notify the <b>customer</b> or <b>residential consumer</b> of the outcome of that review; and</li> <li>(b) if the <b>retailer</b> decides that the <b>customer</b> or <b>residential consumer</b> should no longer be recorded as having <b>medically dependent consumer</b> status: <ul style="list-style-type: none"> <li>(i) inform them of the matters in subclauses <del>630</del>(b) and (c);</li> <li>(ii) provide them with two weeks' notice before removing their <b>medically dependent consumer</b> status; and</li> <li>(iii) if a complaint is made through the <b>retailer's</b> internal dispute resolution process or to the dispute resolution scheme identified under clause 3 of Schedule 4 of the <b>Act</b> and the <b>customer or residential consumer is engaging with that process in good faith</b>, treat them as if they are a <b>medically dependent consumer while the dispute is unresolved for at least the duration of the dispute</b>.</li> </ul> </li> </ul>	<p>customers. The Authority has offered no explanation of this funding proposal or assessment against efficiency objectives.'</p>	<p>In relation to subclause (6) (previously subclause (5)), the expectation that a retailer reimburse residential consumers for reasonable costs of verification or reverification when an existing verification remains valid has long been a feature of the Guidelines, including the original Guideline on Arrangements to Assist Medically Dependent Consumers, and the Consumer Care Guidelines (at paragraph 98). Requiring medically dependent consumers to repeatedly pay for confirmation of their status when their previous confirmation remains valid could be burdensome, especially if their condition has not changed. The policy incentivises retailers to avoid requesting unnecessary reconfirmations by making them bear the cost when doing so. This is proportionate because it prevents excessive requests for reconfirmation while protecting consumers from undue expenses. We expect in practice that this obligation would be engaged infrequently and would not impose any significant structural cost allocation for retailers, as we expect retailers will not unnecessarily request reconfirmation. We note further that this obligation is only triggered if the consumer's status is confirmed. If the consumer cannot produce a valid reconfirmation form and their medically dependent consumer status is removed, this clause will not apply. Our expectation is that 'reasonable costs' relate to the costs of obtaining that form from the health practitioner concerned, not other incidental costs.</p> <p>We have amended the drafting at subclause (7)(b)(iii) to align with the changes made at clause 63 above.</p>
<p><i>Providing <del>information and</del> advice in relation to medically dependent consumers</i></p>		

<p><b><del>65—Retailers to provide information about their obligations to medically dependent consumers</del></b>  <del>Before signing up a residential consumer as a new customer, a retailer must:</del></p> <p><del>(a)—provide easily accessible information to the residential consumer about—</del></p> <p><del>(i) the retailer’s obligations in relation to medically dependent consumers;</del></p> <p><del>(ii) when and how the retailer will request and record information about medically dependent consumers; and</del></p> <p><del>(iii) the importance of the residential consumer notifying the retailer if they, or another residential consumer who permanently or temporarily resides at their property, is a medically dependent consumer; and</del></p> <p><del>(b)—in any oral communication with the residential consumer, assist them to understand the importance of declaring to the retailer whether they, or another residential consumer who permanently or temporarily resides at their property, is a medically dependent consumer.</del></p>	<p>Independent Retailers submitted: ‘If the retailer has asked whether there may be a medically dependent consumer at the residence, and the new customer says there is not then it would seem redundant for the retailer to provide information about the retailer’s obligations in relation to medically dependent consumers etc. This clause could also apply to uncontracted premises. The Authority should not be introducing requirements to cross-subsidise consumers in uncontracted premises.’</p>	<p>We have simplified the obligation in this clause and have moved it to clause 12, so that all information a retailer must provide a new customer is dealt with in one place. We have focused the obligation on advising the new customer of the importance of notifying the retailer of any medically dependent consumers at the premises and where to obtain information on how to apply to be recorded as a medically dependent consumer. The changes made at clause 57 above will ensure retailers advise all applicants of the purpose for which information will be recorded and shared with relevant participants, and we agree that it is not necessary to provide this information to all new customers, as it will not be relevant if there are no medically dependent consumers present.</p>
<p><b>66 Advice regarding individual emergency response plans</b>  As soon as a <b>retailer</b> knows that a <b>customer, residential consumer</b> considering entering into a contract with the <b>retailer</b>, or any other <b>residential consumer</b> who permanently or temporarily resides at the premises of such persons may be a <b>medically dependent consumer</b>, the <b>retailer</b> must:</p> <p>(a) advise the <b>customer</b> or <b>residential consumer</b>:</p> <p>(i) that the supply of <b>electricity</b> cannot be guaranteed; and</p> <p>(ii) of the importance of the <b>customer</b> or <b>residential consumer</b> arranging for the development of an individual emergency response plan; and</p> <p>(b) direct the <b>customer</b> or <b>residential consumer</b> to the <b>Authority’s</b> website for resources to support the development of an individual emergency response plan.</p>		
<p><i>Medically dependent consumers and prepayment services</i></p>		



<p><b>67 Prepay product offerings for medically dependent consumer</b></p> <p>(1) A <b>retailer</b> must not recommend a <b>prepay product offering</b> in relation to any <b>residential premises</b> if the <b>retailer</b> knows that a <b>medically dependent consumer</b> may permanently or temporarily reside at the premises.</p> <p>(2) If a <b>customer</b>, or a <b>residential consumer</b> considering becoming a <b>customer</b>, requests a <b>prepay product offering</b> for premises at which the <b>retailer</b> knows that a <b>medically dependent consumer</b> may permanently or temporarily reside, the <b>retailer</b> must, before agreeing to provide that service:</p> <p>(a) use its best endeavours to encourage the <b>customer</b> or <b>residential consumer</b> to choose a <b>post-pay product offering</b>, including encouraging them to engage with one or more <b>support agencies</b> who may assist them in meeting any requirements of a <b>post-pay</b> contract;</p> <p>(b) advise the <b>customer</b> or <b>residential consumer</b> that any <b>medically dependent consumers</b> residing at the premises should first discuss the <b>prepay product offering</b> with a <b>health practitioner</b> with an appropriate scope of practice; and</p> <p>(c) inform the <b>customer</b> or <b>residential consumer</b> and, if the <b>retailer</b> has contact details for any <b>medically dependent consumers</b> residing at that premises, those <b>medically dependent consumers</b>, of the risk of there being no <b>electricity</b> supply if the <b>prepay</b> service runs out of credit.</p>	<p>Mercury submitted: ‘MDCs have a right to choose their retailer and it is not our position to coerce a customer on to post pay if this is not their chosen product.’</p> <p>Common Grace Aotearoa submitted: ‘Regarding MDCs and prepay, it is probably safest to prohibit companies from offering prepay connections to MDCs. However, that may result in some MDCs being unable to access any power plan at all (if companies are not willing to offer them post-pay plans due to poor credit). This point needs careful consideration. Perhaps there needs to be a bespoke retailer-of-last-resort offering for MDCs that cannot access post-pay, given the high risks involved.’</p>	<p>We have not made any changes to this clause. While medically dependent consumers have the right to choose their preferred product, it is critical that retailers prioritise consumer safety and wellbeing in their recommendations. Prepay plans carry a higher risk of disconnection, which is unsuitable for medically dependent consumers. Therefore, retailers should encourage consumers to choose a post-pay product offering, while respecting their right to make an informed choice.</p>
<p><i>Medically dependent consumers and disconnection</i></p>		
<p><b>68—Preventing disconnection of a medically dependent consumer</b>  <del>A retailer must use its best endeavours to avoid electrically disconnecting any residential premises at which a medically dependent consumer is residing.</del></p>	<p>UDL submitted: ‘UDL notes there may be a conflict between paragraphs 45 and 68 regarding disconnecting MDCs. Paragraph 45(1)(b) states a retailer “must not” disconnect a premises if “the retailer knows that a medically dependent consumer may be permanently or temporarily residing at the premises”. However, paragraph 68 only obliges a retailer to use “best endeavours to avoid electrically disconnecting any residential premises at which a medically dependent consumer is residing”. It is not clear how these obligations interact.’</p> <p>Independent Retailers submitted: ‘Clause 68 should be amended to make clearer the relationship between the absolute ban on disconnection if “the retailer knows that a medically dependent consumer may be permanently or temporarily residing at the premises” (clause 45(1)) and the broader obligation that “A retailer must use its best endeavours to avoid electrically disconnecting any residential premises at which a medically dependent consumer is residing” (clause 68). What clause 68 seems to indicate is that even if the retailer has met the letter of all the other specific requirements in the Obligations this may not be enough to satisfy clause 68 and to disconnect the residential premise; this puts a lot of importance on how “best endeavours” is interpreted. More generally, while the requirements are well-intended, we are wary of the use of a combination of highly prescriptive rules with open-ended principles-based requirements layered on top of these. This</p>	<p>This clause was intended to replace paragraph 100 of the Guidelines, which was a recommendation to ‘make all reasonable efforts to confirm whether a medically dependent consumer or unverified medically dependent consumer is permanently or temporarily resident at a customer’s premises which the retailer intends to disconnect’. The second part of that paragraph (saying that retailers should not disconnect verified or unverified medically dependent consumers) has been replaced by the obligation in clause 45(1)(b). As we explained in the Appendix B of the Consultation Paper, we expected that this clause would require retailers to make all reasonable efforts to satisfy themselves that a medically dependent consumer is not residing at a property before the retailer disconnects it, and that in some circumstances this may require going beyond the concrete steps required in Part 8 of the Obligations. We gave the example of a retailer requesting but not receiving a valid confirmation of status form in the timeframe specified, but the customer has provided good reason for this. A best endeavours obligation may require retailers to continue to treat that person as someone who may be medically dependent for a time.</p> <p>After careful consideration we have decided to remove this obligation, as we agree it does not provide retailers with sufficient</p>

	<p>approach increases compliance costs while reducing the clarity of the Obligations.’</p> <p>As discussed at clause 43 above, Independent Retailers also submitted that clause 68 would: ‘create a scenario where a medical dependent consumer can choose to stay in a vacant site and not sign up with any retailer and power must stay on. It would be untenable for a premise to be able to continue to be supplied electricity indefinitely without signing up to a retailer regardless of their circumstances. This is quite distinct from not disconnecting a premise with a medical dependent consumer for not paying their electricity bill.’</p>	<p>certainty about what they must do to comply. Our preference is to require retailers to take specific, concrete steps to ensure that medically dependent consumers are not disconnected. In removing this general obligation, we have made minor changes to address specific gaps that we consider this general obligation would have addressed.</p> <ul style="list-style-type: none"> <li>- Clause 55 has been amended to ensure retailers explain to customers and/or residential consumers that they may not be considered medically dependent if they do not make an application within 21 business days</li> <li>- Clause 60 has been amended to ensure that a retailers explain to applicants that they must provide a confirmation of status form in a specified timeframe, and take into account any reasons why this has not been provided, if reasons are given</li> <li>- Clause 73 has been amended to ensure retailers notify customers and/or residential consumers of any decision to no longer regard a person as a medically dependent consumer.</li> </ul> <p>Making these changes will better ensure a retailer is using best endeavours to ensure medically dependent consumers are properly identified, recorded and protected.</p>
<p><b>69—Distributor’s obligations in event of emergency situation</b></p> <p><del>(1) A distributor must, if practicable and if there is sufficient time, before undertaking an electrical disconnection in an emergency:</del></p> <p><del>(a) visit the residential premises and use reasonable endeavours to contact any person at the premises before undertaking the electrical disconnection; and</del></p> <p><del>(b) if contact is made with any person at the premises, advise them:</del></p> <p><del>(i) of the reason for the emergency electrical disconnection; and</del></p> <p><del>(ii) that if any medically dependent consumers are present, they should enact their individual emergency response plan.</del></p> <p><del>(2) When subclause (1) applies, a distributor must, as soon as practicable, advise the retailer who is the trader recorded in the registry as being responsible for a relevant ICP:</del></p> <p><del>(a) of the electrical disconnection; and</del></p> <p><del>(b) if the distributor contacted any person at the premises under subclause (1) and, if so, the name of that person (if known).</del></p>	<p>All distributors who submitted on this clause (EA Networks, ENA, Electra, Network Waitaki, MainPower and Marlborough Lines, Orion, Unison and Centralines, Vector, Waipā Networks and Wellington Electricity) raised significant concerns and recommended it be deleted. The feedback on clause is summarised below for ease of reading. Please refer to the submissions on the website for full context.</p> <p>There was a general consensus among all distributors who submitted on this clause that there would be very few situations, if any, where this clause could operate, because it is very unlikely to be practicable, or for distributors to have sufficient time, to door knock on residential premises before disconnecting in an emergency. As Electra explained, by definition an emergency situation is a time-critical event that demands the health and safety of the public and field crews is prioritised. Including this clause, distributors considered, would create unrealistic expectations about what distributors can safely control during emergencies and would give rise to what Network Waitaki called a ‘false sense of safety’ for MDCs. EA Networks further submitted: ‘In addition to this, EA Networks queries if customers would appreciate an unknown person knocking on their door, as opposed to just getting on with the restoration of electricity.’ Orion noted that ensuring the safety of MDCs is a shared responsibility between distributors, retailers and the consumer themselves. It is essential that MDCs and their carers understand and prepare for the possibility of power interruptions. ENA explained that a distributors’ primary focus during these situations is addressing immediate health and safety risks to their communities and their</p>	<p>Clause 69 was intended to replace paragraph 101 of the Guidelines and is closely aligned to that paragraph. Given this has been a recommended action in the Guidelines since 2021, and it was consulted on with the industry in 2020, we were surprised by the level of feedback this clause received. We accept, however, that this clause has limited utility in practice given the nature of emergency events. We also accept that distributors have valid concerns relating to the risk that this obligation creates an incorrect or misleading expectation that medically dependent consumers will be notified before any emergency disconnection, and this may mean medically dependent consumers do not take appropriate actions to safeguard themselves through the development and initiation of an emergency management plan. For these reasons, we agree that clause 69 should be removed, and that distributors and retailers should continue to notify customers of emergency outages in accordance with the arrangements agreed under the DDA.</p> <p>The Authority will be promoting the Consumer Care Obligations to consumers, including the importance of medically dependent consumers developing their own emergency response plan in the event of power cuts.</p>



	<p>staff which often precludes the ability to perform individual customer notifications. They and other distributors believed it would be safer to remove this obligation and instead ensure MDCs are encouraged to have an emergency plan in place and be ready to act should the power go out.</p> <p>Vector submitted that it would never be able to door knock households prior to emergency electrical disconnections on the network. Wellington Electricity noted that this obligation would only be achievable in limited circumstances, for example, for critical fault remedial work affecting only a small number of premises. The fact that this clause cannot be consistently met gives rise to the concern that its inclusion may create an unrealistic view of the advance notice that distributors can reasonably provide in these situations, therefore creating a potentially unsafe expectation for medically dependent consumers. WELL noted that it relies instead on the unplanned outage notification regime to inform MDCs of emergency outages.</p> <p>Vector and ENA both noted that the supporting documents that sat alongside the Consumer Care Guidelines made it clear that a constant supply of electricity cannot be guaranteed, that MDCs must develop their own emergency response plan, and that restoration of supply to premises containing MDCs in an emergency cannot be prioritised. They submitted that this supporting guidance be referenced as a reminder to the whole sector as it provides a far better means of safeguarding medically dependent consumers during power outages than the Obligations.</p> <p>Network Waitaki also noted that the cost to put a process/system in place and to have staff members on standby would be 'enormous' and would need to be paid for by our mostly residential consumer base. It noted that the distance its team would need to travel in an emergency to carry out this clause is not practicable. Like WELL, Network Waitaki relies on its outage processes under the DDA with retailers. In unplanned outages and emergencies it uses social media as well as text messages and phone calls where possible in the time available to inform consumers. MainPower and Marlborough Lines similar explained that distributors will often attempt to advise customers of a disconnection in an emergency either in person or by message, however mandating this obligation will create an expectation of advice and risks creating unreasonable expectations or reliance on the part of consumers. Network Waitaki recommended that the Authority consider developing educational material to inform MDCs on how to ensure their emergency response plans are in place when the power goes off.</p> <p>Electra explained that it had considered alternative methods of contacting those that would be affected by an emergency disconnection and could not reasonably determine a way that would be effective for the residents, keep people safe, and ensure that it manages the repair work in a timely manner. Unison suggested improved outcomes for MDCs in emergency disconnection scenarios may be better implemented through the DDA.</p> <p>Orion identified a range of matters for further consideration if this clause should be retained, and recommended amendments to allow for alternative</p>	<p>In relation to UDL's submission, we note that some distributors already have responsibilities in relation to notifying consumers of outages under the DDAs and we do not intend to change this.</p>
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	<p>contact methods and change the obligation to notify MDCs after, not before, the disconnection is undertaken.</p> <p>UDL submitted: ‘UDL believes paragraph 69 may require further review and reflection. Paragraph 69 requires distributors to visit a customer’s premises before disconnecting supply in an emergency. UDL questions whether this is likely to be practical in an emergency. It is also not clear whether the obligations in paragraph 69(1) should apply to all customers or just to MDCs. UDL has some concerns about the obligations imposed on distributors in relation to service interruptions and MDCs (paragraphs 69 and 70). Having distributors directly obligated to mitigate the impacts of interruptions on MDCs may risk creating confusion on the part of the MDC about who is responsible for their electricity supply and who to contact in the event of a problem. UDL’s view is that it may be preferable for retailers to have sole responsibility for providing care to MDCs, although it may still be useful for distributors and retailers to have mandated designated communication channels for contact. This would also help mitigate impacts on MDCs who do not provide their retailers with consent to share information under paragraph 57(1)(b). This preference for focusing on the retailer would align with the quality of supply guarantee under the CGA. This guarantee lies with the retailer even though the distributor will often be responsible for the outage. However, focusing on the retailer highlights the retailers’ consumer facing role. Rather than the consumer being shifted from one industry participant to another it is the retailer who must take immediate responsibility in the first instance, and liaise with the distributor.’</p> <p>Mercury submitted: ‘Disconnections of this nature are rare and where logged by Mercury would be done with the customers acquiescence where possible.’</p>	
<i>Retailers’ arrangements with distributors and metering equipment providers</i>		
<p><b>70 Coordinating planned service interruption or electrical disconnection</b></p> <p>(1) Where a <b>retailer</b> has advised a <b>distributor</b> of an application or a decision to record a person as a <b>medically dependent consumer</b> under clause 58, the <b>retailer</b> and the <b>distributor</b> must use reasonable endeavours to agree processes to coordinate with each other on planned service interruptions and <b>electrical disconnections</b> that will affect those <b>medically dependent consumers</b>.</p> <p><del>(2) Where a <b>distributor</b> receives a notification from a <b>retailer</b> under clause 58, the <b>distributor</b> must not vary the time or date of a planned service interruption or <b>electrical disconnection</b> that will affect those <b>medically dependent consumers</b>, without first consulting that <b>retailer</b> regarding those <b>medically dependent consumers</b>.</del></p> <p><del>(3) A <b>retailer</b> who is consulted under subclause (2) regarding a variation to the time or date of a planned <b>electricity</b> outage or <b>electrical disconnection</b> must use reasonable endeavours to inform any affected <b>customers</b> who are <b>medically dependent consumers</b> or who may have <b>medically dependent consumers</b> residing at their premises of the changes.</del></p>	<p>Like clause 69, this clause also received significant feedback from distributors which is summarised below for ease of reading. Please refer to the submissions on the website for full context.</p> <p>In relation to subclause (1), Electra, Vector and Wellington Electricity considered that this was a reasonable addition, noting these processes are already in place. Vector noted that a high-level principles-base requirement here will ensure that even if distributors aren’t subject to DPP, they will ensure they have agreed processes with retailers around notification of changes. Orion, Waipa Networks, Network Waitaki, Unison and Centralines submitted that subclause (1) is redundant and should be removed, as EIEP5A is mandated and used for the provision of planned outage information from distributors and retailers. Network Waitaki submitted that it was not clear why it would have to comply with subclause (1). If the data from EIEP4 is reliable, MDCs will be notified via its planned notification process, which pays special attention to MDCs. It submitted ‘applications’ should be removed from subclause (1) if it is retained, and distinction should</p>	<p>We have decided to retain subclause (1) as we consider it is important to ensure that retailers and distributors have processes in place to coordinate on planned interruptions that affect medically dependent consumers, even though we note that this may reflect existing practice under DDAs. We do not therefore expect this to change distributors’ existing processes, rather it is a minimum requirement we expect all distributors and retailers to continue to adhere to. We also note that making changes to clause 58 above should improve the quality of medically dependent consumer data received by distributors, and therefore improve the effectiveness of notifications when these are undertaken by distributors.</p> <p>We have removed subclauses (2) and (3) in response to submitter feedback. In principle, an obligation to consult <i>before</i> varying a planned outage affecting medically dependent consumers could sit alongside existing regulatory obligations for notification of variation decisions. However, we accept that these</p>

<p>(4) Each <b>retailer</b> that has an arrangement with a <b>metering equipment provider</b> under Part 10 of this Code must use reasonable endeavours to ensure their service level agreements with <b>metering equipment providers</b> prevent the <b>metering equipment provider</b>, having regard to any applicable health and safety requirements, from:</p> <p>(a) <b>electrically disconnecting</b> the <b>retailer’s customer</b> without explicit instruction or agreement from the <b>retailer</b>; or</p> <p>(b) as far as reasonably practicable, varying the date or materially varying the time of an agreed <b>electrical disconnection</b> or <b>reconnection</b>.</p>	<p>be made between distributors that notify consumers directly and those that do not.</p> <p>Subclauses (2) and (3) were not supported in their current form by distributors who submitted on this clause. ENA submitted: ‘Variations in planned outages are required for many reasons — both within and outside a distributor’s control. The impracticality of ‘consulting’ retailers about changes to planned outages could leave electricity distribution networks vulnerable and less resilient if work can’t be carried out. There would also be a significant cost to re-plan outages. This obligation is inconsistent with other regulatory requirements. The requirement to consult with retailers before changing a planned outage date or time is inconsistent with EIEP5A (which allows distributors to provide planned service interruption information, including an initial date and an alternative date, to traders) and it is also inconsistent with the Commerce Commission Default Price Path (DPP) regime (which permits EDBs to notify an alternate date for the planned outage). Some distributors notify retailers of planned outages, and some distributors notify the consumers directly. There may be confusion caused as to who would be responsible under the obligations. The new Consumer Care Obligations must be consistent with default distributor agreements (DDAs), DPP and EIEP.’</p> <p>ENA recommended removing these subclauses, or at least substituting the requirement for consultation with a requirement to advise retailers of variations. Electra, Orion, Vector, Wellington Electricity, Network Waitaki and Waipa Networks also submitted that subclauses (2) and (3) should be removed for similar reasons. MainPower and Marlborough Lines supported Vector’s submission. EA Networks recommended removal of ‘consulting’ and addition of ‘advising’ in subclause (2).</p> <p>Orion supported adding a provision to prevent distributors from starting planned interruptions earlier than expected, which would help minimise unexpected disruptions for vulnerable customers.</p> <p>The existing mechanisms for informing consumers of planned outages (either by retailers through EIEP5A notifications or by distributors) were also highlighted by one individual, who suggested that subclauses (1) to (3) as written mostly relate only to the first and ignored the second mechanism. In particular, if the distributor has responsibility for notifying the customer of planned outages, in relation to subclause (2) the distributor should be consulting with the consumer, not the retailer, and subclause (3) confuses the responsibility in the event something goes wrong. The trader could point to the DDA and say it was the distributor’s fault and the distributor could point to 70(3) and say the Authority specifically told them to pass it to the trader.</p> <p>UDL’s submission is summarised at clause 69 above.</p>	<p>subclauses are unnecessarily prescriptive, given the overarching obligation in subclause (1). We also accept that it is unclear what protection is achieved by requiring distributors to consult on variations to planned notifications in addition to the existing obligations to notify all consumers of such variations.</p> <p>We note Orion’s submission relating to imposing an additional requirement not to start a planned interruption earlier than expected, but we do not propose prescribing this requirement at this time without further policy consideration and consultation.</p> <p>We have not proposed any changes to subclause (4) (now subclause (2)). We did not receive any comments from retailers about this clause.</p>
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<p><b>71 Coordinating planned service interruption or electrical disconnection with other retailers</b> Where a <b>retailer</b> has <b>customers</b> at an <b>ICP</b> for which it is not the responsible <b>trader</b> as recorded in the <b>registry</b>, the <b>retailer</b> and the <b>trader</b> for that <b>ICP</b> must use reasonable endeavours to agree processes to coordinate with each other on planned service interruptions and <b>electrical disconnections</b> that will affect any person who is the subject of a notification under clause 58, <del>including on the matters referred to in clauses 69(2) and 70(2) and (3).</del></p>	<p>Genesis submitted: 'We find the wording in clause 71 to be unclear and difficult to understand, and therefore ask if the Obligation can be made clearer in any final Obligations.'</p>	<p>We have made a consequential change to this clause to reflect the decisions to delete clauses 69 and 70(2) and (3) above. In response to Genesis' submission, we note that this clause is intended to ensure that, if a retailer is not the trader responsible for that ICP under the Code, the retailer and the trader must coordinate on planned interruptions and disconnections that will affect medically dependent consumers at a retailer's premises.</p>
<p><i>When a residential consumer nominates an alternate contact person</i></p>		
<p><b>72 Retailers to contact alternate contact person</b> If a <b>residential consumer</b> nominates an <b>alternate contact person</b> <del>as their primary contact</del> under clause 54(3)(b), the <b>retailer</b> <del>may contact that alternate contact person if the retailer is unable to contact the residential consumer. must liaise directly with the alternate contact person and only contact the residential consumer directly if the retailer has not been able to contact them through their alternate contact person after making reasonable attempts to do so.</del></p>	<p>Mercury submitted: 'Please see our comments in relation to clause 17(4).'</p>	<p>We have made consequential changes to clause 72 to align this clause with the changes made to clause 17 above.</p>
<p><i>When a person may no longer be considered a medically dependent consumer</i></p>		
<p><b>73 Circumstances where customer or residential consumer may no longer be considered a medically dependent consumer</b> (1) <del>Subject to clause 68, a</del> <b>retailer</b> may no longer regard a <b>customer</b> or <b>residential consumer</b> as someone who may be a <b>medically dependent consumer</b> in any of the following circumstances: (a) where the <b>customer</b> or <b>residential consumer</b> requests that they no longer be regarded as a <b>medically dependent consumer</b> <del>or advises the retailer that they withdraw their consent provided under subparagraph 57(1)(b)(i);</del> (b) where the <b>customer</b> or <b>residential consumer</b> no longer receives <b>electricity</b> from the <b>retailer</b>; (c) where a <b>retailer</b> has complied with clause 55, and has not received an application (in any form) for <b>medically dependent consumer</b> status within at least 21 <b>business days</b> of attempts to contact that <b>customer</b> or <b>residential consumer</b>; (d) where the <b>retailer</b> has validly declined an application for <b>medically dependent consumer</b> status under this Part of the <b>Consumer Care Obligations</b>. (2) If a <b>retailer</b> no longer regards a <b>customer</b> or <b>residential consumer</b> as someone who may be <b>medically dependent consumer</b> in the circumstances listed in subclause (1)(a), (b) or (c), the <b>retailer</b> must: (a) notify the <b>customer</b> and/or <b>residential consumer</b> as soon as practicable of the <b>retailer's</b> decision; and (b) inform them of the matters in clauses 63(b) and (c).</p>	<p>Independent Retailers submitted: 'The Obligations should also be clear if the residence is temporary the medical dependence status will automatically lapse after this time. This is important, for example, if a medically dependent consumer was staying at someone's house for a short period of time, this would not necessarily need to impact the non-payment/disconnection process if they would not be at the house by the time the 44-day process had been completed. While the Obligations are highly prescriptive, they also have gaps such as what happens when a house transitions from having a medically dependent consumer to not having one.'</p> <p>Independent Retailers also submitted: 'The Obligations should clarify that if application has been declined [under clause 59 or 60(4)] then the household does not fall under the category of premises that "may" have a medically dependent consumer (relevant to various clauses throughout the Obligations).'</p>	<p>The purpose of this clause is to clarify the situations in which a retailer may stop treating someone as a person who 'may be a medically dependent consumer'. Paragraph (b) would apply when a medically dependent consumer was temporarily residing at customer's premises and they have moved out, because they no longer receive electricity from that retailer. Paragraph (d) would apply when a retailer validly declines an application, including under clause 60.</p> <p>We have not made any changes to paragraph (c), as we note that the Guidelines do not include a timeframe (at paragraph 90). We have stipulated a timeframe of 21 business days to align with the timeframes for providing a confirmation of status form or responding to a retailer's queries.</p> <p>We have made a consequential change to paragraph (a) to reflect the changes made above to clause 57(1)(b).</p> <p>We have inserted new subclause (2) to clarify that a retailer must notify a customer and/or residential consumer of its decision to no longer regard a customer or residential consumer as a medically dependent consumer, and to give them the same information that is given in notifications when a retailer declines an application for medically dependent consumer status (clause 63) or removes status following a review (clause 64). This will ensure that customers and residential consumers are notified of information relevant to them and have a further opportunity to engage with the retailer if, for example, the retailer has made a mistake, or if the customer or residential consumer does want to make an application but hasn't managed to do so in the 21</p>

		<p>business day period under subclause (1)(c). This is one of a series of minor amendments which replace the more general 'best endeavours' obligation in clause 68, instead providing concrete steps a retailer must take ensure that it does not disconnect any medically dependent consumers, in circumstances when it has previously considered a medically dependent consumer resided at a premises, or had become aware of information that indicated there may be a medically dependent consumer at a customer's premises.</p>
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## Consumer Care Obligations – Part 9: Fees and bonds

Draft provision (redlined changes since consultation)	Summary of issues raised in submissions	Response to submissions
<p><b>74 Purpose of this Part</b> This Part of the <b>Consumer Care Obligations</b> imposes obligations on <b>retailers</b> concerning <b>fees, bonds</b> and <b>conditional discounts</b> to ensure they are reasonable.</p>	<p>FinCap submitted: ‘The Proposed Obligations in this section should presume a breach where the retailer cannot evidence that charges are reasonable or to the standard set. If this is the case, then whānau should have clear remedy available of reversed charges as well as any monetary and non-monetary loss flowing from the breach at a minimum. We also recommend the Electricity Authority considers how the requirements in this section could be undermined by fees charged for bundled services.’</p>	<p>As we noted at clause 11A.6 above, only the Rulings Panel can determine a breach of the Code. However, a failure to evidence that charges are reasonable, or any other obligation has been met, would be something the Rulings Panel takes into account when weighing the evidence of the different parties and determining whether the Code has been breached. In relation to bundled services, we note that the definition of ‘fee’ means a charge ‘in connection with’ the supply of electricity, and that would not exclude fees related to electricity supply which are part of a bundle.</p>
<p><b>75 Requirement to disclose information on fees, conditional discounts and bonds</b> Each <b>retailer</b> must clearly disclose: (a) information on all <b>fees, conditional discounts</b> and <b>bonds</b> that may be available to or payable by <b>customers</b>; and (b) if applicable, the method or calculation and the maximum limit of that <b>fee</b> under clause 77.</p>		
<i>Fees</i>		
<p><b>76 Retailers to make customers aware of fee amounts</b> A <b>retailer</b> must only charge a <b>customer</b> a <b>fee</b> where the <b>retailer</b> is reasonably satisfied, before charging that <b>fee</b>, that the <b>customer</b> is aware of the amount of the <b>fee</b>.</p>		
<p><b>77 Fees to have maximum limit</b> Any <b>fee</b> which a <b>retailer</b> determines via a method or calculation must <b>where practicable</b> include a stated maximum limit.</p>	<p>Genesis submitted: ‘Regarding the requirement to state the maximum limit on fees, it may be useful to clarify how this applies to bespoke work where quotes are provided. For bespoke work, retailers need to get quotes from third parties (contractors) before we know what the full costs are likely to be. An exclusion for such bespoke work would be helpful.’</p>	<p>The purpose of this clause is to ensure transparency and protect consumers from unexpected fees. We accept, however, that sometimes it will be difficult to estimate what a maximum amount might be, if inputs are highly variable and not controlled by retailers. If this clause were to apply to these types of fees it could result in maximum limits being set high to account for this risk, which may not reasonably reflect the actual fee in practice. Such an approach would not promote transparency for consumers. We have therefore amended this clause so that it applies where practicable. We note that the amount of any fee for bespoke work must still be explained before it is charged to the customer, under clause 76, and be reasonable and cost reflective, under clause 78.</p>

<p><b>78 Fees must be reasonable</b></p> <p>(1) Any <b>fee</b> charged by a <b>retailer</b> to a <b>customer</b> must:</p> <p>(a) not exceed reasonable estimates of the costs the <b>fee</b> is identified as contributing to; and</p> <p>(b) otherwise be reasonable, taking into account the need to strike an appropriate balance between precision, and administrative and practical efficiency.</p> <p>(2) A <b>fee</b> must not:</p> <p>(a) be used to offset future costs; or</p> <p>(b) attempt to recover any deficit that may have arisen because of previous under recovery.</p>	<p>Common Grace Aotearoa submitted: ‘Our research on disconnection fees showed that very few companies provided information on how their fees related to actual costs. Transparency about those costs is essential for customers to be able to make complaints in this area. Please require companies to break down their fees, and show transparently how these relate to actual costs, if a consumer requests this.’</p>	<p>The Authority will provide guidance to retailers on how to meet this obligation, and to customers on what to expect from their retailer. We note that the Obligations do not require a detailed breakdown of costs, however we do expect retailers to be able to explain how they meet this obligation.</p>
<p><del><b>79—Retailers to offer to spread the payment of fees</b></del></p> <p><del>(1) If a <b>retailer</b> charges a <b>fee</b> to a <b>customer</b> which is more than 20% of the <b>customer’s</b> average monthly <b>invoice</b> amount (during the past 12 months or since the <b>customer</b> joined, whichever is shorter), or a reasonable estimate of a new <b>customer’s</b> expected monthly <b>invoice</b> amount, the <b>retailer</b> must:</del></p> <p><del>(a) offer the <b>customer</b> options to spread the payment of the <b>fee</b> over a period of at least five months; and</del></p> <p><del>(b) advise the <b>customer</b> how this might impact them, taking into consideration any seasonal effects in their upcoming <b>invoice</b> cycles.</del></p> <p><del>(2) This clause does not apply if the <b>fee</b> is charged as part of the final <b>invoice</b> from the <b>retailer</b> to the <b>customer</b>.</del></p>	<p>Contact submitted: ‘Managing the cost of fees does not require a new obligation. Clause 79 creates a new requirement for retailers to offer to spread the costs of fees over multiple months. We understand that this is to avoid bill shock for vulnerable customers. We note that for customers facing payment difficulty the obligations also require us to offer payment plans. These two obligations appear to be duplicative, and we are not sure if the additional obligation on spreading the cost of fees is necessary. If this obligation is retained we would request that the definition of fees is further refined. As currently drafted fees are all costs except monthly charges. However, it does not appear appropriate to have this obligation for many customer requested services. For example, we do not consider it appropriate for retailers to act as a form of bank to spread the costs of moving a meter during a property renovation. It may be appropriate to exclude certain customer requested services from this requirement.’</p>	<p>We agree that the protections in this clause should be better targeted to customers who may be experiencing payment difficulties, to reduce unnecessary operational costs for retailers. The remaining protections in this Part provide adequate protections for consumers not experiencing payment difficulties, by ensuring fees are reasonable and transparent.</p> <p>Under clause 27(i), a retailer must already offer to discuss payment plans with any customer who may be experiencing payment difficulties. A payment plan includes plans that allow the customer to pay off any debt owed to the retailer, that would include any debt relating to fees. We have therefore removed this clause as it duplicates that protection for customers experiencing payment difficulties in clause 27(i).</p>
Conditional Discounts		
<p><b>80 Retailers to make customers aware of conditional discounts</b></p> <p>A <b>retailer</b> must use reasonable endeavours to ensure that <b>customers</b> are aware of the amount of any <b>conditional discount</b> available and how a <b>customer</b> can receive that <b>conditional discount</b>.</p>		
<p><b>81 Conditional discounts must be reasonable</b></p> <p><del>(1) Any <b>conditional discount</b> offered by a <b>retailer</b> to a <b>customer</b> must reflect a reasonable estimate of the costs incurred, or likely to be incurred, by the <b>retailer</b> as a result of a <b>customer</b> not meeting the <b>payment conditions</b>.</del></p> <p><del>(2) If a <b>customer</b> is no longer entitled to a <b>conditional discount</b> due to a failure to satisfy the <b>payment conditions</b>, before removing the discount the <b>retailer</b> must consider whether the <b>retailer</b> has one or more <b>pricing plans</b> that the <b>retailer</b> reasonably considers would reduce the amount of the <b>customer’s</b> <b>invoices</b> and, if so, advise the <b>customer</b> of that plan or those plans.</del></p>	<p>Genesis submitted: ‘The requirement under clause 81(2) to advise customers of pricing plans before removing any conditional discount is onerous relative to the benefit to consumers.’</p>	<p>We have decided to remove subclause (2) at this stage, as this did not form part of the Guidelines, and a retailer’s obligations in relation to ensuring customers are on the ‘best plan’ are being considered by the Authority separately.</p>
Bonds		
<p><b>82 Retailer’s obligations regarding bonds</b></p> <p>(1) Any <b>bond</b> required by a <b>retailer</b> must be reasonable, taking into account a reasonable estimate of the <b>customer’s</b> expected <b>invoice</b> amount for a billing cycle.</p> <p>(2) A <b>retailer</b> must refund any <b>bond</b> no later than after the expiry of a 12-month period of the <b>customer</b> paying all <b>invoices</b> on time.</p>		