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12 November 2025

Electricity Authority
Level 7, ASB Bank Tower
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By email: consumer.mobility@ea.govt.nz

Tēnā koutou,

Electric Kiwi Submission: Improving electricity billing in New Zealand

Introduction and summary

Electric Kiwi appreciates the opportunity to comment on the proposed Code amendments to improve electricity billing in New Zealand. We support initiatives that genuinely benefit residential and small business consumers. The key objective of the proposed Code amendment - making it materially easier for residential consumers to understand their electricity bills, see and compare available plans, and switch to better deals - is a goal we share. We also support the intention to strengthen consumer protections and foster a more competitive and efficient retail electricity market.

However, we emphasise that the most pressing challenge remains market structure: without a true level playing field and effective competition, improvements to billing and switching, while helpful, will deliver incremental gains at best but incur potentially long-lasting costs of constraining innovation.

Our experience is that enduring consumer benefits and innovation arise from competition, not regulatory prescription. Overly detailed regulatory layering risks undermining both innovation and customer outcomes, with little evidence of material consumer protection improvement. We encourage the Authority to set flexible, outcome-based standards and to prioritise reforms that address the structural barriers impeding true retail competition.

Need to address fundamental competition issues to deliver real benefits

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While we support the broad objectives outlined, Electric Kiwi emphasises that the most significant and urgent challenges facing the retail market are competition-related. Many barriers preventing consumers from achieving the best outcomes stem not from billing clarity or switching processes alone, but from persistent structural issues in the upstream wholesale market. These include entrenched disadvantages for independent retailers and the dominance of the gentailers, which restrict access to wholesale hedges and undermine genuine retail competition.

Transparency, information tools, and switching improvements are useful but are ultimately downstream remedies; alone, they cannot overcome these fundamental barriers. Without measures to ensure a level playing field, improvements in billing and switching, while helpful, will have only limited impact on prices, options, or innovation.

The Authority's own reviews and analysis reinforce this point. As noted in its risk management issues paper, greater retail diversity, particularly competition from non-integrated and smaller retailers - helps drive innovation and better service for consumers. Electric Kiwi strongly believes that the Authority's key strategic focus should be laser focused on advancing the strongest possible measures to 'level playing field' as part of the Taskforce's initiatives, including ensuring fair and non-discriminatory access to hedge markets and considering corporate separation.

We are also concerned that the Authority's increasing willingness to regulate aspects of competitive retail activity such as the prescriptive nature of some of the Consumer Care Obligations, mandated retail TOU pricing and these latest billing proposals - highlights a lack of confidence in the ability of competition to deliver good outcomes. This contrasts with the Authority's more principles-based or voluntary approach to issues of substantive market power, such as super-peak pricing, OTC trading conduct, and non-discrimination. A more consistent approach is needed: regulation should focus on ensuring effective competition and addressing market power, not pre-empting or crowding out competitive market dynamics in retail.

Without prioritising these foundational measures, there is a real risk that consumers will continue to face higher electricity prices, fewer choices, and diminished incentives for innovation, regardless of improvements to billing and

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switching processes. Evidence confirms it is healthy competition not overly prescriptive regulation that delivers innovation and better consumer outcomes. Therefore, progressing the right competitive settings should be the Authority's strategic priority.

Concerns about prescriptiveness and regulatory layering

Electric Kiwi has a strong track record of pioneering innovative solutions that make it materially easier for residential consumers to understand their electricity bills, compare and switch plans, and access better value. We introduced the "Hour of Power," in 2015, essentially offering a free off-peak hour each day on all our plans; led with digital-first account management and app-based support; launched innovations such as our Greenmeter with real-time carbon and price feedback; and provide flexible billing options that let customers choose how and when they pay. We also led the market in removing break fees and fixed-term contracts, establishing contract-free, responsive plans. Many of these innovations have advanced the outcomes sought by the proposed Code changes.

However, the ability of us, and other independent retailers, to continue to deliver such customer-focused innovations in future is fundamentally dependent on strengthening genuine competition and avoiding an environment constrained by highly prescriptive rules.

Many of our innovations simply would not have emerged, or would have taken much longer, in a market shaped by detailed, one-size-fits-all regulatory prescription. We are concerned that the current proposals are overly prescriptive and risk significant regulatory layering, particularly where they traverse or overlap with existing Consumer Care Obligations (eg the better plan checks - see below). Increasing compliance requirements can reduce flexibility and constrain innovation, limiting our ability to deliver new, tailored solutions for customers.

Excessive prescription ultimately risks stifling innovation - especially in customer experience, service design, and the development of bundled or disruptive new products.

Comments on specific proposals:

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While our overarching position is that the Authority's primary focus should be on addressing fundamental competition issues and we remain concerned about the risks of overly prescriptive rules, we acknowledge that the Authority is considering progressing with these Code amendments. In the event that these changes proceed, we wish to raise the following specific areas of concern, clarification, or recommendation:

Standardising Billing Information

A key concern is that a highly prescriptive approach to billing risks stifling innovation and does not account for the modern ways customers engage with their electricity information. Consumers increasingly use digital channels such as apps and web portals over traditional paper bills. There is rapid innovation in interactive and personalised digital experiences, which improve customer comprehension far beyond static formats.

Retail electricity bills are also a retailer's 'shop window' - a key element of brand identity and customer engagement. Electric Kiwi has heavily invested in designing our app, portal, and billing experiences based on research and customer feedback. Highly prescriptive rules risk overloading bills with mandated content that may not align with what consumers actually value or want.

Moreover, many of the Authority's claims about billing complexity, "missing" key information, and the supposed direct link between bill content and switching are presented without supporting evidence. Effective regulation should be grounded in data and consumer insight, not assumption. In our experience, the most effective billing practices are shaped by actual customer feedback and engagement metrics, rather than blanket requirements.

We note the Authority's proposal to provide an updated model bill and guidelines. If a model bill is to be published, it should fully meet all prescribed requirements and serve as a reliable reference. In principle, a regulatory-compliant template could help reduce implementation cost and risk, provided it is not overly restrictive.

We encourage the Authority to ensure that any requirements, including model bills and content guidelines, are flexible and technology-neutral, focused on outcomes rather than formats. Retailers should have discretion in how they

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present mandated information, so long as it is accessible, clear, and actionable for consumers.

While we acknowledge the requirement to separately itemise bundled goods or services on bills, this leaves key aspects of transparency, comparability, and compliance unclear for modern, integrated offerings, and may create unintended consequences as bundling grows more common.

Better plan reviews every six months

The Consumer Care Obligations already require retailers to provide advice on the most suitable product offering at several key points: when a customer signs up (clause 8), on explicit customer request (clause 17), and when a retailer knows a customer is experiencing payment difficulties (clause 23). In the latter case, retailers must review the customer's past 12 months' consumption and recommend suitable lower-cost plans based on the customer's circumstances, identifying the lowest-cost option and communicating relevant conditions and drawbacks.

The Authority's proposed universal six-monthly "better plan" review is not aligned with these existing obligations. The proposal would require comparison of a customer's current plan against all others in the catalogue, including bundled offers, to assess whether any alternative would deliver a "materially better outcome" over the previous 12 months. This definition extends beyond pure financial cost to a broader concept of value, explicitly requiring retailers to consider not only electricity rates and fees, but also the combined benefit of bundled goods and services, as well as features like more favourable contract terms - for example, shorter commitments, no exit fees, or increased flexibility. As a result, a plan may be deemed "better" not just based on electricity bill savings, but on the overall package of benefits or contractual features that could be more attractive or suitable to the customer's needs.

This creates two main issues: unnecessary duplication of compliance processes, and conflicting methodologies for determining the better or most suitable plan for customers. In practice, this could mean a customer receives advice under clause 23 that there is a more suitable (lower-cost) product offering for their circumstances, but then is told at their six-monthly better plan review, using a different assessment basis, that they are already on the most suitable plan, or

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vice versa. As a result, retailers and consumers could face added complexity, cost, and confusion.

We strongly encourage the Authority to consolidate the obligations under the Consumer Care Obligations to provide advice on the most suitable product offering and the proposed better plan check into a single, coherent regime with common methodology, thresholds, and definitions. Methodologies for assessing and communicating better plan options such as what counts as a "materially better outcome", should be standardised to avoid conflicting outcomes or advice. Alignment should also extend to triggers for advice, making the process both efficient and consumer-friendly.

This harmonised regime should recognise retailer-led digital experiences (including in-app/portal notifications, self serve options and personalised digital communications) as fully compliant channels for delivering required advice, reflecting evolving customer engagement preferences and supporting sector innovation.

Time-of-Use (TOU) Plans and Risk-Free Trials

The consultation proposes that retailers check in with customers who have adopted a time-of-use (TOU) plan to assess whether savings are being achieved, and, if not, allow the customer to revert to their previous plan or switch to another plan without penalty. While we support initiatives that empower customers to try innovative pricing, we have concerns about the scope and clarity of this requirement as currently drafted.

The draft Code wording appears broad and appears to require this risk-free trial and check-in both when a customer moves from a traditional (non-TOU) plan to a TOU plan and when moving between different TOU plans. There is no explicit restriction limiting the requirement only to customers newly trying TOU pricing. If the Authority's intent is to de-risk only the initial adoption of TOU pricing by non-TOU customers, this should be made explicit in the final requirements. Otherwise, as currently worded, retailers may be obligated to apply the trial, assessment, and reversion process to every internal switch between TOU plan variants, potentially creating unnecessary administrative and compliance burden.

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For Electric Kiwi customers, all our plans are time-varying pricing plans, with features such as our free off-peak hour always available, and plan switching is simple, digital, and penalty-free. We already deliver a frictionless and risk-free experience for customers exploring different time-varying options.

We therefore request the Authority clarify the following in the final Code:

- Whether the risk-free trial and reversion requirement is intended to apply to any move onto a TOU plan (including switches between different TOU plans), or solely to the initial adoption of a TOU plan by customers moving from non-TOU pricing.
- That the requirements should not duplicate processes for retailers, like Electric Kiwi, where all plans are already time-varying and customers can move between them at any time without penalty.

We support the goal of encouraging greater engagement with innovative, flexible pricing, but urge that any regulatory intervention should be clear, targeted, and proportionate to avoid unnecessary complexity for both customers and retailers.

Catalogue of generally available plans

The Authority proposes that retailers must publish a plan catalogue, reference it on all billing communications, highlight it as part of the six-monthly better-plan requirement, and mention it whenever a customer makes a billing query. As drafted, these obligations appear to apply only to “generally available” plans. We understand this to mean plans open to new and existing customers on public, non-bespoke terms, excluding retention-only, bespoke, or closed legacy plans. If that is the intent, we see the risks below.

We are concerned that some retailers offer special “save” or retention deals to certain existing customers, or acquisition deals, available only through specific channels or directed at specific customer segments. These offers are not always published in all public channels (and sometimes not published at all), meaning other eligible existing or new customers cannot access them. The commercial rationale is clear: such offers help manage churn and margins while avoiding a wider repricing of the incumbent base or attracting additional demand onto

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sharper rates. However, if the catalogue and related prompts are confined to ‘generally available’ plans, the regulation may unintentionally entrench or expand this practice. Retailers would have a stronger incentive to shift better pricing into off-catalogue, targeted deals, undermining the transparency and comparability outcomes the reforms seek.

To address the risk that off-catalogue acquisition and retention deals undermine the reforms, here are options the EA could consider on or more of the following - the list of options is not intended to be exhaustive:: (i) clarify that the plan catalogue covers any plan offered to a defined segment; (ii) require that better plan advice includes any plan the retailer would reasonably make available to that customer now, including targeted offers; (iii) require reclassification of targeted offers as ‘generally available’ once they persist beyond a short trial window or reach a de minimis scale.

Limiting Back-Billing

We support the intent of limiting back-billing to protect consumers from bill shock and ensure fairness. However, most back-billing situations arise from factors outside retailer control, most often through errors by metering providers or the EA Registry, rather than retailer system failures. Given this context, we question whether a strict six-month "hard stop" is necessary.

While the EA’s Principles and Minimum Terms and Conditions for Domestic Contracts do not set a maximum back-billing period, they do require prompt notification of any billing errors, a reasonable timeframe for customers to pay any shortfall, and prohibit charging interest. These principles support fairness and flexibility and are already reflected in responsible retailer practices.

At Electric Kiwi, we already take a customer-centric approach to back-billing. In addition to adhering to the EA’s principles, we go further: our customer terms include a commitment that if we send an invoice more than three months after the relevant period, we will discount those charges.

We recommend adopting a principle-based approach that provides strong consumer protections, ensures accountability across the supply chain, and

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allows for flexibility in exceptional cases, rather than implementing a rigid six-month statutory cap that may not reflect the realities of real-world billing.

Implementation

Implementing the proposed changes will require significant development work: from altering billing systems and customer touchpoints, to improving plan publication and switching processes. While Electric Kiwi is a technology-first company and comparatively well positioned to adapt, the scale and complexity of these reforms remain substantial for us as a smaller retailer.

For practical reasons, we support Option 2 (ie all proposals implemented at once) - rather than a phased or staggered transition. Implementing everything together will help minimise confusion, streamline development and testing, and reduce unnecessary duplication for both customers and retailers.

However, we caution that the proposed implementation timeline of for Option 2 of October 2026 may still be too ambitious. Even for agile, tech-driven retailers like Electric Kiwi, extended lead times are valuable. The longer the transition period, the more robustly we can deliver, test, and support any updates without risk of disruption or error.

We recommend the Authority consider a longer implementation window and provide flexibility to allow for sustainable and effective adoption of the new requirements.

Conclusion

Electric Kiwi supports the intentions behind the Improving Electricity Billing in New Zealand Code amendments, especially around improving transparency and consumer empowerment. However, experience and the Authority's own evidence indicate that the lasting key to better outcomes is getting the competition settings and level playing field right. We urge the Authority to have at front and centre of its priorities that stronger competition is the best way to protect consumers, while ensuring any new rules retain flexibility, minimise prescriptiveness, and do not stifle future innovation.

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We look forward to working constructively to ensure any changes are both beneficial for consumers and workable for retailers, and welcome further engagement on the specific issues raised in this submission.

Yours sincerely,

Huia Burt,

CEO, Electric Kiwi