

Improving electricity billing in New Zealand

Consultation paper

8 October 2025

Executive summary

Accessible and affordable electricity for everyone

Consumers need electricity bills that are clear, consistent and useful. Bills should show what people are paying for, indicate whether they are on their best plan for their needs, and make it simple to compare and switch to better plans without penalty.

Right now, too many consumers are missing out. Bills are inconsistent, plan information is confusing, and switching to a better plan is harder than it should be. Some people are locked into unsuitable plans by exit fees making them less likely to try time-of-use plans, which could save them money and ease pressure on the electricity system.

Some consumers are also facing sudden, unaffordable back-bills which can create financial stress.

The Electricity Authority Te Mana Hiko is concerned that many consumers pay more for electricity simply because they stay with the same retailer over time. The system must work for everyone – not just for those who actively shop around. Clear billing information is a key step in ensuring competition delivers fair outcomes across the market.

A package of billing improvements

We are consulting on a package of Code changes to improve electricity bills, whether viewed on paper, by email, on a website or an app.

These changes would make bills easier to understand, give consumers the information they need to compare plans and lay the foundations for future services – such as AI-driven tools, smart home systems and new digital platforms that will help consumers save money and manage energy use.

Our proposals would:

- standardise content, require plain-language, and ensure logical lay-outs so bills are easier to understand
- give residential consumers the information they need to compare plans across the electricity market
- support consumers to be on the best plan for their needs through better plan prompts, risk-free time-of-use pricing adoption, and removing of penalties when changing plans within the same retailer
- protect residential and small business consumers by limiting back bills and reducing bill shocks from estimated meter readings.

Together, these core protections would remove entrenched barriers, strengthen consumer confidence, and ensure competition delivers the benefits it should.

We recognise that these proposals would require system changes to retailers. Some retailers have already invested in modern billing functionality, enabling them to implement more quickly. Those retailers may be better placed to earn consumer trust and demonstrate a competitive edge in a changing electricity system where consumers are seeking innovation, affordability and greater value.

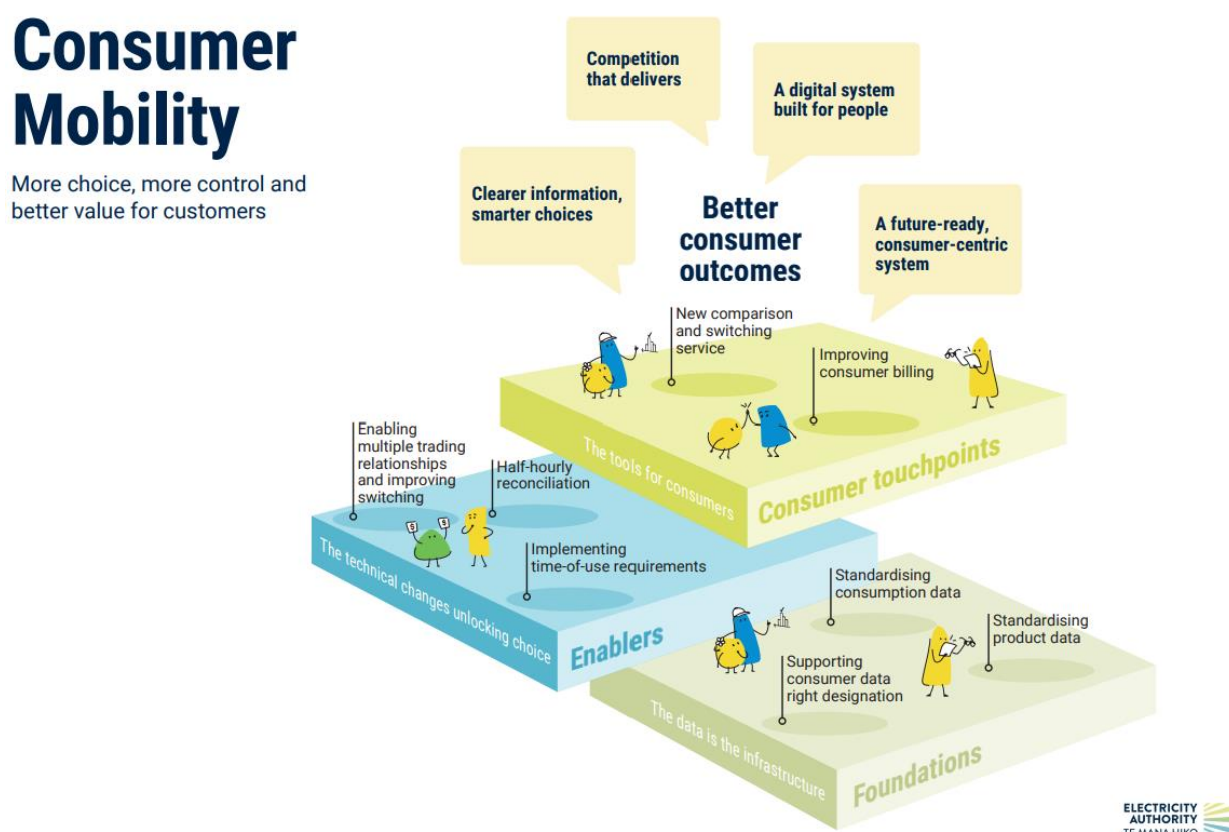
We encourage all retailers to share their readiness and current good practices. This would help show what is feasible and effective with the wider sector.

For other retailers with more complicated legacy systems, the proposed changes may be more complex to implement. However, over time we expect all retailers to work towards system improvements that enhance services and improve choice for consumers.

How these proposals fit within our wider consumer mobility programme

Improving billing is a key part of our consumer mobility work programme – reinforcing initiatives designed to improve choice, control and value for consumers across the electricity sector.

The relationship between these billing proposals and other consumer mobility related projects is illustrated in the diagram below:



Key projects that could enhance the benefits for consumers from the proposed billing improvements include:

- **New comparison and switching service** – A new Authority-funded comparison and switching service will launch in early 2026. With standardised billing information, consumers would be able to make more reliable and accurate savings estimates. Removing penalties for switching plans with the same retailer and embedding better plan prompts would make it simple and risk-free for consumers to switch plans with their retailer and then across the wider market.
- **Standardising consumption data and product data** – We are standardising and streamlining access to electricity product and consumption data in alignment with a proposed consumer data right for electricity. This would enhance comparison and switching services and support new products. Unique product identification codes could be included as part of every bill, making it easier for consumers, comparison tools and third-party services to identify and match plans. As the consumer data right

framework matures, retailers and other new service providers would be able to use this product and consumption data to offer tailored better plan checks using AI and other smart tools. [We are consulting on proposed Code amendments to improve access to electricity product data.](#)¹

- **Enabling multiple trader relationships and improved switching** – As consumers increasingly want to buy from one retailer, or sell to another, or join an EV-charging service or community battery scheme, standardised bills will be critical for integration and to avoid issues such as double charging.

Together the consumer mobility work programme could translate consumer choice into lower bills, better service, stronger competition, and a more flexible system that could integrate new technologies and consumer expectations. These would be big shifts, and they would happen quickly to give people more clarity, more control and better value from their electricity.

We are aware of other challenges affecting consumers when dealing with their bills

Some retailers may be using bundled services or offering ‘freebie’ appliances, in ways that can make pricing complex and less transparent. This approach may increase the risk of consumers paying more than necessary.

Over the next 12 months, we will continue to work on these issues with other regulators to ensure a joined-up approach, as we have previously with the Commerce Commission on bundling.²

Next steps

Consultation is open now and closes at 5pm on Wednesday, 5 November 2025. After reviewing submissions, the Authority will consider the feedback received and expects to publish decisions and implementation timeframes in early 2026.

We also encourage retailers to share our consumer survey³ with their customers or networks.

We welcome feedback to help shape a billing system – and a wider electricity market – that delivers clarity, control and better value for every consumer.

¹ [Proposed Code amendments to improve access to electricity product data consultation](#)

² [Improving-RSQ-Product-Disclosure-Retail-Service-Bundling-Guidelines-Energy-and-Telecommunications-Bundles-22-November-2023.pdf](#)

³ [Have your say: Better bills survey](#)

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1. What you need to know to make a submission

What this consultation is about

- 1.1. The Electricity Authority Te Mana Hiko (we or the Authority) is consulting on proposals to improve the clarity, consistency and usefulness of electricity bills for residential consumers. These proposals aim to ensure bills help consumers understand their energy use and charges, make informed choices and confidently engage with the electricity market.
- 1.2. In a separate process we are proposing to regulate product data standards. We are proposing to replace the current voluntary Electricity Information Exchange Protocol 14 with a regulated, modular suite of new protocols to standardise the exchange of electricity product data. A new system would also require all retail electricity plans to be associated with a unique product identification code. Alongside our proposals to improve electricity billing, this will make it easier for consumers to compare electricity plans.
- 1.3. Please make a submission and let us know your views on the issues raised in this paper, and whether you agree with our proposed solutions. We also encourage you to share our [consumer survey](#) with your customers or networks.

How to make a submission

- 1.4. Our preference is to receive submissions in electronic format (in Microsoft Word) in the format shown in Appendix C. Submissions in electronic form should be emailed to **consumer.mobility@ea.govt.nz** with “Consultation Paper – Improving Electricity Billing in New Zealand” in the subject line.
- 1.5. If you cannot send your submission electronically, please contact us (**consumer.mobility@ea.govt.nz** or 04 460 8860) to discuss alternative arrangements.
- 1.6. We intend to publish all submissions we receive. If you consider that we should not publish any part of your submission, please:
 - (a) indicate which part should not be published,
 - (b) explain why you consider we should not publish that part, and
 - (c) provide a public version of your submission that the Authority can publish (if we agree not to publish your full submission).
- 1.7. If you indicate part of your submission should not be published, the Authority will discuss this with you before deciding whether to not publish that part of your submission. However, please note that all submissions received by the Authority, including any parts we do not publish, can be requested under the Official Information Act 1982. This means the Authority would be required to release material not published unless good reason exists under the Official Information Act to withhold it. The Authority would normally consult with you before releasing any material that you said should not be published.

Structure of this consultation

- 1.8. To support readers in following the consultation and potentially doing a quick read of the document, summaries of chapters or proposals and boxes with questions are presented throughout in the following format:

Questions

Blue boxes present key questions to capture your views.

Summary

Yellow boxes indicate a summary of each chapter or proposal.

When to make a submission

- 1.9. Please deliver your submission by 5pm on Wednesday 5 November 2025.
- 1.10. Authority staff will acknowledge receipt of all submissions electronically. Please contact us at **consumer.mobility@ea.govt.nz** or 04 460 8860 if you do not receive electronic acknowledgement of your submission within two business days.

2. Current billing arrangements mean consumers miss out on the benefits of competition

- 2.1. New Zealand's current billing and plan switching arrangements leave too many consumers disengaged, on unsuitable or overpriced plans and potentially exposed to hardship. Bills vary widely in content, terminology and channels, making key data hard to find, compare or feed into switching tools.
- 2.2. Retailers face little consistent obligation to advise customers of better plans or to allow internal switches without termination fees, so loyalty penalties persist. High information asymmetry, search and switching costs and fragmented standards particularly disadvantage vulnerable households, while unlimited back-billing creates unpredictable liabilities and erodes trust.
- 2.3. Together, these factors weaken competitive pressure, slow the uptake of innovative tariffs such as time-of-use pricing and reduce dynamic efficiency in the wider electricity market. As the electricity market gets more complex, it is crucial that we take steps now to get ahead and support consumers.
- 2.4. We have identified three major problem areas:
 - (a) Inconsistency of billing information
 - (b) Poor comparability and visibility of options
 - (c) Inadequate protections against bill shocks.

Inconsistency of billing information

Absence of common standards – information varies widely

- 2.5. Electricity bills contain a range of information. While most contain information on the amount owed and breakdown of consumption, other content in electricity bills can vary widely across retailers.
- 2.6. Electricity bills and billing channels remain the main way New Zealand households interact with the retail market, yet what a consumer sees depends almost entirely on which retailer they are with.
- 2.7. While some provide clear summaries and clear information upfront, others use technical jargon, inconsistent terminology and cluttered layouts, particularly disadvantaging people with low English literacy or numeracy and those with limited time or digital access who may be least able to decode complex information or seek help elsewhere.⁴
- 2.8. Because there is no common standard, the same type of information is presented differently across the market, if at all. Plan names, contract end dates, early

⁴ [Simplifying Electricity Bills Project: Literature Review](#) p5

Dean, M., Chetwin, S., Harris, P., Herrington, A., Roberts, S., Small, J., Wilson, L., & Tempest, K. (2019). Electricity Price Review. <https://www.mbie.govt.nz/assets/electricity-price-review-final-report.pdf>

termination fees, actual versus estimated reads and simple explanations of price structures are often buried in fine print or missing altogether.

- 2.9. This lack of standardisation drives up search and interpretation costs, discourages consumers from using comparison tools and leaves many disengaged. Confident or digitally savvy consumers can sometimes piece together the data they need; others remain stuck on unsuitable or more expensive plans.
- 2.10. Technical language and complex layouts also erode consumer confidence. Research shows that conversational language is far more effective than glossaries or technical language in enabling people to understand and act on information.^{5 6} Without clear, consistent presentation, consumers doubt whether they have grasped key details and are less likely to act on prompts to switch or compare.

Regulatory gap - limited Code and consumer care requirements

- 2.11. Retailers currently have wide discretion over the design of their bills. The Electricity Industry Participation Code 2010 (the Code) prescribes only three items that must appear in a bill: the installation control point, contact details for Utilities Disputes Limited's (Utilities Disputes) resolution scheme and reference to the Authority's plan comparison website.⁷ These are not only insufficient but do not extend to other channels such as apps or email notifications, which are now the primary way many consumers receive information.
- 2.12. Although the Consumer Care Obligations require retailers to use actual rather than estimated readings for invoicing wherever practicable,⁸ and to include additional information on invoices,⁹ such as total amount owed and any overdue amounts, due dates and payment options, and amount owing for each bundled good or service,¹⁰ these requirements remain narrowly focused. They ensure only a minimum baseline of information and are insufficient to allow a meaningful comparison between plans or retailers or to use comparison and switching tools.

Uneven outcomes deepen issues for disadvantaged consumers

- 2.13. The result is an uneven playing field. Digitally engaged consumers receive richer information, while other consumers are left with bills that are limited and may be unclear. This disparity reduces consumers' ability to plan and pay, lowers

⁵ [Simplifying Electricity Bills Project: Literature Review](#)

Australian Energy Regulator. (2021). Improving energy bills: final report. Department of the Prime Minister and Cabinet. [Improving energy billing](#)

⁶ [Simplifying Electricity Bills Project: Literature Review](#)

Wu, R., Shah, E. D., Kardes, F. R., & Wyer, R. S., Jr. (2020). Technical nomenclature, everyday language, and consumer inference. *Marketing Letters*, 31(2-3), 299- 310. [Technical nomenclature, everyday language, and consumer inference | Marketing Letters](#)

Xu, A., xa, Jing, Wyer, R., xa, S.a. (2010). Puffery in Advertisements: The Effects of Media Context, Communication Norms, and Consumer Knowledge. *Journal of Consumer Research*, 37(2), 329- 343. [Puffery in Advertisements: The Effects of Media Context, Communication Norms, and Consumer Knowledge | Journal of Consumer Research | Oxford Academic](#)

⁷ Refer to clause 11.30, 11.30A and 11.30B of the Code.

⁸ Consumer Care Obligations Clause 18

⁹ Consumer Care Obligations Clause 19

¹⁰ [Consumer Care Obligations | Electricity Authority](#)

awareness of rights and support, and deepens energy hardship for those already at the margins. It also leaves retailers uncertain about compliance expectations across channels.

Making it harder for consumers to engage and compare

- 2.14. The current requirements are fragmented and anchored in a bill-centric model that no longer reflects how people actually interact with their retailer. Without standardised, machine-readable information it is harder for consumers to use comparison tools and for innovators to develop new services that depend on consistent inputs.
- 2.15. This reduces competition by raising search and switching costs, blunts the effectiveness of better plan prompts and slows the uptake of beneficial tariffs such as time-of-use pricing.
- 2.16. Billing information in New Zealand is inconsistent, incomplete and poorly suited to a modern, digital energy market. This not only weakens consumer choice and competition today but also slows the uptake of new tariffs and services needed for tomorrow's increasingly complex electricity system.

Poor comparability and visibility of options

Only a quarter of comparisons result in completed switches, partly due to a lack of data

- 2.17. New Zealand's retail electricity market relies on consumers being able to see and act on their choices, yet the information they receive is so fragmented and inconsistent that even motivated households struggle to work out if they are on the right plan. Inconsistent content and terminology raise search and interpretation costs and make comparison tools harder to use. While some retailers provide parts of this information to consumers on their bills, there is no industry standard, limiting the quality of comparisons and the number of completed switches. As a result, many consumers cannot easily find the details needed for a robust comparison and abandon the process partway through.
- 2.18. The impact on engagement is clear. Less than 6% of households switched retailer in the last year. Only 117,758 trader switches (excluding move-in switches) occurred for residential customers in New Zealand last year.¹¹
- 2.19. About a third of Powerswitch searches are abandoned when users were asked to supply information from their power bills.¹² Around two-thirds of Powerswitch users do not enter their consumption data, and of the minority that does, around 80% only enter one month of data. Less than 10% have been able to draw on 12 months or

¹¹ [Electricity Authority - EMI \(market statistics and tools\)](#) Authority switching data from 1 August 2024 to 31 July 2025. Accessed 9 September 2025. Statistics New Zealand estimates that in March 2025 there were 2,034,500 households in New Zealand in 2,117,300 private dwellings. [Dwelling and household estimates: March 2025 quarter | Stats NZ](#)

¹² [Simplifying Electricity Bills Project: Literature Review](#) p6 and Powerswitch switching survey. Reasons for not switching (2021-2022).

more of historical consumption data. Less than half of Powerswitch users can identify their existing pricing plan.

- 2.20. The result is that only a quarter of initiated comparisons result in completed switches. The absence of reliable bill data directly undermines one of the most important mechanisms for competition in the market. When consumers cannot compare confidently, they are less likely to switch - even when savings are available.
- 2.21. These weaknesses are not just a matter of consumer behaviour, but of market design. Retailers have few incentives to provide the data that makes switching easy. A retailer that voluntarily invests in clearer bills or richer data risks losing customers to rivals and may suffer a first-mover disadvantage until standards are universal. This collective-action problem entrenches low transparency and poor comparability across the electricity market.

Lack of visibility also makes it hard for consumers to know if they are on their most suitable plan

- 2.22. While some retailers provide periodic advice or recurrent marketing offers, there is no consistency across retailers' offerings to ensure that loyal customers are not left on higher-cost plans. This contributes to loyalty penalties, where long-standing customers pay more than new ones. Consumer trust reduces when they see messages about cheaper options but find they cannot act on them easily. Over time, this may lead consumers to ignore such prompts, undermining both the effectiveness of better plan initiatives and the culture of active switching that sustains competition.
- 2.23. The Consumer Care Obligations improved baseline expectations for communication on best plan options,¹³ use actual meter reads "whenever practicable",¹⁴ and mandated minimal invoice information,¹⁵ but gaps remain.

Penalty fees are a barrier to switching to new types of plans

- 2.24. Contractual penalties and lock-in periods can amplify these frictions. Consumers may face early-termination fees or penalties to change plans with the same retailer; this may create an artificial barrier to switching.¹⁶
- 2.25. For example, a household might choose to stay on a more costly electricity plan to avoid a \$150 exit fee even if it could save \$200 annually by moving. Such fees potentially also dampen experimentation with innovative tariffs such as time-of-use pricing. Although time-of-use tariffs can deliver real benefits for consumers and the system by shifting demand to cheaper, lower-carbon periods, households may be understandably reluctant to try them without the ability to switch back risk-free. Those who do switch may later discover that their routines or appliances (without

¹³ [Consumer Care Obligations](#) Clause 17

¹⁴ [Consumer Care Obligations](#) Clause 18

¹⁵ [Consumer Care Obligations](#) Clause 19

¹⁶ [Ofgem's consumer research](#) confirms the real impact of exit fees: even small penalties—such as £50—can sharply reduce consumers' willingness to switch, undermining the benefits of cheaper alternatives.

timers, for example) do not align with off-peak windows, leaving them worse off and eroding confidence in innovative pricing more broadly.

- 2.26. Together, fragmented data, inconsistent presentation, loyalty penalties and lock-in fees form a reinforcing cycle that keeps consumers on outdated or unsuitable plans, blunts competitive pressure on retailers to keep all plans competitive and slows the uptake of innovative tariffs and services.
- 2.27. The outcome is a retail electricity market where the theoretical benefits of choice and competition are not fully realised in practice because the information and conditions needed for effective consumer action are missing.

Inadequate protections against bill shocks

Some customers face large back bills leading to bill shock

- 2.28. We understand that a share of households and small businesses still rely on physical meter reads interspersed with estimates. Approximately 5% of installation control points in New Zealand do not have operational communicating smart meters. When reading issues occur or readings do not eventuate, estimated bills can accumulate over many months or even years. Consumers then receive large back bills that may arrive without warning and far exceed what a household or small business can reasonably budget for. The resulting bill shock can be financially devastating, especially for low-income or vulnerable customers.

No statutory limit on back-billing, unlike other jurisdictions

- 2.29. New Zealand is unusual among comparable jurisdictions in having no regulated cap on how far back a retailer can bill for historic usage. The Code sets no maximum back-billing period and imposes no proactive requirements on retailers to prevent back-billing from accruing. Practices vary across the sector. While some retailers self-impose limits of around 14 months, others impose no limits at all.
- 2.30. By contrast, jurisdictions such as the United Kingdom and Australia have introduced statutory limits on back-billing, reflecting the recognised consumer harm of bill shock for past consumption.¹⁷

Evidence of harm – complaints and financial stress

- 2.31. Complaint data confirm the scale of the problem. Back-billing is a major driver of high bill complaints, erodes trust and creates acute financial stress.
- 2.32. In the past year, Utilities Disputes received 183 complaints about back-billing, with an average bill of \$5,130 across residential and business customers and \$2,290 across residential customers only.¹⁸ In 15% of complaints retailers attempted to debit thousands of dollars for historic energy usage, without warning. Illustrative

¹⁷ [What to do if you get a back bill | Ofgem](#) (United Kingdom) [Back-billing, refunds and lost payments | EWOV](#) (Victoria, Australia) [Backbills and catch-up bills - Energy & Water Ombudsman NSW](#) (New South Wales, Australia)

¹⁸ Utilities Disputes letter to retailers (3 September 2025)

examples of these complaints, drawn from information received from Utilities Disputes that has been anonymised, include:

- (a) a consumer billed after 47 months.¹⁹
- (b) a \$4,000 back bill issued after a retailer failed to replace a faulty meter in a reasonable period.²⁰
- (c) a back bill of over \$5,000 was issued after an incorrect installation control point number was provided at sign-up.²¹
- (d) a landlord was pursued for a tenant's substantial back bill.²²
- (e) a \$76,000 back bill was charged due to issues with a non-communicating smart meter. The retailer attempted to direct debit the back bill in full.²³

2.33. Without a regulated limit, retailers have little incentive to prevent back-billing problems from occurring. This allows negligent practices around actual reading to persist because the financial risk is shifted to the customer. Statutory caps in other jurisdictions have been shown to spur better metering practices, faster remediation of faults and clearer communication with customers. In New Zealand, by contrast, customers sometimes carry the risk of structural failures beyond their control, which undermines trust in the retail market as a whole.

¹⁹ Consumer (small business) vs Retailer – Back bill due to wrong installation control point

²⁰ Consumer (small business) v Retailer – Back bill due to faulty meter

²¹ Consumer vs Retailer – Back bill due to incorrect installation control point on sign up

²² Consumer v Retailer – Dispute about whether landlord was liable for charges

²³ Consumer (small business) v Retailer – Back bill and large direct debit

3. Our proposals to introduce minimum billing standards

- 3.1. We propose to introduce minimum standards for electricity billing in the Code to address many of the problems identified in Chapter two and through previous reviews and consultations, as discussed in Appendix B.
- 3.2. Addressing these problems through standardised, consumer-friendly information, clearer rights and obligations, and interoperable data is critical to lifting engagement, reducing hardship and driving a more innovative and inclusive electricity market.

3.3. We are seeking your feedback on the following proposals:

A. Standardise billing information to make bills easier to understand and to give residential consumers the information they need to engage	A1. Mandatory content in all billing channels A2. Plain language and logical layout requirements A3. A tiered information approach that highlights the most important information for consumers
B. Introduce better plan to support residential consumers to understand if they are on one their retailer's cheapest plans for them and switch risk-free if they are not	B1. Require six-monthly reviews on better plans B2. Enable risk-free time-of-use adoption B3. Prohibit termination fees for switching plans with the same retailer
C. Encourage consumers to compare plans across all retailers and switch where it will save them money	C1. Prompt consumers to use the Authority's new comparison and switching tool to compare across all retailers C2. Require retailers to publish a catalogue of all of their available plans C3. Strengthen Consumer Care Obligations
D. Limit back-billing to protect residential and small business consumers from bill shock	D1. Limit back-billing of historic usage to a maximum of six months D2. Proactive measures to manage back-billing.

Proposal A – Standardise billing information to make bills easier to understand and give residential consumers the information they need to engage

- 3.4. We are seeking feedback on proposals to make electricity bills clearer, more consistent and more useful for consumers. We are consulting on whether to introduce compulsory minimum billing standards – covering content, language, layout and tiered information presentation – across all billing channels (paper, email, apps and websites).

- 3.5. Our objective is to ensure that every consumer, regardless of retailer, receives the information they need to understand and manage their energy costs, compare offers and switch plans, if they choose.
- 3.6. We considered a voluntary guideline or non-binding model bill instead of compulsory standards (see the regulatory statement in Chapter six). Voluntary approaches would allow flexibility as technology and products change. However, experience in New Zealand and overseas shows that voluntary standards tend to have patchy uptake, leading to uneven consumer benefits. We are therefore consulting on compulsory minimum standards as our preferred option.

A1 – Mandatory content in all billing channels

- 3.7. We propose to establish compulsory minimum information requirements that every retailer must include in electricity bills for residential consumers. Retailers would need to present information so that customers can easily locate, verify and compare it across providers, regardless of format.
- 3.8. The mandatory content (described in detail below under Tier 1 and Tier 2) would apply not only to bills but also to all other consumer billing channels, such as apps, websites and email communications.

Q1. Should minimum billing standards be compulsory or voluntary?

A2 – Plain language and logical layout requirements

- 3.9. We propose to require bills, as well as billing information in emails, apps and websites, to use plain, simple, conversational language and avoid acronyms and jargon where possible.
- 3.10. Layout and design should prioritise clarity and accessibility by:
- (a) Grouping related information logically
 - (b) Using accessible fonts, white space and clear headings
 - (c) Using visual tools
 - (d) Presenting only critical information on the first page.
- 3.11. Visual tools such as tables, charts, infographics or bold formatting can help consumers quickly understand charges and take action. Research by the Australian Energy Regulator found that clearer layouts and detailed cost breakdowns improved consumers' ability to understand bills and their energy use.²⁴
- 3.12. To support retailers, we intend to provide an updated model bill,²⁵ detailed guidelines and examples as part of an implementation toolkit. This is likely to be

²⁴ [Simplifying Electricity Bills Project: Literature Review](#) p12

Australian Energy Regulator. (2021). Improving energy bills: final report. Department of the Prime Minister and Cabinet. [Improving energy billing](#)

²⁵ [Model Electricity Bill](#)

especially helpful for smaller retailers. We intend to engage with consumers to ensure the guidelines and model bill are fit for purpose.

Q2. Would the Authority providing a model bill and guidelines reduce your implementation costs and the time needed to implement these changes?

A3 – A tiered information approach that highlights the most important information for consumers

3.13. We propose a two-tiered system for mandatory information:

- (a) Tier one (critical information) must appear on the front page or first screen so consumers can instantly see what matters most (amount due, due date, key retailer, customer details, emergency information and switching prompts)
- (b) Tier two (important information) must appear after tier one, providing more detailed plan, consumption and support information.

3.14. Other information must be placed after tiers one and two.

3.15. This structure is similar to the Australian Better Bills Guideline (Version 2),²⁶ but with modifications for New Zealand, including the key information required to effectively use our comparison and switching service and our proposed plan identifier code.²⁷

3.16. The Australian Energy Regulator's 'The Better Bills Impact Report' found that post-implementation bills rated higher on clarity, language and ease of knowing how much, when and how to pay.²⁸

3.17. Australian and European research has also recommended a tiered layout,²⁹ as evidence shows that some consumers only ever look at the first page of their bill.³⁰ Other research confirms that a tiered layout reduces search costs for consumers and increases engagement with comparison and switching tools.³¹

3.18. We propose the following information requirements. Retailers may use headings to group information and to assist customers' understanding. For example, "need help?".

²⁶ [Final decision | Australian Energy Regulator \(AER\)](#)

²⁷ Please refer to the product data standards consultation paper at: [Our consultations | Electricity Authority](#)

²⁸ [Better bills impact report](#) p41

²⁹ [Simplifying Electricity Bills Project: Literature Review](#) p12

Australian Energy Regulator. (2021). Improving energy bills: final report. Department of the Prime Minister and Cabinet. [Improving energy billing](#)

BEUC. (2017). Energy Billing: Landscape report and summary of good practice. [beuc-x-2017-058_mst_clear_energy_bill_initiative - beuc input.pdf](#)

³⁰ [Better bills impact report](#) p19

³¹ [Simplifying Electricity Bills Project: Literature Review](#) p12

Proposed tier one

3.19. Mandatory, critical information to be placed ahead of all other information (for example, on the front page or first screen), including:

(a) Customer identification

- i. Customer name and address of the premises the electricity is being supplied to
- ii. Customer mailing address (if different)
- iii. Customer account number – to identify the customer when contacting the retailer
- iv. Unique installation control point number – to identify the property if switching power companies

(b) Retailer identification including identifying information such as name, brand (if applicable), logo and website

(c) Invoice information

- i. Invoice number and issue date
- ii. Amount due and due date – distinguishing between the current invoicing period and any overdue amounts. Total amounts should be displayed inclusive of GST and levies
- iii. Payment methods
- iv. Whether the bill is based on estimated or actual reading and the reading date. Where a bill amount is based on an estimate, the bill must state that the bill is “based on an estimate” and include a link to, or information on, how to submit a customer meter reading
- v. The (proposed) product identifier code from the Authority’s product data standards consultation, if adopted – to enable interoperability with third-party comparison tools
- vi. “Back bill” (where appropriate) the amount to be recovered and an explanation of that amount
- vii. “Final bill” (where appropriate)

(d) Contact and dispute resolution

- i. How to contact the retailer to seek plan information, make payment arrangements or make a complaint
- ii. Who to contact to make fault enquiries and report emergencies
- iii. How to make a complaint to Utilities Disputes
- iv. A link to the retailer’s consumer care policy

(e) Encouragement to compare and switch

- i. A link to the new Electricity Authority funded independent energy price comparison and switching website and a copy of its logo
- ii. A better plan message (once every six months). This would either confirm that the customer is already on the most suitable plan with that retailer, or alert them to a possible better plan and explain how to switch at no cost (see Proposal B below).

(f) Emergency information (if relevant)

- i. Information relating to any major natural disasters, pandemics and emergencies that have occurred, where relevant.

Proposed tier two

3.20. Mandatory, important information to be placed on the second page or after tier one, including:

(a) Plan summary

- i. Plan name and (proposed) product identifier code from the Authority's product data standards consultation, if adopted
- ii. Key aspects of the plan such as shoulder, peak and off-peak hours, free hours, discounts and conditions
- iii. Contract end date
- iv. Whether any early termination or other break fees (e.g. repayment of the cost of enticements) apply to this contract and their amount

(b) Breakdown of amount due calculation

- i. Billing period (date to date) and number of days
- ii. Previous and current reading
- iii. Usage (in accordance with plan breakdown such as peak, off-peak or shoulder, in kWh and/or MJ)
- iv. Rates (in \$)
- v. Levies (in \$)
- vi. Any credits (in \$)
- vii. Any discounts (in \$)
- viii. Any Government or other rebates (in \$)
- ix. GST (in \$)
- x. Any exports – from solar or other generation
- viii. If bundled goods or services have been received by the customer, the amounts owing for each good or service as a separate item from the amount owing for electricity

(c) Consumption information

- i. Average daily usage and exports (in kWh or MJ and \$)
- ii. Average monthly usage and exports (in kWh or MJ and \$) and comparison with previous month, where available
- iii. Average annual usage and exports (in kWh or MJ and \$) and comparison with previous year, where available

(d) Additional support

- i. For customers without communicating smart meters, information about their protection from back bills of longer than six months and what support is available if they receive a back bill (e.g. payment in instalments)
- ii. Contact details for any government agencies offering financial assistance for energy hardship
- iii. Interpreter services (where the retailer has made this available)

- iv. Services for customers with hearing or speech impairments or any other disabilities (where the retailer has made this available)

Other information

- (a) Any other information that retailers may want to add would be included after tier one and two.

Q3. **Tiered layout** – Do you support adopting a two-tiered approach to information on bills? If not, how should critical and important information be distinguished?

Q4. **Content requirements** – Do you have any additions or removals to the proposed tier one and tier two content lists?

Q5. **Implementation** – For retailers, how much time would be needed for your organisation to incorporate this content across all billing channels? What challenges or dependencies (e.g. data collection, data standards, IT systems or staff training) need to be factored into timing?

Q6. **Future-proofing** – What mechanisms would best ensure these standards to evolve with new technologies, plans and AI-enabled billing in future?

Proposal B – Introduce better plan to support residential consumers to understand if they are on their retailer’s cheapest plan for them and switch risk-free if they are not

- 3.21. The Authority is consulting on new requirements to ensure consumers are regularly prompted to move to electricity plans that better suit their needs and can trial or switch plans with minimal risk or penalty. This proposal builds on existing Consumer Care Obligations and responds to long-standing concerns from consumer advocates that disengaged consumers are missing out on better deals.
- 3.22. Together, these proposals would turn information into action: more people on suitable plans, fewer loyalty penalties and higher confidence to try innovative tariffs.

A better plan requirement

Definition of better plan

- 3.23. We propose to introduce a better plan requirement so that all consumers receive meaningful six-monthly prompts when they may be paying more than necessary for electricity.
- 3.24. For this proposal, a better plan would be defined as:

*A **better plan** is any pricing plan offered by the retailer, including any plan bundled with other goods or services, which*

(a) is based on the customer’s actual electricity consumption over the previous twelve months and any other relevant information reasonably available to the retailer; and

*(b) when compared to the customer’s current plan would have resulted in a **materially better outcome** for the customer.*

- 3.25. The Code would require retailers to use each customer's consumption data and other available information to assess whether any other plans offered by the retailer would have provided a materially better outcome for the customer.

What counts as relevant information

- 3.26. Information relevant and reasonably available to the retailer for the purposes of the better plan review would be open-ended to allow for flexibility. It may include, for example:
- (a) presence of medically dependent consumers at the premises
 - (b) household composition or work from home arrangements affecting the customer's ability to shift load
 - (c) presence of an EV charged at the premises
 - (d) bundled services such as gas, broadband and mobile plans
 - (e) participation in solar buy-back schemes.
- 3.27. This would comprise information that is relevant and reasonably available to the retailer for the purposes of determining whether a different plan would have resulted in a materially better outcome for the customer.
- 3.28. A retailer that does not already hold this information would not be under any new obligation to collect it. A retailer would also not be expected to use information that breaches their privacy policy for a better plan review.

Definition of materially better outcome

- 3.29. The Code would require retailers to use each customer's consumption data and other available information to determine whether any other plans offered by the retailer would have provided a materially better outcome for the customer, defined as:

*A **materially better outcome** includes, but is not limited to, a lower overall financial cost to the customer taking into account:*

- (a) the rate or rates charged for electricity*
 - (b) any discounts and fees applicable to the customer*
 - (c) the value of any bundled goods or services reasonably attributable to the customer's use*
 - (d) more favourable contract terms for the customer.*
-

- 3.30. A materially better outcome is primarily one which would deliver cost savings to the customer. However, it may also include matters such as a better fit with the customer's usage pattern or circumstances (such as suitability for time-of-use tariffs, payment preferences or any discounts), or more even payments across the year (for consumers who prefer bill-smoothing).
- 3.31. Where they identify a better plan or plans, the retailer must proactively support the customer to switch plans.
- 3.32. At present, the Consumer Care Obligations require retailers to provide advice on the most suitable product offerings at three times:

- (a) on sign up,³²
 - (b) when a retailer knows a customer is finding it hard to pay their bill,³³ and
 - (c) when a consumer explicitly asks.³⁴
- 3.33. Consumer advocates say this limits the number of consumers who can benefit from information that retailers hold. Our proposal would make proactive advice compulsory and require retailers to disclose better plans in more situations and more often.³⁵

B1 – Require six-monthly reviews on better plans

- 3.34. To ensure that residential consumers are supported to remain on or switch to a plan that best meets their needs, the Authority proposes to introduce a requirement for retailers to conduct a six-monthly review of each residential customer's plan against the retailer's current product suite.
- 3.35. Under this requirement, each retailer must take reasonable steps, using all relevant information available (including at least the customer's previous 12 months of consumption, where available), to identify whether the customer may be able to be on a better plan and to communicate that assessment to the customer in a clear and accessible way across all billing channels used by that customer (for example, paper bills, emailed bills, online portals and mobile apps).

What retailers would need to do

- 3.36. The better plan review obligation would apply after six months of a residential customer becoming a customer of that retailer and every six months thereafter.
- 3.37. Under this proposal, each retailer would need to follow these three steps:
- Step 1 – Compare** – at least every six months, compare every residential customer's plan against all pricing plans offered by the retailer using relevant information available to the retailer at the date of the comparison.³⁶
- Step 2 – Assess** – use reasonable endeavours to assess whether any other pricing plan offered by the retailer would have resulted in a materially better outcome for the customer, using relevant information available to the retailer, including the customer's electricity consumption over the previous 12 months, where this is available. If 12 months of consumption data is not available, the retailer would use the best available consumption data.
- Step 3 – Communicate** – communicate the outcome of that assessment promptly and clearly to the customer using the same channels the customer normally receives bills (for example, paper bills, emailed bills, online portals or apps).

³² Electricity Industry Participation Code 2010 Clause 8 of Schedule 11A.1

³³ Electricity Industry Participation Code 2010 Clause 23 of Schedule 11A.1

³⁴ Electricity Industry Participation Code 2010 Clause 17 of Schedule 11A.1

³⁵ [Just ask: Am I on the best power plan? - Consumer NZ](#)

³⁶ This would not include any plans that were offered by the retailer in the previous six months but which are no longer available as at the time of the comparison.

- 3.38. A retailer would be free to choose its own methodologies and tools to do the assessment at step two above, but it would need to be able to confirm to the Authority it had used reasonable endeavours to make the assessment. The Code would require the retailer to retain a record of the better plan assessments for at least three years.
- 3.39. The Authority would also develop guidelines and supporting resources to assist retailers to comply, including how to determine what information is relevant and considered to be reasonably available and how to identify and assess materially better outcomes.

Minimum content of the better plan message

- 3.40. The six-monthly communication would appear as a simple, prominent better plan message in the bill or other main communication channel. This is tier one information and must at minimum:
- (a) Confirm whether the customer is already on a suitable plan or alert them to possible better plans,
 - (b) Identify the name of that better plan or plans,
 - (c) Direct the consumer to a place where they can find more information on the better plan, including tariffs, any discounts, any conditions, any bundled goods or services, and
 - (d) Provide clear instructions on how to switch.

Illustrative examples

- 3.41. If the customer is already on a suitable plan: *"You are currently on plan [plan name]. Based on our assessment, you are on a suitable plan and one of our cheapest options for your needs."*
- 3.42. If a better plan exists: *"Based on our assessment, [plan name x and/or plan name y] could be a better plan for your current needs. See [link] for details or to switch now at no cost."*
- 3.43. Retailers may estimate potential savings internally for the purpose of the assessment but are not required to provide specific dollar figures to consumers, as these can be misleading if future use may vary. The message would still prompt customers to act without giving false confidence.

Q7. Do you agree with the proposed better plan review mechanism?

Q8. Is six months the right frequency for a better plan review?

B2 – Enable risk-free time-of-use adoption

- 3.44. To increase effective uptake of time-of-use plans and reduce risk for consumers who may get stuck in plans that are not suitable for them:
- (a) Consumers should be able to trial a time-of-use plan risk-free if they wish, with advice from their retailer on how to shift their consumption
 - (b) Retailers would inform consumers after three months whether they are making savings compared to their previous plan

- (c) If they are not saving, consumers could choose to switch back to their previous plan (even if it is no longer generally available) or to a different plan with the same retailer without having to pay any termination fee for exiting the time-of-use plan.

- 3.45. A well-functioning market requires residential consumers to be able to try a time-of-use plan, learn and, if it is not working or realising savings for that customer, allow them to revert without penalty to their previous plan, or any other more suitable plan. With a clear expectation that retailers will provide early feedback.
- 3.46. Time-of-use plans can provide cheaper or even free power at off-peak times and help reduce system peaks. They work well for consumers who are able to shift enough usage sustainably (e.g. shifting to EV charging overnight, running spa pools on weekends or setting timers on appliances). These plans work less effectively for customers who cannot shift enough of their usage to off-peak.

Inform consumers whether they are making savings and if not, invite them to switch

- 3.47. Under our proposal, once a customer has been on a time-of-use plan for three months, their retailer would need to check in to provide an update on how it is working. Retailers would need to:
 - (a) Calculate what the customer has paid, using the customer's consumption data and tariffs paid over the last three months on the time-of-use plan,
 - (b) Compare that to what the customer would have paid on their previous plan based on the same consumption data, and
 - (c) Determine whether the customer is saving money on the time-of-use plan.
- 3.48. Retailers may wish to use the same calculations here as they use for their better plan review, but this would be based on only the three months of the time-of-use plan.
- 3.49. Retailers would be required to advise the customer of the outcome of this savings assessment. If the assessment showed that the customer was not making a cost saving on the time-of-use plan, the retailer would need to advise the customer of this and invite them to either:
 - (a) Revert to their previous plan. The retailer would be obliged to offer the customer the choice of reverting to their previous plan even if that pricing plan was no longer being offered to the public by the retailer,
 - (b) Switch to a different plan offered by the retailer that the retailer considers most suitable based on the customer's circumstances, or
 - (c) Stay on the time-of-use plan, with further advice on ways to shift load to realise savings.
- 3.50. If the customer does not make a decision to revert or switch after receiving the retailer's assessment, the retailer must make at least three attempts to contact the customer using the customer's preferred or most recent communication channels. If no response is received within one full billing cycle (e.g. 30 days), the customer would remain on the time-of-use plan by default unless or until the customer decided otherwise.

- 3.51. After the initial three-month assessment of a time-of-use plan, the retailer would continue to perform the same six-monthly better plan review as in Proposal B1 above.

Give advice on how to shift consumption

- 3.52. The Authority already provides some consumer guidance on time-of-use plans.³⁷ We would also work with key stakeholders to provide more publicly available guidance on how consumers can maximise savings from a time-of-use plan by shifting their use to off-peak periods. For example, guidance on:
- (a) the most expensive and cheapest periods and what the rates are,
 - (b) how to monitor usage,
 - (c) how to shift usage,
 - (d) case studies explaining how families have used timers and delays on appliances to shift load to off-peak, and
 - (e) advice on how to schedule an EV to charge overnight.
- 3.53. We expect retailers would provide this information to customers signing up to a new time-of-use plan, along with any retailer-specific guidance and advice. We note that some retailers already have this advice available to their customers.
- 3.54. We considered a longer trial period (e.g. six months) to allow consumers more time to adjust their behaviour, aligning with the six-monthly better plan reviews. However, it also extends the risk of bill shock for households whose behaviour does not align with time-of-use structures, undermining trust. Therefore, we have not proposed this but invite feedback on the most appropriate trial period.

Q9. Is three months an appropriate time frame for time-of-use trials? If not, what period would you suggest?

Q10. Do you have any feedback on the risk-free time of use proposal, requirement to inform customers whether they are saving on a time-of-use plan and type of guidance given on how to shift consumption?

B3 – Prohibit termination fees for switching plans with the same retailer

- 3.55. We propose to prohibit termination fees when a residential consumer switches between plans with the same retailer.
- 3.56. Termination fees can deter consumers from moving to plans that better match their current circumstances. Families whose usage has changed, or consumers on older plans, may be locked into unsuitable contracts or even placed on new fixed-term contracts without clear consent. Removing intra-retailer termination fees would:
- (a) Increase consumer trust and potentially reduce the number of complaints and disputes
 - (b) Remove loyalty penalties, where long-term customers pay more

³⁷ [How to get cheaper power bills with a time-of-use plan | Electricity Authority](#)

- (c) Encourage more consumers to try time-of-use or innovative plans.

Scope

- 3.57. A termination fee is any fee or charge imposed by the retailer when the customer terminates a contract, where that fee does not seek to reasonably reimburse the retailer for sign-up enticements. For example, a \$150 early termination fee to exit a fixed-term electricity contract.
- 3.58. Termination fees would still be allowed when switching to a different retailer, subject to the restriction in the Consumer Care Obligations about fees being reasonable.³⁸ Charges to recoup the reasonable cost of a sign-up enticement would also be unaffected.

Implementation considerations

- 3.59. Retailers would face costs associated with switching plans. Smart meters may need to be installed or reconfigured to allow some types of plans, although only a small number of customers do not already have them.
- 3.60. We recognise there are important transitional and operational issues to resolve around contractual notice periods, fixed-term rates, bundled services, retailers with multiple brands and post-disconnection scenarios. The Code amendment seeks to address such issues by allowing for a reasonable transition period and providing clear definitions.
- 3.61. This proposal will not affect consumers who have bonds or consumers who are switching between retailers.
- 3.62. We considered an alternative option to prohibit penalties for switching **between** retailers and plans, to further improve consumer mobility. While this is an option we may consider in future, for now we have not proposed this, as it would impose high costs on retailers and make it harder for them to plan ahead. It would require a large change in retailer business models.
- 3.63. We also considered preventing charges to recoup retailer enticements, such as “free” appliances or EV chargers, but have not proposed this, to make this simpler for retailers to enact and to preserve their ability to offer innovative plans. These alternatives and the reasons we decided against these are discussed in more detail in the alternative options section in the regulatory statement in Chapter six.

Transitional arrangements

- 3.64. To respect existing contractual rights while still moving the market quickly toward fairer practices, we propose a phased implementation:
- (a) **Maintaining existing contracts** – any existing contracts that contain intra-retailer termination fees would remain in effect as agreed between the parties. The proposed Code change, if made, would not override any penalties already built into current contracts at the time the Code change took effect. Parties would continue to abide by these terms until the contract term ends or is renegotiated.

³⁸ Clause 68 of Schedule 11A.1 of the Code

- (b) **A three-month transition from when the Code amendment comes into effect** – retailers would have three months from the date the Code amendment takes effect to update their terms and conditions, customer communications and internal processes. This transition period would allow retailers to phase out termination fees for new plans and configure billing or meter systems as needed.
- (c) **No new termination fees after the transition** – after this three-month transition, no new residential contracts would be able to include intra-retailer termination fees. Retailers would also be expected to clearly disclose to customers which plans are still under legacy terms and when those terms expire.
- (d) **Signalling to customers** – during the transition period, retailers would be required to inform customers (for example, in bills or account portals) that their current plan includes an early termination fee clause and advise them of their options at the end of the contract. This is tier two information required in the billing standards.

Q11. Do you support prohibiting termination fees when switching between plans with the same retailer?

Q12. For retailers, what costs do you anticipate in implementing this change and what implementation support would reduce such costs?

Q13. Do you agree with our proposed transitional arrangements? If not, how would you change them?

Proposal C – Encourage consumers to compare plans across all retailers and switch where it will save them money

- 3.65. We want to help more customers actively shop around to see if they can save money on their energy bills, by moving to cheaper or more suitable plans with their current retailer or by switching to a different retailer. This will:
- (a) Strengthen competition by making retailers work harder to retain customers
 - (b) Improve consumer outcomes by reducing loyalty penalties for disengaged customers, and
 - (c) Support a more transparent electricity market, where customers can easily see and choose between available options.

How these proposals work

- 3.66. Proposal C has three key elements:
- (a) Requiring retailers to prominently display information about the Authority-funded comparison and switching site on all billing channels, so consumers are prompted to compare plans across all retailers, including their own.
 - (b) Requiring each retailer to publish a catalogue of currently available plans to allow consumers to easily see and compare the retailer's full suite of plans and pricing in one place.
 - (c) Requiring retailers to proactively direct consumers to this catalogue so consumers receive a prompt when they are most receptive to change.

- 3.67. As demonstrated in Australia, improving engagement with effective comparison and switching tools is the most effective way to help consumers find better offers.³⁹ Billing should act as a gateway to these tools, with the right information and data at hand.

C1 – Prompt consumers to use the Authority’s new comparison and switching tool to compare across all retailers

- 3.68. Require retailers to prominently display a tier one message across all billing information, including bills, emails, apps and websites:

“Could you save money on another plan? Compare plans at the independent and government-funded site [TBC].org.nz.

The Electricity Authority requires us to include this information”

- 3.69. Require retailers to include the site’s logo and a hot link with this message.

- 3.70. We are working with our new next-generation comparison and switching service provider,⁴⁰ to support consumers to further optimise cost, benefit from new technologies and have more flexibility to choose the services that provide best value for their needs. Around 90% of people who compare their plan on Powerswitch find they can save, with average savings of over \$400 a year.⁴¹
- 3.71. Proposal A above establishes the required information on bills. This prompt to the comparison and switching service would be tier one level mandatory information. It would also be required wherever billing information appears, including bills, emails, apps and websites.
- 3.72. The prompt would strengthen the existing Code provision to provide clear information about the electricity plan comparison website or other platform, as identified on the Authority’s website.⁴² This obligation came out of the Electricity Price Review as the single most impactful way to promote retailer competition.⁴³
- 3.73. Consumers would get a single, trusted front door to the whole market, right at the moment they’re thinking about their bill. A prominent tier one prompt (with logo and live link) on the first page/screen of every billing channel will make comparison effortless and timely. This would be the only external comparison and switching site displayed on all retailer channels, replacing the link to Powerswitch, to avoid any confusion for consumers.
- 3.74. This would cut search costs and convert passive awareness into action. When people can reach an independent, government-funded service in one click, they are far more likely to check whether a better plan exists and to switch if it does, directly addressing poor visibility and low switching follow-through.

³⁹ [Better bills impact report](#)

⁴⁰ [Authority confirms new next-gen switching service; proposes multiple trading relationships for consumers | Electricity Authority](#)

⁴¹ [Compare and switch to save \\$\\$ | Electricity Authority](#)

⁴² [11.30B of the Code](#)

⁴³ [Electricity Price Review: Final Report](#)

- 3.75. Behavioural economics research suggests that for nudges to be effective, they should be easy, attractive, social and timely.⁴⁴ By incorporating a hot link to a free and simple to use website wherever billing information appears, it would make it easy for consumers to access the comparison and switching site. By using the message “could you save money on another plan?”, potential savings would make the nudge more attractive to consumers. It is timely to include the message prominently when a customer receives a bill and is already thinking about their electricity costs.

Q14. Do you agree with the proposed wording of the prompt?

Q15. For retailers, what lead-in period would you need to implement this prompt across all channels?

C2 – Require retailers to publish a catalogue of all of their available plans that apply to each customer

- 3.76. Require each retailer to publish a catalogue (on their website or app or available via phone) where consumers can view and compare all current pricing information, key terms and conditions on all of their retailer’s generally available retail tariff plans that apply to them given their location.
- 3.77. This proposal builds on the current requirement in clause 11.32G of the Code for retailers to provide information about their generally available tariff plans within five business days after receiving a request for information.
- 3.78. This practice currently differs between retailers. Some already have comprehensive information available on their websites about all available plans that apply to their customers and include a breakdown of different tariffs applicable to different locations. Other retailers may list their plan types by name but without providing details of prices. This can make it difficult to shop around and compare.
- 3.79. This proposal complements Proposal B1 above where retailers would be required to review every customer’s plan against their product suite every six months. Rather than only advising on one better plan in the customer’s bill, we want to encourage an ongoing conversation between the customer and retailer, supported by clear information about all available plans and tariffs and advice on what would work best for a customer given their current circumstances and future plans.
- 3.80. The Code would require this catalogue to include:
- (a) written information on plans, tariff prices, terms and conditions, and
 - (b) directions on how customers could get personalised advice and ask questions of their retailer. This would allow for different engagement preferences.
- 3.81. This catalogue would be publicised on all billing information, highlighted as part of the six-monthly better plan requirement and mentioned every time a customer makes a billing query (as discussed in Proposal C3 below).

⁴⁴ EAST framework designed by the Behavioural Insights Team. [4 Easy Ways to Apply EAST Framework to Behavioural Insights](#)

- 3.82. Maintaining catalogues with complete and current information about all retailer plans will help remedy two issues:
- (a) **Lack of complete plan information** – currently the full suite of products and tariffs are not displayed on most retailers' websites. Many consumers don't know if they could be getting a deal that would better suit their circumstances.
 - (b) **Higher rates on historic plans** – some consumers are unaware that they might be on outdated plans that are no longer available to new customers and which may charge them higher rates than newer plans. This penalises some customers for their loyalty if they remain on less competitive plans. Conversely, some consumers may be better off remaining on older, now unavailable, plans if they have lower rates than what is currently available to new customers.
- 3.83. Retailers that already have a detailed catalogue of their available plans on their website would need to do little extra to comply with this proposed requirement.

Q16. Do you agree that each retailer should be required to maintain a catalogue to allow customers to compare their full range of plans and costs?

Q17. For retailers, do you already have a catalogue in which you show your current and any prospective customers your generally available plans and tariffs? If not, why not?

C3 – Strengthen Consumer Care Obligations

- 3.84. Require retailers to proactively offer advice on better plans every time any contact is made by a customer regarding billing issues and also at their annual Consumer Care Obligations check-in.
- 3.85. In addition to six-monthly better plan prompts and written information on all bills about the retailer's channel(s) to compare their plans, we want consumers to be encouraged to ensure they get the best deal for their power from their retailer whenever they contact their retailer about their bill or plan. This will build on current Consumer Care Obligations to improve proactive advice and support on better plans.

Current requirement – The annual check-in⁴⁵

- 3.86. Currently retailers must contact each customer at least once a year to:
- (a) tell them they can request access to their electricity consumption information,
 - (b) advise them of the retailer's consumer care policy, and
 - (c) ask them to confirm their information is accurate.

Proposed addition to annual check-in

- 3.87. At that same annual check-in, retailers would also be required to inform customers of the channels the retailer provides for comparing and accessing better plans or pricing options that meet their needs.

⁴⁵ Clause 16 of [Consumer Care Obligations](#)

- 3.88. This makes the annual check-in a more complete one-stop touchpoint for customers to update their details, know their rights and be reminded how to check if they are on one of their retailer's best plans for them.

Current requirement – When the customer enquires about changing pricing plans or signing up to a different product offering⁴⁶

- 3.89. Currently retailers must provide information about available plans and comparison platforms only when a customer asks about changing their pricing plan or signing up to a different product offering.

Proposed improvement to better plan advice when customers reach out

- 3.90. We propose to expand this obligation so that whenever a customer contacts the retailer about their bill or their plan (not just about switching plans), the retailer must:
- (a) ask if the customer wants information about better plans or options more suitable to their current circumstances, and
 - (b) provide that information or direct them to the retailer's catalogue of currently available plans.
- 3.91. This would mean, for example, that if a customer phones or uses a chat tool to ask a question about their bill, payment options or plan details, the retailer must proactively ask if they'd like to hear about better plan options and then either explain those options or direct them to the retailer's catalogue or the Authority-approved comparison service.
- 3.92. These proposed changes would make better plan advice routine using existing customer interactions to ensure people know their options. This would reduce the risk that vulnerable or busy customers miss out on cheaper or more suitable plans.
- 3.93. The retailer's obligation to provide better plan advice would apply only to current customers and would not be a mandatory requirement of a losing retailer during the switch protected period where a customer is in the process of changing to a different retailer.⁴⁷

Q18. Do you agree that the annual check-in should also include telling customers about the retailer's channels for comparing and accessing better plans?

Q19. Do you agree that retailers should offer information about better plans whenever a customer contacts them about their bill or plan, not only when the customer explicitly asks to change plans?

Proposal D – Limit back-billing to protect residential and small business consumers from bill shock

- 3.94. Back-billing happens when a consumer receives a catch-up bill for historic usage that has been undercharged or not charged for by the retailer. This can create

⁴⁶ Clause 17 of Consumer Care Obligations

⁴⁷ Clause 11.15AA of the Code

sudden and unmanageable liabilities. It can undermine household or small business budgeting, erode trust and may push already vulnerable customers into hardship.

- 3.95. The financial risk of metering or billing negligence can sometimes fall on consumers even when they acted in good faith and through no fault of their own.
- 3.96. We are proposing setting a clear six-month cap on back-billing, combined with proactive measures to prevent back bills arising, with flexible payment options when they do. This would give residential and small business consumers predictability and fairer terms, align New Zealand with best practice overseas and strengthen incentives on retailers to maintain accurate readings and data.
- 3.97. These proposals respond to an issue that Utilities Disputes receives frequent complaints about, has raised in our previous consultations and has recently highlighted in a September 2025 letter to the larger retailers. See Appendix B for more information.

D1 – Limit back-billing of historic usage to a maximum of six months

- 3.98. Retailers would be prevented from charging residential and small business consumers for energy used more than six months ago, except where the undercharged amount resulted from the consumer's own fault.
- 3.99. We propose to introduce a clear six-month limit where retailers would be unable to charge residential and small business consumers⁴⁸ for energy used more than six months ago unless the undercharge was due to consumer fault.
- 3.100. There would be a very restricted number of justifiable exceptions to this six month limit on the basis of customer fault, such as where the retailer reasonably believes the customer has tampered with the meter or blocked access. Where the absence of a meter reading was due to an issue with the metering installation, a retailer would be required to try at least three times over at least three months to contact the customer to access or repair the meter.
- 3.101. For the avoidance of doubt, these proposals would not alter expectations that a retailer absorbs costs associated with errors where consumers acted in good faith and had no way of knowing an error occurred. An example of this is cross-metering which may arise without any knowledge or fault on the part of the customer.

Q20. Do you agree with this proposal to limit back-billing with justifiable exceptions?

Q21. Is a six-month cap reasonable?

D2 – Proactive measures to manage back-billing

- 3.102. We propose complementary proactive obligations on retailers to minimise the likelihood of back-billing occurring and to support residential and small business customers when it occurs, such as by allowing payments in instalments.

⁴⁸ In the Code amendment, proposal D would relate to **domestic consumers** and **small business consumers** as those terms are defined in section 5 of the Act.

- 3.103. We are proposing to add additional requirements for retailers to further support residential and small business consumers to prevent back-billing issues, including proactive measures to:
- (a) contact a customer if an actual meter reading has not been obtained for more than three months
 - (b) inform customers of the potential consequences of repeated estimated readings (that is, the possibility of a high catch-up bill) and their ability to provide their own meter readings
 - (c) make reasonable endeavours to resolve with the customer any technical or access issues preventing an actual meter reading
 - (d) make reasonable endeavours to contact a customer prior to issuing a back bill of more than three months, offer a payment plan and explain how to make a complaint
 - (e) update their terms and conditions, if necessary, to reflect these changes.

Payment arrangements

- 3.104. Where back bills cover a period of electricity use that predates the bill by between three and six months, customers would have the right to pay in instalments over a period at least equal to the back billed period. For example, a five-month back bill could be repaid over five months.
- 3.105. This balances fairness and affordability for consumers while enabling retailers to recover genuine arrears.
- 3.106. Our proposed amendment to the Code would also stipulate that no interest could be charged on the back-billed amount.

Back-billing transitional arrangements

- 3.107. To protect consumers from hardship while also giving retailers time to adapt, we propose a phased approach to implementing the six-month back-billing cap.

Current invoices would be unaffected

- 3.108. Any back bills already issued at the date on which the proposed Code amendment took effect would not be affected. Retailers could continue to recover those invoiced arrears according to their usual terms and conditions.

A three-month transition

- 3.109. We propose a three-month transition after the date the Code amendment came into effect. During this transition period, the retailer would be able to issue new invoices to recover uncharged or undercharged amounts, including where that usage predated the invoice by six months, but would need to:
- (a) offer the option to repay in instalments (at least equal to the period covered by the back bill), and
 - (b) clearly explain the basis of the back bill and any dispute mechanisms available to the customer.
- 3.110. The transition period would prevent a retrospective loss of revenue for retailers, while still tempering the impact on customers.

- 3.111. Retailers would also have the three-month transition period to update their billing systems, meter-reading practices and terms and conditions. The retailer would need to ensure they are ready to comply with the new requirement three months after the Code amendment took effect. This would include but not be limited to:
- (a) introducing proactive measures to prevent the likelihood of back bills occurring (for example, customer contact after three months without an actual read)
 - (b) disclosing the upcoming cap to consumers, including on bills and account portals, so customers know when the new protections start
 - (c) updating hardship and payment plan policies to align with the new rules.

After the transition period

- 3.112. From the end of the three-month transition period, no new invoices issued after that date would be able to include undercharged or uncharged usage older than six months predating the date of the invoice (unless covered by the limited exceptions for consumer fault).
- 3.113. After the transition period, any back bills including electricity use more than three months prior to the date of the invoice would need to include the ability to pay by instalments at least equal to the period covered by the back bill. Retailers would also be encouraged to consider hardship circumstances when setting repayment plans.
- 3.114. During and after the transition, retailers would be required to inform customers without communicating smart meters, in bills, portals and call-centre scripts, when their account is protected by the new cap on back-billing and what support is available if they receive a back bill.

Q22. Do you agree that customer should be allowed to pay back bills in instalments matching the period of the back bills? If not, what alternative do you propose?

Q23. What additional proactive measures (beyond those listed) would best prevent back bills from accruing?

Q24. For retailers, taking into account any operational requirements, is the proposed transition period sufficient to implement these obligations?

4. Summary of consumer benefits: solving the issues, delivering consumer benefits

Issues

- 4.1. For too long, gaps in billing practices have left consumers unable to see, understand or act on their electricity options. Bills vary wildly in content and format; key data such as plan name, contract terms, early-termination fees and usage patterns can be missing or buried; and there is no clear and effective way to prompt consumers to move to more suitable plans or to prevent large, unexpected back bills.
- 4.2. These issues don't just frustrate consumers – they blunt competitive pressure, dampen uptake of innovative tariffs and erode trust in the market.

Tangible consumer benefits

- 4.3. Our proposals directly address these issues and translate them into tangible consumer benefits if adopted, including:
 - (a) **Removing hidden complexity by standardising the content**, language, and layout of bills across all channels. Every consumer, regardless of retailer, would see the same critical information in the same place, making it far easier to understand costs, compare options and take action.
 - (b) **Making comparison inevitable and easy** by embedding a single, trusted prompt to the Authority's new comparison and switching service into every bill, app and email. Consumers would be able to move seamlessly from thinking about my bill, to checking my options, to switching in one click.
 - (c) **Stopping loyalty penalties and incentivising innovation** – by requiring retailers to conduct regular better plan reviews, to proactively alert customers if they could be on a more suitable plan, to remove intra-retailer early-termination fees that deter switching and allow risk-free trials for time-of-use plans. These measures would together support customers so they do not pay more than they should or miss out on better deals.
 - (d) **Protecting households and small businesses** – from bill shock by capping back-billing to six months and introducing proactive measures to prevent it from accruing in the first place. Where catch-up bills are unavoidable, consumers will have the right to pay them off over time, making them more manageable.
- 4.4. Together, these changes would shift the market from one where consumers must hunt for information and carry the risk of errors, to one where the system itself delivers fairer outcomes automatically – even for those who choose not to engage. Clear, standardised billing data would also lay the groundwork for future innovations: automated switching, personalised energy management, multiple-trader relationships and real-time pricing signals. We are not just fixing today's problems; we are building the infrastructure for a modern, digital, and consumer-led electricity market where clarity, choice and protection are built in by design.
- 4.5. The following table summarises how the proposed changes benefit consumers, how the benefits would be realised and who is likely to benefit the most.

Table 1 – Consumer benefits of our proposals

Proposals	Primary consumer benefit(s)	How the benefit is realised	Who benefits most
A1. Mandatory content in all billing channels	Lower search costs; fewer errors; easier self-management	Core facts always present (amount due, due date, meter read status, plan name/plan identifier code, installation control point, dispute options) across bill, app, email and web	All households; renters; people who move home; complaint-prone cohorts
A2. Plain language and logical layout requirements	Better comprehension; fewer bill shocks driven by misunderstanding	Jargon removed; clear headings; first-screen essentials; accessibility standards	Low-literacy consumers; English as a second language speakers; older people
A3. A tiered information approach that highlights the most important information for consumers	Right info at the right moment; less cognitive load	Tier 1 = how much/when/how to pay + key prompts; Tier 2 = details and supports	Time-poor households; people using mobiles
B1. Require six-monthly reviews on better plans	Ongoing suitability; affordability gains without 'one-size-fits-all' approach; regular prompt to avoid loyalty penalties; smoother bills	Twice-yearly check using last 12 months' usage (where available) and plain language notice; retailers use reasonable endeavours to identify materially better options (cost + fit + stability + accessibility)	Long-tenure customers; low-income households; disengaged consumers; people on legacy plans
B2. Enable risk-free time-of-use adoption	Ability to trial time-of-use safely; potential savings for shiftable load	Try-learn-revert within 3 months; early feedback if not saving; switch back at no cost	EV owners; households with timers/shiftable use; consumers who work from home

B3. Prohibit termination fees for switching plans with the same retailer	Removes 'lock-in' costs; enables adaptation to life changes	No early termination fees for intra-retailer plan changes	Families with changing usage; consumers in financial hardship
C1. Prompt consumers to use the Authority's new comparison and switching tool to compare across all retailers	Market-wide savings; stronger competition	Tier-1 prompt + logo + hot link from every billing channel	All consumers; particularly disengaged and in financial hardship
C2. Require retailers to publish a catalogue of all of their available plans	Transparency; informed choice within current retailer	One place to view all plans and talk to an adviser	Consumers reluctant to switch retailer; digitally engaged
C3. Strengthen Consumer Care Obligations	More personalised advice; earlier support	Phone calls and online chats trigger plan advice whenever billing is discussed	Consumers in payment stress; vulnerable consumers
D1. Limit back-billing of historic usage to a maximum of six months	Protection from bill shock; budgeting certainty	Limits historic charges (except in cases of consumer fault)	Households on tight budgets; household without communicating smart meters; small businesses
D2. Proactive measures to manage back-billing	Fewer large catch-ups; fair repayment options	Contact after 3 months of estimates; fix access/technical issues; instalment rights	Residential and small business consumers with access issues; rural consumers; consumers with analogue meters

5. Next steps and proposed implementation

Monitoring and compliance

Proposed outcomes

- 5.1. We expect to build our monitoring and compliance strategy to measure changes in the following outcomes:
- (a) **Improved consumer confidence and comprehension** – more consumers can identify their plan, term, meter read type and options without needing to contact their retailer.
 - (b) **Improved switching rates** – higher rates of plan optimisation (within and across retailers), higher completion of comparison journeys and timely course-correction on time-of-use.
 - (c) **Fewer shocks and disputes** – decline in large back bill cases. Fewer billing-format complaints as core facts are made visible and consistent.
 - (d) **Better competition and innovation** – narrower price dispersion for comparable plans, fewer loyalty penalties and growth in helpful new offers that consumers understand and adopt.
 - (e) **Inclusive outcomes** – improved engagement among consumers who rely on paper/email or have higher accessibility needs – because protections and prompts are channel-agnostic.

Q25. Are these the right outcome measures to track success?

A phased approach to implementation

- 5.2. We recognise that introducing minimum billing standards represents a significant change. Bills – whether paper, PDF, email, web portal or app – are deeply embedded in retailers' systems, processes and customer journeys. Redesigning them once and properly will require coordinated adjustments across IT, operations and customer service.
- 5.3. We therefore propose a phased and carefully sequenced implementation programme. This approach gives retailers time to implement changes while ensuring that consumer benefits are delivered in a timely manner. Our approach is guided by five principles:
- 1) **Sequence around dependencies** – key building blocks such as product and consumer data standards must be finalised before bills can reliably include comparable plan details. The Authority's new comparison and switching service is due to go live in Q1 2026 and retailers will need to display its information and logos from that date.
 - 2) **Redesign once, use everywhere** – retailers should be able to do a single major redesign across bills, apps and emails, informed by usability testing, rather than making repeated changes.
 - 3) **Test-learn-scale** – co-designing resources and standards with retailers would allow us to flush out issues before the rules take effect.

- 4) **Proportionate change** – obligations would be phased, with relief considered where appropriate, especially for smaller retailers or those undergoing major IT transitions.
- 5) **Maximising synergies** – billing reforms would be sequenced alongside wider consumer mobility initiatives (switching, data standards and time-varying prices) so that requirements reinforce each other rather than duplicate effort.

Our expectations on system investments

- 5.4. Should these proposals proceed, we would encourage retailers to implement these changes as part of their cost of doing business and not as costs to be passed on to consumers. The recent Frontier Economics Review of Electricity Market Performance⁴⁹ (published in October 2025) highlighted a long-standing under-investment by many retailers in their billing and customer systems, noting that this under-investment has made it harder and more costly for consumers to switch, compare offers, and access better services.
- 5.5. In this context, introducing minimum billing standards is a core compliance requirement, consistent with what a well-run retailer should already provide to its customers.
- 5.6. Billing systems are a fundamental part of a retailer's operations and customer care obligations. Bringing these systems up to a modern standard should be viewed as a baseline for participating in the retail market. Compliance should therefore be achieved through reprioritisation and minimum investment requirements, rather than through increased charges to consumers.

Early compliance and disclosing existing customer-centric billing practices

- 5.7. We recognise that some retailers may have already invested in modern billing functionality and customer-centric practices. In doing so, they would be better positioned to deliver cheaper and more innovative products and services to consumers. These retailers would demonstrate that higher standards are both achievable and beneficial for consumers.
- 5.8. We encourage all retailers to disclose their current capabilities, particularly where they already offer features such as better plan advice and non-lock-in contracts, or enhanced data access.
- 5.9. Early adoption and disclosure of these practices would not only strengthen consumer trust but also signal to the wider market that raising standards is feasible for retailers and beneficial for consumers.

Q26. Do you agree with these implementation principles?

Q27. How could we best support smaller retailers during the transition?

Key interdependencies

- 5.10. The implementation programme must align with key interdependencies:

⁴⁹ [Review of Electricity Market Performance by Frontier Economics](#)

- (a) The product and consumer data standards work needs to be advanced in time to support the mandatory content and better plan requirements.
 - (b) The Authority's new comparison and switching service must be in operation before the prompt obligation is introduced.
 - (c) The forthcoming time-varying pricing obligations will inform the details of the risk-free trial requirements.
 - (d) Consumer Care Obligations remain the backbone of consumer protections and monitoring and compliance will be integrated with those obligations.
- 5.11. These dependencies mean that a carefully phased programme is not only desirable, but necessary.

Q28. Are there other interdependencies we should factor into the timetable?

Phased approach and sequencing options

- 5.12. We propose three options for sequencing this work. A phased approach across 2026, all proposals implemented at once in October 2026 or delaying some challenging elements to 2027.

Option 1 – Phased timing (preferred)

- 5.13. Our preferred option would sequence changes in four stages:

Stage 1 – February 2026

- 5.14. Update the existing Code requirement prompt on consumer bills from Powerswitch to the Authority's new comparison and switching site.

Stage 2 – 1 April 2026

- 5.15. Proposed Code amendment comes into effect (at least 28 days after being published).
- 5.16. The three-month transitional period for back-billing commences. Although there is not yet a six month cap, the retailer must offer payment by instalments and explain the reason for the charges.

Stage 3 – 1 July 2026

- 5.17. Mandatory content, plain language, logical layout and tiered information introduced together, ensuring one redesign anchors all bills.
- 5.18. Prompts to compare and switch can also occur when redesigning the bill.
- 5.19. Six-monthly reviews on better plans and strengthening Consumer Care Obligations.
- 5.20. Transitional period for back-billing finishes: Six month cap on back-billing comes into effect. No electricity usage prior to 1 January 2026 could be invoiced to customers unless it comes within an exception to the cap.

Stage 4 – 1 October 2026

- 5.21. Risk-free time-of-use trials and prohibition on internal switching penalties aligned with back-stop measures for time-varying pricing obligations.

Option 2 – All proposals implemented at once (October 2026)

- 5.22. All proposals implemented at once, creating one window of change and potentially reducing cost. However, this would generate significant delivery risks, requiring retailers to overhaul systems, processes and customer channels simultaneously. This would also delay changes that would benefit consumers.

Option 3 – Extend the runway, delaying some elements to 2027

- 5.23. Any challenging elements could be delayed to early 2027. This would give industry more time and spread investment, but would delay consumer benefits, particularly for disengaged households that most need clearer bills and better plan prompts.

Q29. Do you agree with our preferred timing?

Q30. If you prefer option 3, which elements should be delayed to 2027?

Q31. How much lead time do you need to implement these proposals, should they proceed?

We welcome feedback on New Zealand-specific considerations and costs

- 5.24. To inform this work, we are seeking input from industry participants (particularly retailers), consumer advocate organisations and New Zealand electricity consumers on implementation costs and resourcing implications, including any potential impact on electricity pricing or the consumer experience. We also invite suggestions on how these costs could be mitigated.
- 5.25. We also seek feedback on the most effective and practical mechanisms to support ongoing compliance monitoring. Potential approaches under consideration include regular checks or audit requirements, relying on the existing Code breach processes or utilising Utilities Disputes to manage compliance with billing requirements in the first instance, then forward relevant data, decisions and information to the Authority (as occurs now).

Next steps

- 5.26. We intend to publish submissions, followed by our final decision document in early 2026.
- 5.27. Publishing submissions first will give stakeholders visibility of the feedback before decisions are made. Drawing on that feedback, together with insights from previous engagements and international experience, the Authority will then prepare and release a final decision paper on electricity billing improvements.
- 5.28. The final decision paper will confirm which proposals will proceed, set out the reasons for our decisions and outline implementation timeframes and any transitional arrangements.

Future improvements to protect consumers

- 5.29. These proposed changes to improve electricity billing are an important step toward better consumer and system outcomes, but they are not the end point.

- 5.30. We are also aware of other areas of potential areas where consumers may face barriers that prevent them from accessing more affordable or suitable electricity plans. For example:
- (a) Some further issues related to bundling electricity with other services (like gas, internet, or mobile phone services) may be preventing consumers from easily comparing and switching plans.
 - (b) Non-price incentives such as “freebie” appliances, may result in consumers paying more than they might otherwise.
- 5.31. We intend to look at these and others potential areas of harm closely to ensure better outcomes for consumers today and in the future. We will continue to work closely with regulators to do this, including the Commerce Commission and the Gas Industry Company.
- 5.32. This pipeline of improvements will help to protect the interests of electricity consumers and promote the development of a competitive retail electricity market. It will also build on the richer picture of how the electricity system is performing for consumers, as we draw on the system data we have been gathering this year.
- 5.33. We also expect to see retailers continuing to drive their own improvements and systems updates to deliver better, fairer and more innovative deals to their consumers.

6. Regulatory statement for the proposed amendment

- 6.1. This section sets out the regulatory statement for the proposed Code amendments and confirms that the requirements of section 39(2) of the Act have been met. The Act requires that the regulatory statement for a proposed Code amendment includes:
- (a) a statement of the objectives of the proposed amendment
 - (b) an evaluation of the costs and benefits of the proposed amendment
 - (c) an evaluation of alternative means of achieving the objectives of the proposed amendment.

Objectives of the proposed Code amendment

Protecting consumers and helping them access affordable electricity

- 6.2. The Authority's main objective is to promote competition in, reliable supply by, and the efficient operation of the electricity industry for the long-term benefit of consumers. The Authority's additional objective is to protect the interests of domestic and small business consumers in relation to the supply of electricity.⁵⁰
- 6.3. We are concerned that significant variation in billing information, and the absence of critical information in some bills, leaves many customers confused and unable to make effective choices about their electricity use. The proposed changes are intended to give consumers clear and accurate information to access more affordable electricity.
- 6.4. Too many consumers may be paying more than necessary because they remain on plans that are not suitable for their needs. In most cases, retailers already hold the relevant information about whether their customers could be on a better plan. We believe they should provide clear, timely prompts to make this information available to consumers.
- 6.5. We want every residential consumer in New Zealand to be able to confidently compare and act on their electricity options. It should be simple, transparent and low-risk to move to a better plan or new service.
- 6.6. We are also concerned that some retailers impose charges on consumers who wish to change plans, locking them in to plans that are not suitable for them. This practice discourages consumers from trying time-of-use plans, which can both save them money and lower peak demand across the system. Conversely, if consumers try a time-of-use plan and end up paying more, additional switching fees may act as a penalty for experimenting with other options.
- 6.7. Some residential and small business consumers are facing hardship as a result of large and unexpected back bills. While we welcome progress retailers have made through implementing Consumer Care Obligations, further steps are needed to address these practices. We are proposing requirements to do so.

⁵⁰ See [section 15](#) of the Act.

- 6.8. While some retailers have taken positive steps to improve their bills, overall progress has been uneven. The Authority has the responsibility to step in where voluntary actions do not appear to be delivering consistent outcomes for consumers.
- 6.9. We are therefore consulting on proposed Code amendments which would ensure consumers receive standardised and clear bills with the minimum required information to make informed decisions about their electricity use.

Objectives

- 6.10. The key objective of the proposed Code amendment is making it materially easier for residential consumers to understand their electricity bills, see easily what other plans their retailer offers, compare plans and providers, and switch to better deals. The amendment is also designed to strengthen consumer protections and support a more competitive and efficient retail electricity market.
- 6.11. A further objective is to protect both residential and small business consumers from unexpected back bills by introducing a six-month limit on how far back retailers can recover uncharged or undercharged usage resulting from estimated readings.
- 6.12. These improvements will strengthen consumer protections, support more effective retail competition and build trust in the energy market. This will deliver immediate benefits to consumers – by saving them time, money and stress – while also laying the foundation for a more digital, flexible electricity system in the future.
- 6.13. The objectives align squarely with the Authority’s main statutory objective: to promote competition in, reliable supply by and the efficient operation of the New Zealand electricity industry for the long-term benefit of consumers.
- 6.14. The objectives also align with the Authority’s additional statutory objective: the protection of the interests of domestic consumers and small business consumers in relation to the supply of electricity to those consumers.

Q32. Do you agree with the objectives of the proposed amendment?

The proposed amendment

- 6.15. The drafting of the proposed amendment is contained in Appendix A. The proposed amendment contains additions to Parts 11 and 11A of the Code:
 - (a) adding a new purpose to Part 11A
 - (b) requiring a retailer to check in on a customer who has taken up a time-of-use plan to report on any savings and allowing the customer to switch if savings have not manifested
 - (c) requiring a retailer to publish a catalogue of generally available retail tariff plans that apply to customers given their location
 - (d) precluding a retailer from charging a termination fee when a customer switches between plans offered by the same retailer
 - (e) setting out minimum billing standards, including plain language requirements and tiers of information
 - (f) requiring retailers to undertake a better plan review every six months

- (g) imposing a time limit of six months on the recovery of undercharged amounts from residential and small business customers, with a transitional period.

The proposed amendment benefits are expected to outweigh the costs

- 6.16. The benefits of the Code amendment are expected to outweigh the costs. Particular benefits include improved transparency and consumer trust, improved outcomes for residential consumers, competition and innovation benefits, efficiency benefits, reduced complaints and cost to serve, and improved regulatory compliance and future-proofing.
- 6.17. On even cautious assumptions, we consider direct recurring consumer benefits would outweigh our expectation of sector-level implementation and ongoing costs over time (see preliminary costs and benefits below). The package is proportionate, enforceable and would deliver measurable improvements in competition, protection and efficiency.
- 6.18. We have undertaken a structured qualitative assessment of costs and benefits. A detailed, retailer-level quantitative model is unlikely to be meaningful at this stage because it would require a large number of uncertain assumptions about individual systems, customer bases and operational practices. Any resulting point estimate would risk misrepresenting the true range of outcomes. Instead, we have applied a sector-level approach that makes key assumptions explicit and transparent.
- 6.19. This approach recognises that many implementation tasks are one-off and can be sequenced with other planned upgrades – such as product-data standards and the new comparison service – so that incremental costs are minimised. In a competitive market, retailers also have strong incentives to manage and absorb costs efficiently to retain customers.

Preliminary costs and mitigations of our proposals

- 6.20. The primary costs of the proposed Code amendments will come from:
 - (a) **Bill redesign and IT systems** – updating templates, mapping data fields and integrating plan identifiers across channels.
 - (b) **Analytics and training** – developing processes for six-monthly better plan reviews and training customer-service staff.
 - (c) **Testing and change management** – ensuring accuracy across different customer types and communication channels.
 - (d) **Ongoing maintenance** – periodic updates to templates and prompts as offers change, exception handling and third-party costs.
 - (e) **Opportunity costs** – some retailer resources may be diverted from other innovation or growth activities during implementation.
- 6.21. We have looked to costs in Victoria, Australia associated with their better bills and best offer reforms as a comparison. Each retailer reported one-off implementation costs of AUD\$500,000 to \$2,000,000, with an average of around AUD\$1m on design and development of new bill templates and underlying systems, coding to

generate tailored prompts, regression and user testing, and change management. Ongoing maintenance was reported at AUD\$200,000 – \$300,000 p.a.⁵¹

- 6.22. Based on the Victorian figures and adjusting for New Zealand’s higher digital maturity (for example, 95% smart meter penetration and higher digital billing interactions), existing good practice, alignment with planned upgrades and simplified requirements, a reasonable expectation is that one-off costs per retailer will fall below the lower end of the Australian range. For large retailers this could still be several hundred thousand dollars, but for many it will be substantially less. Ongoing costs are also expected to be proportionally lower, especially for retailers already operating modern billing systems.

Offsetting benefits and zero-sum effects

- 6.23. Some measures, such as prohibiting internal termination fees and capping back-billing, directly transfer money from retailers to consumers rather than imposing new system costs. These zero-sum effects improve consumer protection without requiring new IT builds.
- 6.24. Other elements, such as clearer bills and standardised data, will reduce complaint volumes, call-centre load and credit-risk exposure. Over time, these operational savings will offset part of the initial investment.

Mitigations to minimise costs

- 6.25. The Authority will actively support implementation and minimise costs on retailers by:
- (a) Providing a model bill, detailed guidelines and data field specifications to reduce the need for bespoke development.
 - (b) Phasing in requirements to maximise synergies with other initiatives and minimise duplication.
 - (c) Consulting on practical timeframes and exceptions to ensure proportionate, workable obligations.

Cost to the regulator

- 6.26. The Authority expects monitoring and compliance costs to be modest and absorbed within business-as-usual functions. Reporting will be aligned with existing systems developed for the Consumer Care Obligations. No significant uplift in budget or staffing is anticipated.

Preliminary benefits of our proposals

Improve transparency and consumer trust

- 6.27. Clear, standardised information, especially plan names/identifiers, contract end dates and fees, and the actual-vs-estimated read status, lowers search and interpretation costs.

⁵¹ [Better bills impact report](#)

- 6.28. When consumers can find and trust these fields in bills, emails, websites and apps, they can compare options and switch when it pays to do so.
- 6.29. After the Better Bills Guideline was implemented in Australia, more people compared plans after seeing bill mentions of the comparison tool: 23% of people visiting the site after seeing it mentioned on their bill vs 7% before.⁵² More than 60% of those who visited after seeing the bill nudge had not switched retailer before, showing the Guideline has brought in “new” consumers to the comparison tool. We may see a similar increase in New Zealand.
- 6.30. New Zealand experience already shows that comparing and switching can help unlock substantial latent savings: the Authority’s comparison service has historically found that most users can save, with average savings of approximately \$400 per year for those who switch.⁵³

Improve outcomes for residential consumers

- 6.31. The proposals are designed to improve outcomes for consumers who are more likely to be disadvantaged by today’s complexity: people with lower literacy, those living with disabilities, older people and households without reliable digital access. Plain language requirements, a tiered presentation that puts the most important items on the front page/screen and consistent fields across channels reduce the cognitive load of engaging with a bill.
- 6.32. Requiring clear and prominent signposts to the independent dispute resolution and the Authority-funded comparison site helps consumers who are under financial pressure to find assistance and avoid unnecessary fees.

Competition and innovation benefits

- 6.33. When every retailer uses standardised and interoperable content in their bills, consumers can compare like-with-like, and third-party tools (including the Authority-funded service) can automate accurate comparisons. Regular better plan checks and the prompt to the independent comparison site increase the probability that consumers act on those comparisons. Removing internal termination fees for plan changes with the same retailer eliminates artificial switching frictions, which today suppress both internal and external competition. Over time, this combination reduces the loyalty penalty paid by disengaged customers and tightens price dispersion across broadly similar plans, sharpening incentives for retailers to keep offers transparent.
- 6.34. The Electricity Authority proposes to develop tools to support compliance and lower barriers to entry for innovative offers. Start-ups and smaller retailers can plug into consistent fields and a model bill, and focus on product, service and price rather than developing their own billing products from scratch. That supports a more dynamic retail market.

⁵² <https://www.pmc.gov.au/sites/default/files/2025-08/better-bills-impact-report.pdf>

⁵³ [Compare and switch to save \\$\\$ | Electricity Authority](#)

Efficiency benefits

- 6.35. The package accelerates adoption of time-of-use where it genuinely fits. Risk-free trials with early feedback (at three months) will help households test whether they can shift usage into off-peak windows. Consumers who save will stay; those who do not can revert without penalty.
- 6.36. Even modest uptake can yield meaningful system benefits. For illustration, if 2–5% of households shift around 0.5 kW for two hours on ~50 peak days each year, that equates to roughly 1.9–4.8 GWh of energy moved out of peaks annually.
- 6.37. Shifting demand in this way supports more efficient use of network and generation assets, eases winter-evening constraints and aligns consumer incentives with New Zealand's decarbonisation pathway by enabling more load to run when renewable generation is plentiful.

Reduced complaints and cost-to-serve

- 6.38. Clarity and consistency will reduce avoidable contacts and disputes. Making the actual vs estimated read status prominent, standardising how adjustments/credits are shown and capping back-billing should cut the leading drivers of billing complaints observed by Utilities Disputes.
- 6.39. For retailers, fewer high-effort complaint cases, clearer self-serve journeys and less bill-related confusion translate into lower costs-to-serve and less credit risk. Over time, those operational savings offset implementation costs for bill redesigns and IT changes – especially if the Authority provides toolkits (model bills, guidelines, exemplars and data field specifications) as proposed.

Regulatory coherence and future-proofing

- 6.40. The proposals align and interlock with the Authority's broader consumer mobility work programme: consumer data standards and product identifiers enable robust, machine-readable comparisons; the Authority-funded comparison and switching service provides a trusted, independent channel; time-varying price obligations (and emerging distribution pricing signals) are supported by risk-free trials and clear explanations in bills and apps; and Consumer Care Obligations are strengthened by putting practical advice and prompts at every contact point.
- 6.41. Together, these elements embody the Authority's principles for consumer mobility: digital by default but inclusive by design; visibility that improves decisions and fairness; interoperability that lowers frictions; and simplification that boosts engagement. They also create the foundations for future consumer data rights and automated switching/routing, should New Zealand choose to take that path.

Net benefits grow over time

- 6.42. As expected with the Consumer Care Obligations, the net benefits of the proposed Code amendments are expected to increase over time. Retailers will become more familiar with the requirements, the Authority more effective at monitoring compliance and consumers more engaged as systems and prompts become routine. While costs may rise with a growing consumer base, this growth is likely to be outweighed by larger benefits from stronger competition, reduced complaint volumes and a more trusted, digital-ready retail electricity system.

Q33. Do you agree that the benefits of the proposed Code amendment outweigh its costs?

The Authority has identified other means for addressing the objectives

- 6.43. We undertook two layers of options analysis in developing these proposals and Code amendments and identifying other means for addressing the objectives:
- (a) Overall policy options, such as voluntary versus mandatory guidelines.
 - (b) Alternative choices within each proposal – for example, how long back-billing should be restricted for.
- 6.44. We assessed alternative ways to address the identified problems against a common set of criteria grounded in New Zealand regulatory practice. We considered both regulatory and non-regulatory levers, including staged and hybrid packages.

Assessment criteria

- 6.45. We applied a qualitative multi-criteria assessment (high/medium/low performance) with an emphasis on consumer outcomes, competition and implementation risk. The criteria were:
- (a) **Consumer outcomes** – does the option materially improve comprehension, trust and ability to act (compare, switch and avoid bill shock)? Does it reduce complaint drivers (e.g. estimated vs actual reads) and support risk-free time-of-use trials with timely feedback?
 - (b) **Competition and dynamic efficiency** – does it lower search and switching costs; reduce loyalty penalties; enable innovation (e.g. time-of-use uptake) and data-driven services; and create durable incentives for retailers to keep plans competitive?
 - (c) **Equity and inclusion** – does it work for consumers with low literacy, disabilities or limited digital access (paper/email/app parity); reduce hardship risks (e.g. back-billing); and avoid widening gaps between engaged and disengaged consumers?
 - (d) **Proportionality** – are compliance and IT costs justified by the benefits; can costs be mitigated through toolkits, guidelines and phasing; and does the option avoid unintended distortions?
 - (e) **Enforceability and measurability** – are duties clear, auditable and monitorable; can outcomes be tracked (e.g. switching completion rates, Utilities Disputes complaints and use of the Authority-funded comparison tool); and is non-compliance addressable?
 - (f) **Future-proofing and interoperability** – does it apply across all billing channels (paper, email, web, apps and PDFs); align with product/consumer data standards and the Authority-funded comparison and switching service; and support time-varying prices and evolving plan designs?

Q34. Do you have any feedback on these criteria for weighing options?

Overall policy options considered and assessed

- 6.46. We have considered four overall policy options - the status quo, voluntary guidelines and co-regulatory comply or explain models against our preferred option

of regulated minimum standards across all billing channels, plus targeted pro-mobility measures as summarised in the proposed Code amendment:

Option 0 – Status quo (no change)

Option 1 – Voluntary guidelines

Option 2 – Co-regulatory comply or explain

Option 3 – Regulated minimum standards across all billing channels, plus targeted pro-mobility measures.

- 6.47. Each alternative was tested against consumer outcomes, competition and dynamic efficiency, equity and inclusion, proportionality, enforceability and measurability, and future proofing and interoperability. Our assessment against these criteria is summarised in the tables below. The proposed amendments outperform the alternatives on all of these.

Option 0 – Status quo (no change)

- 6.48. **Description** – No mandatory improvements to electricity billing standards, no better plan review requirement, no catalogue of available plans requirements, no mandated cap on back-billing. Relies on current Code requirements, existing Consumer Care Obligations, market discipline and voluntary improvements.

Assessment of Option 0

Criteria	Assessment
Consumer outcomes	Low. Persistent confusion about plan names/IDs, contract terms and estimated vs actual reads. Back-billing shocks remain uncapped. No systematic better plan prompts or time-of-use feedback.
Competition and dynamic efficiency	Low. High search/switching frictions depress switching and blunt competitive pressure; loyalty penalties persist; weak data interoperability stalls innovation.
Equity and inclusion	Low. Channel variability (apps vs paper) entrenches uneven protections; vulnerable and non-digital consumers bear disproportionate harm.
Proportionality	High - cost minimisation. Poor - benefits. Avoids near-term costs but foregoes material consumer and system gains.
Enforceability and measurability	Low. Few clear, auditable duties; hard to monitor outcomes or compel improvement

Future-proofing and interoperability	Low. No cross-channel standards; weak fit with data standards and time-varying pricing.
Total overall assessment	Poor. Not credible given the scale and persistence of harms; fails assessment tests of necessity and effectiveness.

Option 1 – Voluntary guidelines

- 6.49. **Description** – the Authority publishes a model bill with tiered layout guidance, promotes better plan good practice, recommends retailers publish a plan catalogue, and issues guidelines on back-billing management: retailers opt in.

Assessment of Option 1

Criteria	Assessment
Consumer outcomes	Low - Medium. Benefits depend on retailer willingness; consumers still face inconsistency and residual confusion.
Competition and dynamic efficiency	Low - Medium. First-mover disadvantage and uneven adoption perpetuate search costs and loyalty penalties; limited lift in switching.
Equity and inclusion	Low. Engaged retailers/consumers benefit first; gaps widen for disengaged or non-digital households.
Proportionality	Medium – High. Cheaper to implement; but benefit/cost ratio is modest because benefits are patchy.
Enforceability and measurability	Low. Non-binding; difficult to audit or intervene where harms persist.
Future-proofing and interoperability	Medium. Guidance can be updated, but no guarantee it is embedded across channels or aligned with data standards in a consistent way.
Total overall assessment	Weak. Slightly better than status quo, but unlikely to solve core problems or deliver uniform market-wide benefits.

Option 2 – Co-regulatory comply or explain

- 6.50. **Description** – A comply or explain model is essentially voluntary with disclosure, relying on transparency and reputational pressure instead of binding rules. It can work where audiences (such as investors or shareholders) are highly engaged.
- 6.51. Under a comply or explain model, the Authority would publish minimum billing standards as recommendations that are not legally binding. We would also publish a prescribed disclosure format alongside, in which retailers would need to show that they either comply in full or publicly have to explain why they are not and what they are doing instead.
- 6.52. This disclosure is usually done by an annual statement or using key performance indicator reports on a retailer's website and a report published by the Authority. Public transparency and reputational pressure are intended to drive most retailers to comply voluntarily without the Authority having to enforce a binding rule.

Assessment of Option 2

Criteria	Assessment
Consumer outcomes	Medium. Transparency and reputational pressure drive some convergence; consumers still navigate retailer-by-retailer variability.
Competition and dynamic efficiency	Medium. Some reduction in search costs; but not enough to unlock consistent switching or eliminate loyalty penalties.
Equity and inclusion	Low - Medium. Disengaged consumers still face variability; paper/app parity not guaranteed.
Proportionality	Medium. Moderate implementation costs; moderate benefits; extra disclosure overhead for Authority and retailers.
Enforceability and measurability	Low - Medium. Duty is to disclose, not to perform; hard to correct poor practices promptly.
Future-proofing and interoperability	Medium. Can evolve standards, but fragmentation remains; limited leverage to ensure interoperability with data standards and the Authority funded comparison and switching service.

Total overall assessment

Moderate. A step up in transparency, but insufficient to address entrenched frictions and back-billing harms at scale.

Option 3 (Preferred) – Regulated minimum standards across all billing channels, plus targeted pro-mobility measures

6.53. Description – amend the Code to:

- (a) mandate minimum content, plain language and a tiered layout of billing information across paper, email, web, apps and PDFs.
- (b) require six-monthly better plan reviews and fee-free internal plan changes, with three-month time-of-use feedback and risk-free reversion.
- (c) embed a prominent prompt to the Authority-funded comparison and switching service.
- (d) cap back-billing at six months with proactive prevention steps; and
- (e) provide an Authority toolkit (model bill, templates, data field dictionary, plan identifier code/plan ID mapping and sample app screens), phased implementation and monitored outcome metrics.

Assessment of Option 3

Criteria	Assessment
Consumer outcomes	High. Clear, comparable information everywhere consumers see it; fewer disputes; timely time-of-use feedback; risk-free movement to better plans; reduced bill shock.
Competition and dynamic efficiency	High. Lower search/switching costs; fewer loyalty penalties; stronger incentives to keep offers competitive; interoperable data enables innovation and higher time-of-use uptake.
Equity and inclusion	High. Cross-channel parity (paper/digital); plain language; front-loaded critical info; explicit hardship safeguards (back-billing cap, payment support signposts).
Proportionality	Medium - High. There are real IT and process costs (bill redesign, system changes, staff training), but (i) toolkits and standard artefacts reduce bespoke work; (ii) phasing spreads cost and (iii) complaint reduction and fewer call-handling minutes generate offsetting savings.
Enforceability and measurability	High. Clear, auditable duties; measurable KPIs (switching completion, Utilities Disputes complaint rates by

	category, back-billing incidence, use of Authority comparison tool, frequency of internal plan moves).
Future-proofing and interoperability	High. Channel-agnostic standards; alignment with product/consumer data standards; supports time-varying prices and evolving plan constructs.
Total overall assessment	Preferred option. Strong. The only option that solves the problem at the system level, delivers uniform benefits and locks-in the interoperability needed for the consumer-data future.

Summary of applied criteria

- 6.54. The table below sets out how each option performed against the Authority's assessment criteria. While all options were considered on their merits, the analysis shows that most fall short in key areas such as enforceability, equity and future-proofing. By contrast, option three – introducing regulated minimum standards across all billing channels, alongside targeted consumer-mobility measures – is the only option that performs strongly across the full set of criteria.

The proposed amendment is preferred to other overall policy options

- 6.55. The Authority prefers the proposed amendment (option three) to the alternatives because:
- (a) The status quo would maintain bill confusion and inequity, wouldn't build on the changes we're making to the comparison and switching service, and wouldn't benefit consumers
 - (b) Voluntary guidelines may have limited uptake, lead to uneven benefits and limited benefits for some consumers
 - (c) A co-regulatory comply or explain would be a step up in transparency, but insufficient to address entrenched frictions and back-billing harms at scale.
- 6.56. The proposed amendment would create clear, enforceable and consistent billing standards that are consistent with the Authority's statutory objective of promoting competition and consumer benefits in the long term. It would give residential consumers access to bills that are easier to understand and act upon, enabling them to compare offers and switch plans with confidence.
- 6.57. By embedding plain language requirements, mandatory content and reducing friction and costs of switching, consumers will be able to make better and more informed choices.
- 6.58. The amendment is also designed to work in tandem with the Authority's new comparison and switching service, so that consumers experience a more seamless journey from receiving a bill to finding and moving to a more suitable plan for their needs.
- 6.59. Unlike a voluntary approach, this amendment would provide certainty for retailers and equitable protections for residential consumers, including those who are disengaged or vulnerable. It also directly addresses entrenched problems such as

back-billing by imposing clear limits, reducing consumer harm and improving trust in the retail market.

Q35. Do you agree with our assessment of the four options presented?

Option	Consumer outcomes	Competition and dynamic efficiency	Equity and inclusion	Proportionality	Enforceability and measurability	Future-proofing and interoperability	Overall
Option 0 Status quo (no change)	Low	Low	Low	High/Poor	Low	Low	Poor
Option 1 Voluntary guidelines	Low-Med	Low-Med	Low	Med-High	Low	Med	Weak
Option 2 Co-regulatory comply or explain	Med	Med	Low-Med	Med	Low-Med	Med	Moderate
Option 3 Regulated minimum standards across all billing channels, plus targeted pro-mobility measures	High	High	High	Med-High	High	High	Preferred option. Strong

Alternatives choices within each proposal

- 6.60. In developing the package of preferred measures, we also assessed a range of alternative design options to ensure the proposals are proportionate, enforceable, effective and avoid unintended consequences. Each alternative was tested against the same criteria as above. The alternatives we explored under each proposal are summarised below.

Alternatives to proposals A1, A2 and A3 – Standardising billing information

Voluntary guidelines only

- 6.61. One option we considered was to introduce voluntary guidelines only, encouraging retailers to adopt model bills and tiered layouts. These could be supported by concrete mechanisms such as public league tables or adopt or explain disclosures to improve their effectiveness. This approach would have provided flexibility and lower upfront costs. However, experience from both New Zealand and international markets shows that voluntary standards tend to be unevenly adopted, with benefits concentrated among proactive retailers and their customers.
- 6.62. Vulnerable consumers, who stand to gain most from clearer bills, would be least likely to benefit. The voluntary approach also lacks enforceability and would entrench inequities. For these reasons, the Authority does not recommend relying on voluntary guidelines alone. This alternative does not adequately meet our criteria.

Q36. Do you agree with our proposal to introduce mandatory billing improvements, rather than voluntary guidelines?

Q37. Which elements of standardisation (if any) could remain voluntary without undermining consumer outcomes?

Alternatives to proposals A, B and C

Also include small business consumers

- 6.63. We suggest that proposals A, B and C should focus only on residential consumers, with proposal D covering both residential and small business consumers.
- 6.64. We also considered an option of making all proposals also apply to small businesses as it would align with our new statutory objective which applies to the interests of both domestic and small business consumers, improving equity and inclusion.⁵⁴
- 6.65. However, we understand that retailers already personalise offers for small businesses. Some small businesses don't buy power the way residential consumers do. Retailers commonly tailor small business plans through account-manager channels, tender-style quotes and usage-pattern analysis (for example, weekday trading hours, refrigeration loads or EV charging on premises). In other words, the

⁵⁴ S15(2) Electricity Industry Act 2010

market already delivers a high degree of plan customisation for small businesses. Imposing household-style standardisation and prompts on top of that would likely deliver smaller marginal benefits for small businesses and risks crowding out bespoke commercial practices that are working reasonably well.

- 6.66. By contrast, household billing and plan selection remain highly variable. Many residential consumers still receive cluttered or inconsistent bill information and lack practical prompts to check whether a better plan exists. For households, proposals A to C tackle clear frictions: search costs, comprehension and inertia. That is where the biggest near-term consumer gains are.
- 6.67. We do, however, see clear harm from back-billing across both residential consumers and small businesses. Utilities Disputes reports and casework point to material detriment when large historic under-charges are recovered in one hit. While we have more consistent evidence on residential impacts, Utilities Disputes has also raised instances involving small businesses. Back-billing is essentially a settlement and risk-allocation problem, not a shopping-around problem, so small businesses do not have an inherent advantage. On proportionality grounds, Proposal D (six-month cap plus proactive prevention and fair payment in instalment options) should apply to both residential consumers and small businesses.

Q38. Do you agree with our proposed approach regarding small businesses?

Alternatives to proposals B1, B2 and B3 – Introducing better plan requirements

- 6.68. Several variants of the better plan proposal were evaluated.

Best plan notices

- 6.69. One option was to require retailers to nominate a single best plan for each customer. This approach is similar to the Australian better offer obligation and the best plan offer recommended by the Consumer Advocacy Council. On the surface, this may appear to simplify choice for consumers. However, household energy use is dynamic and often changes with life stages, working patterns or new appliances. A best plan based on historical consumption may not match future needs, creating misleading signals.
- 6.70. From a consumer outcomes perspective, this risks false confidence and poor decision making.
- 6.71. From an equity perspective, vulnerable consumers could be disproportionately harmed if they rely on a best plan label that later proves unsuitable.
- 6.72. Furthermore, competition could be distorted, as the rule might privilege a retailer's chosen offer rather than stimulating genuine market comparisons. The approach also raises trust concerns, since retailers are conflicted advisers and may highlight plans that align with business objectives.
- 6.73. For these reasons, the Authority favours a better plan framework that recognises a range of suitable options and also points consumers to independent comparison tools.

Estimated savings messages

6.74. Another option we considered was to require that retailers display estimated dollar savings from switching to a better plan directly on bills, as has been implemented in Australia. This could motivate some consumers to switch, producing short-term consumer outcomes. However, although it is well-intentioned, it has proven problematic and is not recommended as the preferred option for New Zealand. Major risks of providing estimated savings and one best plan recommendation include:

- (a) **A point in time estimate can be misleading** – electricity use is dynamic and critical variables such as household composition or energy needs change frequently. A prescriptive better plan with a dollar amount of expected savings, based on historical data risks giving false confidence if future consumption and patterns change and savings do not materialise. This could undermine trust and potentially expose retailers to complaints or liability.
- (b) **Retailers are not neutral advisers** – requiring them to declare a single best plan may create incentives to frame results in ways that serve their business, not necessarily consumers.⁵⁵ This undermines trust - the very problem we are trying to solve.
- (c) **Over-prescription may create consumer confusion and reduce engagement with comparison and switching services** – a single best plan notice may over-simplify consumer choice. A retailer may have multiple plans that could work well for a household. It may create a false sense of certainty, thereby weakening incentives for consumers to explore the wider market. It may discourage consumers from engaging with independent comparison tools that show the full market, not just one retailer's catalogue. In Australia, the main benefit of the requirement was higher traffic to the government's comparison website, not necessarily consumers taking up better deals.
- (d) **Poor fit with New Zealand market realities** – our market has a high share of time-varying, bundled and customised plans that cannot be fairly captured in a best plan formula. Given the diversity of New Zealand tariffs (e.g. bundled offers, time-of-use pricing or loyalty discounts), this option is not considered proportionate or reliable, and is unlikely to be future-proof. Consumer advocates told us that prescriptive best plan rules risk locking consumers into a one-size-fits-all message.
- (e) **Equity effects** – equity effects could also be negative: engaged, numerate consumers may benefit, but less confident households could be confused by fluctuating or complex savings estimates.

6.75. Therefore, we are proposing a better plan requirement without a savings estimate.

Longer trial periods for time-of-use tariffs

6.76. We also considered whether consumers should be given six months rather than three to test time-of-use tariffs before being allowed to revert without penalty.

6.77. A longer period could improve consumer outcomes by giving households more time to adjust appliance use or routines and could increase confidence in new tariff

⁵⁵ [ACCC to investigate energy plans that potentially mislead consumers about savings | ACCC](#)

types. However, it also extends the risk of bill shock for households whose behaviour does not align with time-of-use structures, undermining trust.

- 6.78. On proportionality, a three-month trial was judged to provide a fair balance - long enough to test behaviour change, but short enough to protect consumers from sustained harm. A six-month option remains a viable future refinement, but is not recommended as the default starting point.

Removing external switching penalties

- 6.79. We also considered extending the proposed ban on internal plan-switching penalties to cover external switching between retailers. This would deliver strong competition benefits by increasing consumer mobility and reducing loyalty penalties.
- 6.80. However, it would impose high costs on retailers, disrupt contract-based incentives (such as sign-on credits or fixed-term discounts) and increase volatility in customer churn. From a proportionality perspective, this level of intervention is not justified at this stage.
- 6.81. The Authority considers that prohibiting internal termination fees is the more balanced, proportionate step for now, while recognising that external penalty reforms could be revisited in a broader future work programme.

Refunding customers or automatic switching

- 6.82. Finally, the Authority assessed more interventionist measures such as requiring retailers to refund customers retrospectively if they were on a more expensive plan, or automatically switching consumers to a cheaper plan unless they opted out.
- 6.83. These options would maximise consumer outcomes for disengaged customers, delivering direct financial benefits.
- 6.84. However, they raise serious concerns under other criteria: proportionality (high compliance cost and risk of unintended consequences), consumer autonomy (undermining informed consent), enforceability (complex to monitor accurately) and future-proofing (misaligned with current contract and data frameworks).
- 6.85. They could be reconsidered in the medium term once minimum billing standards, product data protocols and digital comparison tools are firmly embedded but are not recommended for immediate adoption.

Q39. Do you agree with our assessment on alternatives to proposal B?

Alternatives to proposal C1 – Encouraging customers to compare and switch

Allowing retailers to use any switching and comparison service, not just the Authority-funded one

- 6.86. This option would give retailers the flexibility to refer customers to their own preferred switching or comparison services. On the surface, this could appear to promote competition between comparison tools and reduce compliance burden for retailers.
- 6.87. However, from a consumer outcomes perspective, it would fragment the market and create inconsistent experiences. Consumers could be directed to services with

differing coverage, methodologies or business models, potentially limiting the range of plans shown or introducing commercial bias. Vulnerable or disengaged consumers would be least able to assess the credibility of multiple comparison tools.

- 6.88. From a competition standpoint, this approach could entrench loyalty penalties if retailers promote tools that favour their own or affiliated offers, rather than enabling genuinely independent market comparisons. Enforceability would also be weak, as the Authority would have limited ability to audit or require minimum standards across a dispersed set of private providers.
- 6.89. For these reasons, the Authority considers that anchoring prompts to a single, independent, Authority-funded platform provides a clearer, more consistent and future-proofed pathway to informed consumer choice.

Removing the proposed requirement to use specific Government-referenced language

- 6.90. A second option was to retain the prompt to the Authority funded comparison and switching service but allow retailers to frame it entirely in their own words, without any prescribed reference to the Government or the Electricity Authority. This would reduce regulatory prescription and allow messaging to be tailored to brand tone.
- 6.91. While this may appear more proportionate for retailers, it risks diluting the effectiveness of the prompt. Evidence from behavioural research shows that attribution to an independent regulator increases consumer trust, particularly among disengaged households. Without a clear, standardised phrasing 'Could you save money on another plan?' and 'The Electricity Authority requires us to include this information, messages may become promotional rather than informative, undermining the perception of independence and reducing consumer confidence in taking action.
- 6.92. From an enforceability perspective, bespoke wording would be harder to monitor and compare across retailers, and could lead to inconsistent implementation. It would also be less adaptable to future-proofing, as minor differences in phrasing could confuse consumers across billing channels.
- 6.93. For these reasons the Authority considers that maintaining a core, standardised message linked to the Authority's role strikes a better balance between clarity, trust and flexibility.

Q40. Do you agree with our assessment on alternatives to proposal C?

Alternatives to proposals D1 and D2 – Limiting back-billing

Shorter back-billing caps (4 months)

- 6.94. One option was to impose a shorter maximum back-billing period, similar to overseas precedents. In Victoria, back-billing is limited to four months, where the retailer is at fault.⁵⁶

⁵⁶ [changing-the-back-billing-rules-final-decision.pdf](#)

- 6.95. A shorter cap would strengthen consumer outcomes by sharply reducing the risk of large, unexpected catch-up bills that many households cannot budget for. It would also improve equity, as vulnerable consumers (e.g. those on low incomes, renters or with limited financial buffers) are disproportionately affected by bill shocks.
- 6.96. However, the downside is proportionality: a very short cap could impose significant costs on retailers where delays are due to meter faults, or access problems outside their control. And it may be overly restrictive for retailers and not give retailers enough time to remedy issues, such as meter faults. These costs may ultimately be recovered through higher tariffs for all consumers.
- 6.97. There is also a competition concern: if limits are too tight, retailers may respond by more quickly disconnecting consumers with repeated access issues, which could undermine inclusion and consumer wellbeing.
- 6.98. Overall, while shorter caps would reduce hardship, the Authority considers a six-month limit to strike a more proportionate balance.

Longer back-billing caps (9 or 12 months)

- 6.99. Another option was to impose a longer maximum back-billing period, similar to overseas precedents. For example, a cap of nine months similar to New South Wales,⁵⁷ or the United Kingdom, which is twelve months.⁵⁸
- 6.100. While a longer cap would give retailers longer to address any metering issues, a nine or 12-month limit on back-billing could still lead to substantial bill shocks and bills that many households and small businesses may struggle to pay. These longer time periods may also create incentives for consumers to game the system and lead to increased energy charges as these costs would be spread on to all consumers.
- 6.101. Overall, while longer caps would give more space to retailers, the Authority considers a six-month limit to strike a more proportionate balance. We consider that our proposal of six months isn't too restrictive for retailers. It limits the bill shock that consumers can face, while building consumer trust and confidence. We are aware that placing limits on back-billing will impose a cost on retailers, which could have the unintended consequence of more prompt disconnections and higher costs for all consumers.

Retailer self-regulation of back-billing (voluntary limits)

- 6.102. Another alternative was to allow retailers to set their own voluntary limits on back-billing, as some already do (e.g. 12 to 14 months).
- 6.103. This would minimise regulatory burden and allow flexibility, but experience shows limited uptake and uneven practices. From a consumer outcomes perspective, this creates uncertainty: some households are protected, while others face multi-year back bills.

⁵⁷ [Backbills and catch-up bills - Energy & Water Ombudsman NSW](#)

⁵⁸ [What to do if you get a back bill | Ofgem](#)¹

- 6.104. From an equity standpoint, disengaged and vulnerable consumers are less likely to know whether their retailer has a voluntary cap. On enforceability, voluntary standards are weak, making it difficult for the Authority to audit or track compliance. This option therefore fails to provide consistent or systemic benefits, and our preference is for mandatory limits.

Case-by-case discretion on back-billing

- 6.105. A further option was to set no formal cap but require retailers to assess each back-billing situation on its merits, with Utilities Disputes providing oversight. This is essentially what happens at present.
- 6.106. This could promote proportionality by recognising that some extreme cases (e.g. deliberate meter tampering or refusal of access) warrant longer recovery periods.
- 6.107. However, in practice it creates uncertainty for both consumers and retailers, erodes trust and would generate more disputes. From a competition angle, variability across retailers would undermine comparability of consumer protections. This approach fails on clarity and enforceability, since households cannot easily predict their rights and retailers may apply inconsistent thresholds. Therefore, our preference is for a mandatory restriction on back-billing.

Q41. Do you agree with our assessment on alternatives to proposal D?

Proposal	Alternative options considered	Consumer outcomes	Equity and inclusion	Competition	Proportionality	Clarity	Future proofing	Assessment
Proposals A to C	Also include small business consumers	Low	Medium	Medium	Low	Low	Low	Low
Standardising billing information	Voluntary billing standards – retailers choose whether to adopt	Low	Low	Low	Low	Medium	Low	Low
Better plan requirement	Introduce best plan with one recommended specific plan rather than recognising a range of better plans	Low	Low	Low	Medium	Low	Low	Low
	Provide estimated savings to customers from switching approach taken in Australia based on previous consumption	Medium	Medium	Medium	Low	Low	Low	Low-medium
	Review time-of-use adoption at six months and prompt consumers to switch to a different plan if savings not emerging	Low	Low	Low	Low	Medium	Low	Low
	Prohibit penalties for switching plans and retailers to allow consumers to switch retailers with no penalties	High	High	High	Medium	High	High	High
	Refund customers if they have been on a more costly plan	High	High	High	Low (in the short term)	High	High	Medium

	Automatically switch consumers on to a better plan with the same retailer, unless they opt out	High	High	High	Low (in the short term)	High	High	Medium
Proposal	Alternative options considered	Consumer outcomes	Equity and inclusion	Competition	Proportionality	Clarity	Future proofing	Assessment
Improve prompts to consumers to compare and switch	Allowing retailers to use any switching and comparison service	Low	Low	Low	Medium	Low	Low	Low
	Removing the proposed requirement to use specific Government-referenced language	Low	Low	Low	Medium	Low	Low	Low
Alternatives to back-billing	Shorter back-billing caps (4 months)	High	High	Medium	Medium	Medium	High	Medium-High
	Longer back-billing caps (9 or 12 months)	Low	Low	Medium	Medium	Medium	Medium	Medium
	Retailer self-regulation of back-billing (voluntary limits)	Low	Low	Medium	Medium	Low	Low	Low
	Case-by-case discretion on back-billing	Low	Low	Medium	Medium	Low	Low	Low

The proposed amendment is preferred to alternative choices within each proposal

6.108. The proposals that we decided to consult on are the ones that proved to be better ranked on the above criteria.

Q42. Do you agree the proposed amendment is preferable to the other options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objectives in section 15 of the Electricity Industry Act 2010.

Q43. Do you agree the proposals are overall better than the alternative considered? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objectives in section 15 of the Electricity Industry Act 2010.

The proposed Code amendments comply with section 32(1) of the Act

6.109. Section 32(1) of the Act says the Code may contain any provisions that are consistent with the Authority's objectives and are necessary or desirable to promote one or all of the items set out in Table 2 below.

6.110. The Authority's main objective under section 15 of the Act 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 consumers and small business consumers in relation to the supply of electricity to those consumers. The additional objective applies only to the Authority's activities in relation to the dealings of industry participants with domestic consumers and small business consumers.

6.111. The Authority considers the proposed amendments are consistent with its main and additional objectives and are necessary or desirable to promote the matters listed in section 32(1) for the reasons set out in this paper.

6.112. The explanatory note to the Bill that led to the Authority's additional statutory objective indicated an intention that the additional objective not apply to how prices (including retail electricity prices) are determined. Nevertheless, where the proposed amendments do touch on dealings between participants and small consumers, the Authority considers the amendments to be consistent with the additional objective. The amendments promote the protection of the interests of small consumers by improving price transparency, reducing barriers to change and limiting the risk of hardship from unexpected back bills. The proposals are necessary because, unless or until a court declares contract terms about back-billing or termination fees to be unfair under the Fair Trading Act, those provisions can be, and are, included in retailer agreements. The proposals are desirable because it would ensure that the Authority, which does have jurisdiction to regulate such agreements, is pursuing fairer outcomes for residential consumers.

Table 2 – How the proposed amendments promote the items in section 32(1) of the Act

Item	How the proposed amendments promote the item
Competition in the electricity industry	<ul style="list-style-type: none">• Reduced search and comparison costs• Enabling like-for-like comparison across retailers• The better plan requirement lowers switching frictions

	<ul style="list-style-type: none"> The mandated prompt to the independent comparison and switching service increases competitive pressure
The reliable supply of electricity to consumers	<ul style="list-style-type: none"> Risk-free time-of-use trials and clearer communication of usage patterns support load-shifting from peak to off-peak, easing winter-evening constraints
The efficient operation of the electricity industry	<ul style="list-style-type: none"> Clear, consistent bills and machine-readable plan data reduce avoidable contacts and billing disputes Demand shifting improves utilisation of generation and networks
The protection of the interests of domestic consumers and small business consumers in relation to the supply of electricity to those consumers	<ul style="list-style-type: none"> Plain language, prominent dispute-resolution signposting and mandatory content improve comprehension of billing information Preventing termination penalties for changing plans with the same retailer protects the consumer from unjustified fees The 6-month cap on back-billing materially reduces bill-shock risk and hardship
The performance by the Authority of its functions	<ul style="list-style-type: none"> The package is proportionate, enforceable and measurable Alignment with product data standards and the comparison and switching service maximises synergies
Any other matter specifically referred to in this Act as a matter for inclusion in the Code	<ul style="list-style-type: none"> The amendments create durable foundations for future Consumer Data Right-style portability and automated switching/routing.

The Authority has complied with section 17(1) of the Act

6.113. Under section 17(1) of the Act, the Authority, in performing its functions, must have regard to any statements of government policy concerning the electricity industry that are issued by the Minister for Energy. Table 3 below sets out our consideration of the Government Policy Statement on Electricity.⁵⁹

Table 3 – Consideration of the proposed amendments against the Government Policy Statement on Electricity

Clause	Consideration
<p>29. Effective competition is essential for our electricity system to deliver reliable electricity at lowest possible cost to consumers</p> <p>c) Market participants (existing and new, demand-side and supply-side) compete to find the solutions that are better than their competitors to meet the next increment of demand</p> <p>g) Consumers can make meaningful choices and benefit from demand-side flexibility</p>	<p>The proposals directly implement bill consistency and strengthen consumer mobility through six-monthly better plan reviews, fee-free intra-retailer plan changes and prominent referral to the independent comparison and switching service</p> <p>Clearer bills and plan identifiers enable meaningful comparison and switching. Risk-free time-of-use trials let households test flexibility without penalty</p>

⁵⁹ [Government Policy Statement on Electricity - October 2024.pdf](#)

	Standardisation reduces errors, confusion and disputes; back-billing limits protect against extreme and unexpected debt
31f) Digitalisation and data	Requirements align with the Authority's product data standards and future portability, enabling machine-readable comparisons and reducing integration costs across the market.

- 6.114. The Authority has a key role in supporting the consumer of the future to manage and invest in their own electricity use, so they can benefit from greater affordability, security, resilience and efficiency.⁶⁰ To achieve this, the Authority is focused on outcomes that drive transformation and shape a system that provides the energy consumers need, now and in the future.
- 6.115. To support the strategic outcome of affordability, one of the activities to be delivered by June 2026 is our consumer mobility programme, which includes improving billing as a key initiative.
- 6.116. Table 4 below shows the strategic activities and how billing relates to it.

Table 4 – Authority strategic activities

Activity	Activity description	Annual outcome	Minister's expectation ⁶¹
Consumer mobility - empowerment and bill consistency	Consumer Mobility Roadmap published with clear milestones for a three year, phased programme of work, including digitalisation and standardisation of data, consumer data access and consumer switching support.	Consumer mobility increases, including support for consumers to compare and switch electricity plans which will promote increased retail competition	Bill consistency and ease of switching providers
Protections for domestic and small business consumers	Identify further protections for domestic and small business consumers (consultation by 30 June 2026)	Additional protections for domestic and small business consumer are enhanced	Build trust and confidence.

The Authority has applied Code amendment principles

- 6.117. The Authority's Consultation Charter states that to provide greater predictability about decision-making on Code amendments, the Authority applies certain Code amendment principles. Table 5 below sets out our consideration of the Code amendment principles.

Table 5 – Consideration of Code amendment principles

Principle	Comment
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⁶⁰ [Statement of performance expectations 2025/26](#)

⁶¹ [Minister Watts Letter of Expectations to the Electricity Authority 17 April 2025.pdf](#)

Clear case for regulation – the Authority will only consider amending the Code when there is a clear case to do so	Problem definition provides clear case for change
Costs and benefits are summarised	The costs and benefits of this proposal are summarised above
Preference for small-scale ‘trial and error’ options	Some retailers have already made some of these changes which have proven popular with consumers
Preference for greater competition	Increased switching as a result of these billing changes supports competition
Preference for market solutions	The Authority considers a purely market-led approach has not led to the outcomes designed. Some of these changes will set the foundations for better market solutions, such as through greater consumer mobility
Preference for flexibility to allow innovations	Time-of-use and termination fee proposals will encourage innovation
Preference for non-prescriptive options	We considered voluntary guidelines but landed on mandatory to improve consumer outcomes.

Appendix A Proposed Code amendment

Proposed amendments to the Code are displayed as follows:

- (a) text or formatting is red underlined if it is to be added to the Code
- (b) text or formatting is shown in ~~red strikethrough~~ if it is to be deleted from the Code.

Part 1 Registry information management

1.1 Interpretation

- (1) In this Code, unless the context otherwise requires,—
domestic consumer has the meaning given to it by section 5 of the Act
small business consumer has the meaning given to it by section 5 of the Act

Part 11 Registry information management

11.1 Contents of this Part

This Part—

- (a) provides for the management of information in the **registry**; and
- (b) prescribes a process for switching **ICPs** between **traders**; and
- (ba) prescribes a period of protection for **gaining retailers** during which a **losing retailer** may not approach a customer to persuade the customer to stay with the **losing retailer** or to switch back to the **losing retailer**; and
- (bb) imposes restrictions on the use of customer information held by a **losing retailer** during a **switch protected period**; and
- (c) prescribes a process for a **distributor** to change the record in the **registry** of an **ICP** so that the ICP is recorded as being usually connected to an **NSP** in the **distributor's network**; and
- (d) prescribes a process for switching responsibility for **metering installations** for ICPs between **metering equipment providers**; and
- (e) prescribes a process for dealing with **trader events of default**; and
- (f) requires **retailers** to give **consumers** information about their own consumption of **electricity**; and
- (g) requires **retailers** to give information about their **generally available retail tariff plans** to any person on request; and
- (h) prevents **traders** from **electrically disconnecting** an **ICP** within 25 days of the termination of an agreement with a **retailer** relating to the supply of electricity at that **ICP**; and
- (i) imposes restrictions on a **retailer's** recovery of undercharged amounts from a **domestic consumer** or a **small business consumer**.

Recovering undercharged amounts

11.32H Cap on recovery of undercharged amounts

- (1) A **retailer** must not charge a **domestic consumer** or a **small business consumer** (“the customer”) for costs it incurred relating to the customer’s **electricity** consumption (“undercharged amount”) more than six months before the date of the invoice unless subclause (3) applies.
- (2) A **retailer** that proposes to charge the customer an undercharged amount within six months of the date of the invoice must—
 - (a) state the undercharged amount to be recovered in the customer’s invoice in accordance with clause 7(1)(l) of Schedule 11A.2; and
 - (b) state the time period in which the customer must pay the undercharged amount being either—
 - (i) the period during which the undercharging occurred, if the undercharging occurred over a period of less than 6 months; or
 - (ii) 6 months, in any other case; and
 - (c) state that the customer may pay the undercharged amount in instalments by contacting the **retailer** and arranging payment in instalments; and
 - (d) not charge the customer interest on the undercharged amount.
- (3) Subclause (1) does not apply if the **retailer** holds a reasonable belief that the **retailer** was unable to obtain a **meter reading** due to:
 - (a) fault on the part of the customer; or
 - (b) vandalism; or
 - (c) an issue with the **metering installation** and the customer has for at least three months failed to respond to at least three 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.

11.32I Retailer must take measures to reduce likelihood of undercharging

- (1) A **retailer** must take proactive measures to reduce the likelihood of recovering an undercharged amount under clause 11.32H(1), including but not limited to:
 - (a) contacting the customer if the **retailer** has not been able to obtain a **meter reading** for more than three months;
 - (b) informing customers of the consequences of repeated estimated **meter readings**;
 - (c) informing customers that they may provide the **retailer** with a **meter reading** and how the customer may do so;
 - (d) making reasonable endeavours to resolve any technical or access issues with the customer that may prevent the **retailer** from obtaining a **meter reading**;
 - (e) making reasonable endeavours to contact a customer before issuing an invoice to recover an undercharged amount under clause 11.32H(1), offering a payment plan, and explaining how the customer may make a complaint.
- (2) A **retailer** must inform every customer that does not have a **smart meter** at their premises of the requirement in clause 11.32H(1) and date from which the **retailer** is subject to that obligation by providing this information to those customers in invoices.

11.32J Transitional arrangements

- (1) Until the date on which clause 11.32H comes into effect, a **retailer** that issues an invoice to a customer for an undercharged amount must—
- (a) explain the undercharged amount; and
 - (b) state the time period in which the customer must pay the undercharged amount being either—
 - (i) the period during which the undercharging occurred, if the undercharging occurred over a period of less than 6 months; or
 - (ii) 6 months, in any other case; and
 - (c) state that the customer may pay the undercharged amount in instalments by contacting the **retailer** and arranging payment in instalments; and
 - (d) explain how the customer may make a complaint.
- (2) A **retailer** must inform every customer that does not have a **smart meter** at their premises of the requirement in clause 11.32H(1) and date from which the **retailer** is subject to that obligation by—
- (a) providing the information to those customers in invoices;
 - (b) adding the information to the **retailer's** call centre scripts;
 - (c) making the information available to those customers by any other means that would ensure the customers are informed of the information in subclause (2).

Part 11A Consumer Care

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; **and**
- (d) provide **time-varying pricing plans** for consumption and injection; **and**
- (e) provide billing information that enables customers to easily:
 - (i) understand the amount or amounts owed, the due date or dates for payment, and available payment options;
 - (ii) understand how the amount or amounts owed have been calculated; and
 - (iii) compare their plan with other available plans to find the best plan for their needs.

11A.2 Interpretation

In this Part, unless the context otherwise requires,—

...

better plan check means an assessment by a **retailer** under clause 11 of Schedule 11A.2

Billing Standards means the requirements set out in Schedule 11A.2

...

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

...

plan catalogue means the information that a **retailer** must **publish** under clause 11A.17

...

Application of the Consumer Care Obligations and Billing Standards

11A.3A Participants subject to Billing Standards

- (1) Every **retailer** who sells **electricity** to a customer must ensure that each invoice issued to a customer complies with the Billing Standards.
- (2) A **retailer** who uses a third party or agent acting on its behalf to issue an invoice to its customer must ensure the third party or agent complies with the Billing Standards.

Reporting and record keeping

11A.4 Retailer must report compliance with Consumer Care Obligations and Billing Standards

- (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;
 - (ba) a statement as to whether or not the **retailer** complied with all requirements in the Billing Standards 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.

...

Retailer pricing plan requirements

...

11A.16 Retailer obligation when a customer signs up to a time-varying pricing plan

- (1) Three months after a customer signs up to a **time-varying pricing plan**, the **retailer** must compare the customer's invoices for those three months to what the **customer** would have paid on their previous plan based on the same consumption data.
- (2) If, after completing an assessment under subclause (1), the **retailer** finds that the **customer** is not paying less for their consumption on the **time-varying pricing plan**, the **retailer** must inform the customer and invite the customer to choose between—
 - (a) reverting to their previous pricing plan even if that pricing plan is no longer being offered by the **retailer** without charging the customer a fee to do so;
 - (b) changing to a different pricing plan or product offering offered by the **retailer** without charging the customer a fee to do so;
 - (c) remaining on the **time-varying pricing plan** with advice on how the customer may realise greater cost savings.
- (3) If the customer decides to change under subclause (2)(b), the **retailer** must treat this as an enquiry to change a pricing plan under clause 17 of Schedule 11A.1.
- (4) If the customer does not make a decision to revert under subclause (2)(a) or change under subclause (2)(b), after receiving the **retailer's** assessment under subclause (2), the **retailer** must—
 - (a) make three attempts to contact the customer to obtain the customer's decision using the customer's preferred communication channel or, if the customer does not have a preferred communication channel, the most recent communication channel used by the **retailer** to contact the customer; and
 - (b) if the **retailer** is unable to make contact with the customer under subclause (4)(a), and the customer does not respond to the **retailer's** assessment under subclause (2) within one billing period, the **retailer** must ensure the customer remains on the **time-varying pricing plan**.

11A.17 Retailer to publish plan catalogue

- (1) Each **retailer** must **publish** and keep updated a plan catalogue containing the following

information—

- (a) the name of every **generally available retail tariff plan**; and
 - (b) the **product identification code** for every plan referred to in paragraphs (a) and (b); and
 - (c) the structure of, and prices available under, every plan referred to in paragraphs (a) and (b); and
 - (d) a high-level summary of how the plan is tailored for different customers.
- (2) The **retailer** must not charge any person a fee to access the plan catalogue.

11A.18 Retailer must not charge customer a fee to change pricing plan or product offering

- (1) A **retailer** must not charge its customers a fee to change from one the **retailer's** pricing plans or product offerings if the customer requests to change to a different pricing plan or product offering from the same **retailer**.
- (2) A **retailer** must not include in any terms and conditions a requirement that a customer pay a fee to change from one of the **retailer's** pricing plans or product offerings to a different pricing plan or product offering from the same **retailer**.
- (3) For the purposes of this clause, “the same **retailer**” includes all brands and subsidiaries offered by or associated with the **retailer**.

Schedule 11A.1 Consumer Care Obligations

...

Part 2

Consumer Care Policy and related matters

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-; and
- (d) advise the **customer** of the existence of the **retailer's plan catalogue**.

...

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.~~

~~[Revoked]~~

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 ~~unless clause 11.32H applies.~~

Schedule 11A.2 **Billing Standards**

cl. 11A.3A

1 Interpretation

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

Part 1 **General Principles**

2 Plain language requirements

An **invoice** must use clear and accessible language.

3 Customer comprehension

The information in an **invoice** must be presented in a way that is easy to understand.

Part 2 **Presentation of information on invoices**

4 Requirements for Tier 1 information

- (1) Tier 1 information must appear on the first page of a paginated **invoice** or at the beginning of an unpaginated **invoice**.
- (2) A **retailer** must not include information other than Tier 1 information on the first page of a paginated **invoice** or above the Tier 1 information at the beginning of an unpaginated **invoice**.

5 Requirements for Tier 2 information

Tier 2 information must follow Tier 1 information on an **invoice**.

6 Inclusion of other information

Any other information a **retailer** wishes to include on an **invoice** must appear after Tier 2

information.

7 Tier 1 information

(1) Tier 1 information is—

- (a) the **customer's** name;**
- (b) the address of the premises to which the **retailer** supplies **electricity**;**
- (c) the **customer's** mailing address if different from paragraph (b);**
- (d) the **customer's** account number;**
- (e) the **customer's** ICP identifier clearly labelled “ICP” followed by the **customer's** ICP identifier;**
- (f) the **retailer's** identifying information including, but not limited to, the **retailer's** trading name and/or brand name, logo and link to the **retailer's** website);**
- (g) the **invoice** number;**
- (h) the **invoice** issue date;**
- (i) the due date or due dates for payment;**
- (j) the total amount owed in dollar figures including GST;**
- (k) a breakdown of—**
 - (i) the amount the **customer** owes for the invoicing period in dollar figures; and**
 - (ii) if applicable, any overdue amounts the **customer** owes in dollar figures and the invoicing period the overdue amounts relate to; and**
 - (iii) if the **customer** has received bundled goods or services, the amounts the **customer** owes in dollar figures for each good or service for the invoicing period;**
- (l) if the **retailer** seeks to recover an undercharged amount under clause 11.32H—**
 - (i) the amount to be recovered in dollar figures; and**
 - (ii) the due date for payment of the amount determined under clause 11.32H(2)(b); and**
 - (iii) an explanation of why there is an undercharged amount and how the **retailer** has calculated that amount; and**
 - (iv) a statement that the **customer** may pay the undercharged amount in instalments by contacting the **retailer** and arranging payment in instalments; and**
- (m) the **payment options** available to the **customer** or advice on where the **customer** may find information regarding the available **payment options**;**
- (n) whether the total amount owed under subclause (1)(j) is—**
 - (i) based on a **meter reading**; or**
 - (ii) based on an estimated reading; and**
 - (iii) if it is based on an estimated reading, include—**
 - (A) a statement that the amount owed under subclause (1)(j) is “based on an estimated reading”; and**
 - (B) include a link to or information about how the **customer** may submit a **customer meter reading**;**
- (o) the **product identification code**;**
- (p) a final **invoice** must include a clear notice that it is the final **invoice**;**
- (q) a link to or information about how to contact the **retailer**;**
- (r) the name and telephone number of the **participant** or **participants** to contact to make fault inquiries and report emergencies;**

- (s) a link to or information about the dispute resolution scheme identified under clause 3 of Schedule 4 of the Act;
- (t) a link to or information about where to find the **retailer's consumer care policy**;
- (u) a link to the **electricity plan comparison platform**; and
- (v) a **better plan message** in accordance with clauses 10 and 11.
- (2) All dollar amounts in subclause (1) must be inclusive of GST, if any.
- (3) Tier 1 information may also include information about any assistance available to **customers** in the event of a natural disaster, pandemic or emergency.

8 Tier 2 information

- (1) Tier 2 information is—
 - (a) the **pricing plan** name;
 - (b) the **product identification code**;
 - (c) key aspects of how the **pricing plan** is structured including but not limited to—
 - (i) identification of peak, off-peak and shoulder hours;
 - (ii) any free hours;
 - (iii) any discounts;
 - (iv) any conditions; and
 - (v) any contract end date;
 - (vi) the amount of any contract exit fee or, if no exit fee, a statement that there is no fee;
 - (d) a breakdown of how the total amount due in clause 7(1)(j) was calculated, including by reference to the following (if applicable) —
 - (i) billing period (date-to-date) and number of days;
 - (ii) previous **meter reading**;
 - (iii) current **meter reading**;
 - (iv) usage, including but not limited to peak, off-peak, or shoulder periods in kWh or MJ;
 - (v) rates charged for **electricity** in dollar figures, including rates charged per kWh (such as night, daily, anytime rates) and any fixed rates or fixed or variable charges (such as a daily fixed charge);
 - (vi) levies in dollar figures;
 - (vii) any credits that the **retailer** applied, in dollar figures;
 - (viii) any discounts that the **retailer** applied, in dollar figures;
 - (ix) any amount deducted, credited or received under any rebate, concession, relief scheme, or under a payment support plan;
 - (x) GST, in dollar figures;
 - (xi) any injection; and
 - (xii) if bundled goods or services have been received by the **customer**, a breakdown of the amounts owing for each good or service with an explanation of how these are calculated;
 - (e) average daily consumption and injection in kWh or MJ and dollar figures;
 - (f) average monthly consumption and injection in kWh or MJ and dollar figures and, if an **invoice** was issued by the same **retailer** to the **customer** for the previous billing period, a comparison with the **customer's** consumption and injection in kWh or MJ and dollar figures in the previous billing period;

- (g) average annual consumption and injection in kWh or MJ and dollar figures and, if an invoice was issued by the same **retailer** for the corresponding billing period in the previous year, a comparison with the **customer's** consumption and injection in kWh or MJ and dollar figures for the corresponding billing period in the previous year.
 - (h) for a **customer** without a **smart meter**, a statement about the requirement in clause 11.32H and the ability to pay the invoice in instalments;
 - (i) the names and contact details of any government agencies that offer financial support to **customers** experiencing energy hardship;
 - (j) if the **retailer** offers interpreter services, information about what those interpreter services are and how a **customer** may contact an interpreter; and
 - (k) if the **retailer** offers services to assist **customers** with hearing or speech impairments, or any other disabilities, information about what those services are and how a **customer** may access those services.
- (2) All dollar amounts in subclause (1) must be inclusive of GST, if any.

9 Retailer may include any other information

A **retailer** may include any other information on a **customer's** invoice provided that information appears after Tier 1 and Tier 2 information on the **customer's** invoice.

Part 3 **Requirement to include a better plan message**

10 Retailers to perform a better plan check

- (1) A **retailer** must perform a **better plan check** for a **customer** in accordance with clause 11 at least once every 6 months.
- (2) The **retailer** must include the result of the **better plan check** on the **customer's** next **invoice** in accordance with clause 12.
- (3) A **retailer** is not required to perform a **better plan check** for a **customer** if the **customer's** next **invoice** is a final **invoice**.

11 Better plan check

- (1) A **retailer** must—
 - (a) compare the **customer's** current plan with all other **pricing plans** and **product offerings** in the **product catalogue**, including bundled goods or services, that would be available to the **customer**; and
 - (b) use the comparison undertaken under paragraph (a), and any other available information the **retailer** considers relevant to the **customer**, to assess whether any of the other **pricing plans** and **product offerings** in the **product catalogue** would have resulted in a materially better outcome for the **customer** over the previous 12 month period.
- (2) For the purposes of subclause (1)(b), a materially better outcome for the **customer** includes, but is not limited to, a lower overall financial cost to the **customer** taking into account:
 - (a) the rate or rates charged for **electricity** including rates charged per kWh (such as night, daily, anytime rates), and any fixed rates or fixed or variable charges (such as a daily fixed charge);
 - (b) any discounts and **fees** applicable to the **customer**;

- (c) the value of any bundled goods or services reasonably attributable to the **customer's** use; and
- (d) more favourable contract terms for the **customer**.

12 Form and content of better plan message

- (1) A **retailer** that has undertaken a **better plan check** under clause 11 must include a better plan message on the **customer's** next **invoice**.
- (2) The better plan message must state that the **retailer** has undertaken a **better plan check** and believes either—
 - (a) the **customer** is on a suitable **pricing plan** or **product offering** and include the name of that plan and its **product identification code**; or
 - (b) there is another **pricing plan** or **product offering** in the **product catalogue** that would be a better plan for the **customer**.
- (3) If subclause 2(b) applies, the better plan message must include—
 - (a) the name of the **pricing plan** or **product offering** and its **product identification code**;
 - (b) a link to or information about how to access the **retailer's plan catalogue**; and
 - (c) clear and simple information about how the **customer** may change to that **pricing plan** or **product offering**.

Q44. Do you have any comments on the drafting of the proposed amendment?

Q45. Do you have any comments on the transitional provisions?

Q46. Do you have any other feedback on this consultation paper or proposed Code amendment?

Appendix B Most recent and longstanding concerns about billing from previous reviews and consultations

Most recent concerns about billing: Frontier report

- B.1. On October 1, 2025, the Government released the *Review of the Electricity Market Performance*, by Frontier Economics⁶².
- B.2. The report sets out top 10 priority recommendations for improving New Zealand's energy system and outcomes for consumers. Among the recommendation the report calls on The Electricity Authority to urgently implement a program with retailers to achieve bill consistency so customers can compare offers and identify ways to improve their electricity use. The report notes that a bill template developed by Consumers NZ provides a useful starting point.
- B.3. The report considers that there has been a lack of investment in customer and billing systems in electricity retailers in New Zealand compared with other markets. These under investments has left consumers with bills that are harder to understand and switching costs that are unnecessary and complex. The report sees no good reason for not expediting these changes for the benefit of consumers.
- B.4. While the report does not raise systemic concerns about the overall state of retail competition in New Zealand, it identifies billing and switching for residential and small-business customers as persistent weaknesses that undermine consumer outcomes. Specifically:
- Consumers lack immediate access to their own data to permit easy and quick price comparisons, and
 - No standardisation of bill formats which makes price comparisons more difficult.
- B.5. The report recommends that these issues be resolved as quickly as possible for the benefit of consumers, noting that new legislation of the Customer Data Act for electricity has recently passed and that it will enable the access to customer data.
- B.6. Alongside the Frontier Report, the Government also published its response and outlined actions⁶³. The Government agreed that improving consumer information is a priority endorsing electricity bill consistency and improving consumer data access. Together, these steps aim to make it easier for consumers to compare and switch to better deals.

Longstanding concerns about billing

- B.7. Past reviews and consultations have consistently shown that electricity bills are difficult to understand, inconsistent across retailers and often lack key information consumers need to compare plans or switch to a more suitable option.
- B.8. These insights have come consistently through a range of sources including the Electricity Price Review, the Consumer Advocacy Council, Utilities Disputes, previous consultations and recent targeted engagement with retailers, consumer advocates, financial advisors and organisations supporting consumers in hardship.

⁶² [Review of Electricity Market Performance by Frontier Economics](#)

⁶³ [Frontier Recommendations and Government Response.pdf](#)

Electricity Price Review recommendations

- B.9. The Electricity Price Review (2018–19) found that electricity bills were often confusing, inconsistent across retailers and lacked the key information consumers need to make informed choices. It Review three recommendations directly relevant to our current work:
- (a) Make bills simpler, clearer and understandable to all, drawing on advice from the Consumer Advocacy Council
 - (b) Retain annual reviews of customer plans (which were previously required under the low fixed charge regulations but phased out from April 2022) so that customers aren't left on unsuitable or more expensive plans
 - (c) Revisit headline prices for typical household profiles to make price comparisons easier (depending on Australian results) and strengthen Powerswitch.

Consumer Advocacy Council

- B.10. The Consumer Advocacy Council was an independent ministerial advisory body that advocated for residential and small business electricity consumers, until June 2024.⁶⁴

“Power bills shouldn’t be a riddle... Retailers should all be helping consumers make better decisions about how they manage their electricity use.”

Deborah Hart, Chair of the Consumer Advocacy Council, 26 Sept 2023

- B.11. The Council argued that every bill should include a prominent best plan notice telling customers if they could save money by switching to a better plan and by how much. Their nationally representative survey found 87% of consumers wanted this information on their bills.⁶⁵ The Council argued that relying solely on consumer initiative or comparison sites was inadequate and that retailers themselves should be required to prompt customers.
- B.12. Drawing on the Australian Energy Regulator’s Better Bills project, the Consumer Advocacy Council developed and tested a model electricity bill.⁶⁶ It showed how essential information should be presented upfront and in plain language.⁶⁷
- B.13. The Council identified persistent gaps in consumer awareness.⁶⁸ Existing Code provisions to promote Powerswitch and Utilities Disputes were necessary but insufficient on their own, particularly for disadvantaged consumers.

Utilities Disputes

- B.14. Utilities Disputes provides compelling evidence into consumer experience as the independent and free scheme for resolving electricity and gas complaints. Its case data consistently shows that billing is the leading source of consumer disputes:
- (d) Until early 2025, billing issues were the largest complaint category; in the current financial year Utilities Disputes received 4,769 complaints. 1,822 (38%) related to billing.

⁶⁴ [Consumer Advocacy Council \(2021 to 2024\) | Ministry of Business, Innovation & Employment](#)

⁶⁵ [Consumer Advocacy Council Hv1q1p7.pdf](#) [Media Release: Simplified Power Bills](#)

⁶⁶ [Model Electricity Bill](#)

⁶⁷ [Media Release: Simplified Power Bills](#)

⁶⁸ [Consumer protections in the electricity sector](#)

- (e) The largest single issue is high bills, often linked to back-billing when customers with legacy meters or non-communicating smart meters receive unexpected catch-up bills. A lack of clarity about whether charges are based on actual or estimated reads is a major driver of bill shock.
- (f) The second largest category is billing errors, such as incorrect meter data or misapplied charges. Other recurring issues include confusing bill formats, inadequate notice periods, and inconsistent billing cycles.

Nature of billing disputes

High bills and back-billing

- B.15. Utilities Disputes also receives many complaints about back-billing. Back bills are a concerning factor in many high bill disputes.
- B.16. A back bill is a bill that a retailer issues to a customer to recover charges that were previously under-billed or not billed at all. A bill for a customer's most recent consumption is typically not a back bill.
- B.17. Back-billing can be caused when customers' smart meters are not communicating or there is an error with their previous billing, for instance when usage is recorded against the wrong installation control point. These issues can result in customers receiving a catch-up bill that differ substantially from their expectations. A lack of clarity on bills and whether charges are based on actual or estimated reads is also often a major cause of consumer confusion and bill shock.
- B.18. Utilities Disputes has repeatedly highlighted that the presentation of this information on bills is inadequate. The distinction between estimated and actual reads is often unclear or hidden in fine print, despite its central importance to consumers. Consumers frequently do not know what type of information they are receiving, leaving them unable to plan or challenge charges effectively.

Billing errors

- B.19. The second most common billing complaint category is errors, which largely relate to incorrect information on bills. For example, incorrect meter data or misapplied charges. These errors undermine consumer confidence and often require thorough investigation to resolve.
- B.20. Other recurring issues identified by Utilities Disputes include:
 - (g) Unclear or confusing bill formats
 - (h) Inadequate notice periods for billing or disconnection
 - (i) Inconsistent billing cycles.
- 6.118. Together, these issues point to structural weaknesses in bill design and communication that continue to drive complaints.

Provide better information about consumption and widen best plan obligations

- B.21. In its submission on the Consumer Care Obligations, Utilities Disputes suggested that the annual consumer contact requirement should go further than simply re-issuing the care policy and reminding consumers of their ability to request consumption data. In Utilities Disputes' view, this touchpoint should also require retailers to provide advice on whether the consumer is on the most suitable product offering, based on current usage data.
- B.22. Utilities Disputes also noted that the current best plan requirement, limited to situations where a customer directly enquires about switching plans or products, is

too narrow. It recommended extending this to cover consumers expressing dissatisfaction with billing or consumption more generally.

- B.23. In the time-varying pricing consultation, Utilities Disputes recommended that the Authority review the standard form for bills, requiring every bill to include some standard information:
- (a) Clearly identify the consumer's plan.
 - (b) Provide a brief explanation of the rates charged, including where they vary by time period.
 - (c) Clearly itemise any corrections or credits in plain language.
 - (d) Standard wording on bills that informs consumers of the two main avenues for independent advice and review: the Authority funded comparison and switching platform and Utilities Disputes. It appears most bills now include this information.
- B.24. Utilities Disputes further recommended that the Authority consider requiring best plan notices on bills at regular intervals (e.g. every three months). Utilities Disputes cited survey evidence (from the Consumer Advocacy Council cited above) that 87% of consumers thought a best plan notice on their bills would be useful. Utilities Disputes further emphasised that the increasing complexity of products and pricing structures makes plain-English best plan notices critical for enabling consumers to access savings.

Previous Authority consultations and engagement

- B.25. Through 2023/2024 consultations on Consumer Care Obligations and Product Data Standards, many submitters stressed that it is difficult for consumers to compare electricity plans. They identified problems with both the existing comparison service (Powerswitch) and bills themselves. Suggestions included:
- (e) Standardised, clear formats for plan and pricing information on both bills and comparison tools,
 - (f) Plain English language to improve accessibility for non-native English speakers and consumers with higher accessibility needs, and
 - (g) Explicit reference to the Consumer Advocacy Council's model bill as a potential solution.
- B.26. Across our recent targeted engagement in 2024/2025 with retailers, consumer advocacy groups and consumer facing organisations, there was a strong shared commitment to improving electricity bills as a tool for consumer understanding, trust and decision-making. Both retailers and consumer advocates agreed that retailers have a duty of care to ensure bills are clear, accurate and accessible so that consumers can easily understand what they owe, by when and why.
- B.27. Stakeholders recognised that better billing practices are central to empowering consumers and enabling meaningful competition in the electricity market.

Key findings from retailer engagement

- B.28. Retailers reported:
- (h) **Rapid digital uptake and consumer control** – more than 80% of customers interact mainly through apps or online. This gives consumers greater control than static bills and allows them to monitor usage daily, communicate instantly and access personalised data and benchmarks. But regulatory obligations don't apply to these platforms.

- (i) **Bills as a backstop channel** – static bills are limited in the depth and timeliness of information they can provide. Retailers have conducted extensive user testing to ensure bills still convey the essential information - amount owing, due date and what is being paid for - but agreed that richer engagement now occurs through apps.
- (j) **Personalisation and innovation** – retailers are increasingly offering more tailored plans and innovative offers through digital channels, such as free hours, time-of-use options and personalised consumption insights.
- (k) **Break fees** – some retailers are also shifting away from break fees, acknowledging the consumer preference for flexibility and choice.
- (l) **Best plan concerns** – retailers were cautious about highly prescriptive best plan requirements as they are only valid at a point in time, consumption changes. Assigning a dollar figure to a hypothetical saving risks misleading consumers and undermining trust.

Key findings from consumer advocacy engagement

B.29. Consumer advocates highlighted the following issues and opportunities:

- (m) **Critical information gaps in bills** – and some digital channels such as contract expiry dates, break fees, actual or estimated reads and whether plans are still offered.
- (n) **Proactive retailer action is needed to prevent bill shock** – with enhanced outreach to secure actual meter reads, smart meter installations and reminders.
- (o) **Consumer protections for customers facing long term back bills.**
- (p) **Visibility of comparison and disputes** – prompts at the back of bills or hidden within websites and perceived as marketing.
- (q) **Best plan expectations** – prescriptive dollar-value savings messages can be misleading or exploitative, particularly for consumers in hardship, who may switch based on an unrealistic promise of savings.
- (r) **Better plan responsibilities** – retailers do have a clear responsibility to prompt customers towards better options within their own portfolio with periodic reviews, prompts and no internal switching penalties (with independent comparison services for market-wide best plan information)
- (s) **Consumer protection for time-varying pricing plans** – as behaviour change isn't always feasible and consumers should have the right to revert plans.
- (t) **Consumer Care Obligations are under-utilised** – the annual check-in and any customer interaction about billing should trigger proactive discussions with retailers about potential savings and available support.
- (u) **Structural issues** – metering configuration and profiling instead of doing actual 30-minute readings as the basis for off-peak and peak charging is an issue. Bundled utilities locking consumers into plans. Comparing plans when retailers add promotions like “free” televisions and fridges is hard.

Appendix C Format for submissions

Submitter	
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All questions are optional. Please answer as many or as few as you wish. Thank you.

Questions	Comments
Proposal A – Standardise billing information	
Q1. Should minimum billing standards be compulsory or voluntary??	
Q2. Would the Authority providing a model bill and guidelines reduce your implementation costs and the time needed to implement these changes?	
Q3. Tiered layout – Do you support adopting a two-tiered approach to information on bills? If not, how should critical and important information be distinguished?	
Q4. Content requirements – Do you have any additions or removals to the proposed tier one and tier two content lists?	
Q5. Implementation – For retailers, how much time would be needed for your organisation to incorporate this content across all billing channels? What challenges or dependencies (e.g. data collection, data standards, IT systems or staff training) need to be factored into timing?	
Q6. Future-proofing – What mechanisms would best ensure these standards to evolve with new technologies, plans and AI-enabled billing in future?	

Proposal B – Introduce better plan	
Q7. Do you agree with the proposed better plan review mechanism?	
Q8. Is six months the right frequency for a better plan review?	
Q9. Is three months an appropriate time frame for time-of-use trials? If not, what period would you suggest?	
Q10. Do you have any feedback on the risk-free time of use proposal, requirement to inform customers whether they are saving on a time-of-use plan and type of guidance given on how to shift consumption?	
Q11. Do you support prohibiting termination fees when switching between plans with the same retailer?	
Q12. For retailers, what costs do you anticipate in implementing this change and what implementation support would reduce such costs?	
Q13. Do you agree with our proposed transitional arrangements? If not, how would you change them?	
Proposal C – Encourage consumers to compare plans across all retailers and switch where it will save them money	
Q14. Do you agree with the proposed wording of the prompt?	
Q15. For retailers, what lead-in period would you need to	

implement this prompt across all channels?	
Q16. Do you agree that each retailer should be required to maintain a catalogue to allow customers to compare their full range of plans and costs?	
Q17. For retailers, do you already have a catalogue in which you show your current and any prospective customers your generally available plans and tariffs? If not, why not?	
Q18. Do you agree that the annual check-in should also include telling customers about the retailer's channels for comparing and accessing better plans?	
Q19. Do you agree that retailers should offer information about better plans whenever a customer contacts them about their bill or plan, not only when the customer explicitly asks to change plans?	
Proposal D – Limit back-billing to protect residential and small business consumers from bill shock	
Q20. Do you agree with this proposal to limit back-billing with justifiable exceptions?	
Q21. Is a six-month cap reasonable?	
Q22. Do you agree that customer should be allowed to pay back bills in instalments matching the period of the back bills? If not, what alternative do you propose?	
Q23. What additional proactive measures (beyond those listed)	

would best prevent back bills from accruing?	
Q24. For retailers, taking into account any operational requirements, is the proposed transition period sufficient to implement these obligations?	
Next steps and proposed implementation	
Q25. Are these the right outcome measures to track success?	
Q26. Do you agree with these implementation principles?	
Q27. How could we best support smaller retailers during the transition?	
Q28. Are there other interdependencies we should factor into the timetable?	
Q29. Do you agree with our preferred timing?	
Q30. If you prefer option 3, which elements should be delayed to 2027?	
Q31. How much lead time do you need to implement these proposals, should they proceed?	
Regulatory statement for the proposed amendment	
Q32. Do you agree with the objectives of the proposed amendment?	
Q33. Do you agree that the benefits of the proposed Code amendment outweigh its costs?	

Q34. Do you have any feedback on these criteria for weighing options?	
Q35. Do you agree with our assessment of the four options presented?	
Q36. Do you agree with our proposal to introduce mandatory billing improvements, rather than voluntary guidelines?	
Q37. Which elements of standardisation (if any) could remain voluntary without undermining consumer outcomes?	
Q38. Do you agree with our proposed approach regarding small businesses?	
Q39. Do you agree with our assessment on alternatives to proposal B?	
Q40. Do you agree with our assessment on alternatives to proposal C?	
Q41. Do you agree with our assessment on alternatives to proposal D?	
Q42. Do you agree the proposed amendment is preferable to the other options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objectives in section 15 of the Electricity Industry Act 2010.	
Q43. Do you agree the proposals are overall better than the alternative considered? If you disagree, please explain your preferred option in terms	

consistent with the Authority's statutory objectives in section 15 of the Electricity Industry Act 2010.	
Proposed Code amendment	
Q44. Do you have any comments on the drafting of the proposed amendment?	
Q45. Do you have any comments on the transitional provisions?	
Q46. Do you have any other feedback on this consultation paper or proposed Code amendment?	