Consumer Mobility Team
Electricity Authority
Via email
consumer.mobility@ea.govt.nz

12 November 2025

Dear Consumer Mobility Team

Improving electricity billing in New Zealand

Thank you for the opportunity to submit on the "Improving electricity billing in New Zealand" consultation paper ("Consultation").

Mercury supports the policy intent behind the Consultation proposals to the extent that they are about making electricity more accessible and affordable for consumers. We do not however support the prescriptive approach the Authority has adopted and do not agree with the Authority's assessment of benefits. In our view, the proposed minimum billing standards (Proposal A) and the better plan requirements (Proposal B) will introduce operational inefficiencies for retailers, an increase in costs for consumers and will result in less innovation in the market. In the absence of evidence that the benefits of the proposals significantly outweigh the costs, our submission is focussed on encouraging the Authority to consider a more principles-based approach to the problem giving retailers flexibility as to how to achieve desired outcomes at least cost to consumers.

Our broad views in relation to Proposals A and B are set out in this cover letter and we have answered the specific consultation questions in relation to each of the proposals in the format requested at the Appendix.

1. Proposal A – Standardise billing information

Mercury agrees that standardisation of the most important information on bills and principles requiring plain language and simple layout will make it easier for consumers to interpret and compare plans offered by different retailers.

We do not however support the proposed two-tiered system for mandatory information and recommend a less prescriptive approach to how retailers present the required information.

1.1. Mercury's bill is easy to read

Mercury has invested in improving our bill over the years to make it consumer friendly and are confident that we achieve this. When the Trustpower brand was merged with Mercury, we used this opportunity to re-design our bills. We conducted customer testing of our new designs to garner feedback and iterate prior to launch. Based on feedback received we:

- Optimised layout, wording, font size, colour use and graphics.
- Updated content order and graphics to better support understanding.
- Created a backlog of items based on direct feedback from customers contacting us about their bill - many of these changes have since been implemented.

On an ongoing basis, Mercury follows the core design principle of "Make it simple" and uses an internal Accessible and Inclusive Design guideline developed based on best practice guides from multiple resources. We regularly track customer satisfaction and ease ratings relating to our bill experience through our Voice of Customer programme. Our 30 September 2025 the results have shown:

- With new-to-Mercury customers (at the 3-month mark of their initial contract):
  - 78% of customers said the bill was easy to read, a further 11% rated it neutrally.
  - 76% of customers were positive about bill clarity with a further 12% rating it neutrally.
- For customers across all tenures from 1 year onwards:
  - 65% of customers said the bill is easy to read, with a further 20% rating it neutrally.

This is supported by recent Commerce Commissions findings in their Customer Service & Billing report for "Broadband Billing Comprehension" August 2025, Mercury ranked second with 76% of customers finding our bills "easy" or "very easy" to understand. In addition to this formal feedback on customer billing experience we have an internal process for service teams to submit bill feedback to our billing team which is reviewed and prioritised.

For the above reasons, we are satisfied that Mercury's bill is meeting our customer's needs and therefore should require little or no adjustment.

1.2. Two-tiered system would require total redesign of Mercury bill

The proposed two-tiered system for mandatory information (proposal A3) would require Mercury to redesign our bill with no identified benefit to the customer.

1.2.1. The two-tiered proposal does not consider the increase in volume of information for each additional ICP associated with a customer's account. This information does not appear on the front page of our bill and would not fit on the front page of any bill. Mercury's current bill has a detailed invoice section to record billing information for all ICPs attached to the customer's account, and the various multi service offerings for each ICP. Forcing information into a small space in this way will undermine the purpose of the logical layout requirements of proposal A2. Retailers should have discretion as to where mandatory information should be placed provided that it is done in accordance with proposal A2.

1.2.2. The two-tiered proposal does not consider the reality that 65% of new customers to Mercury join as users of two or more products. For these customers, an electricity bill is also a gas bill, a mobile bill, and/or a broadband bill. The model bill the Authority shared[1] is based on a customer having only one ICP and using only electricity. This is an oversimplification and an unrealistic model for most retailers. Mercury's bill is designed to accommodate the complex flow of data for these different products in the simplest way possible. We work from one base template with conditional logic to populate fields depending on what services a customer is using. As we mentioned above, our bill has been refined over years to accommodate our different retail offerings and to be accessible for our customers and we are confident it is fit for purpose. Any redesign required by this proposal simply adds to our costs of doing business.

1.3. Minimum standards should be principles-based

We recommend the Authority adopt a more principles-based approach to the minimum standards. There would be no additional benefit to Mercury customers if we were required to redesign our bill to accommodate prescriptive requirements. This will be even more problematic for smaller independent retailers who will struggle to meet prescriptive requirements and have smaller customers bases from which to recover costs. A principles-based approach will promote better competition and better outcomes for consumers generally. .

[1] Created by the Consumer Advocacy Council - see link at footnote 25 of the Consultation - Model Electricity Bill

The plain language and logical layout requirements (proposal A2) could be the fundamental principles on which bills are designed with the outcome that bills should be clear and accessible to the customer. We would however remove any requirement to adopt a "conversational tone" - space on bills is tight, and it would be challenging and not best use of space to fit sentences and questions where single words also provide clarity.

Guidance could be provided on what constitutes critical information to be displayed on page one (please see our responses in the Appendix). We would welcome the opportunity to collaborate with the Authority to develop a succinct list of critical information.

Retailers should have discretion over how and where all other content is displayed (including via other communication channels) provided they meet the design principles. This would mean that if an existing bill meets the characteristics of a good bill no further action is required.

2. Proposal B - Better planning

We support the concept of ensuring consumers are aware of the availability of electricity plans that might better suit their needs and that they can trial or switch plans with minimal risk or fees.

We have serious concerns however regarding the prescriptive nature of the proposal and its timing, both of which will impact Mercury's operational efficiencies and have unintended consequences for consumers. These concerns are summarised below.

2.1. Proposal is too prescriptive

The better plan proposal requires retailers to change existing systems purely to tick a compliance box rather than for obvious consumer benefit. We do not support the level of prescription proposed by the Consultation and would prefer a principles-based approach that would give retailers more flexibility to determine how best to achieve the desired outcomes. If retailers were simply required to make sure customers were aware that there might be better plans for them at regular intervals this could be achieved in a multitude of ways that if designed by the retailers themselves would offer a better customer experience and would be operationally efficient. Ideally, we would notify customers via a digital channel where they have the option to change the plan without contacting us, should they choose. This would remove the unintended consequences referred to at paragraph 2.3 below.

2.2. Timing does not align with other compliance initiatives

We appreciate that the Authority's new plan comparison website will be going live in February 2026, so the Authority has an imperative to progress the billing proposals at pace. Retailers are however already prioritising having Time of Use (TOU) plans available for the market with multiple other compliance requirements in the pipeline including product and customer data compliance initiatives, the consumer data right and multiple trading relationships. Meeting better plan requirements in the proposed timeframe with so many competing compliance obligations is unrealistic and makes it difficult for retailers to prioritise resource.

In addition to pressured retailer resource, the introduction of a better plan requirement in the proposed timeframe will add unnecessary complexity for retailers at a time when the focus should be on encouraging uptake of TOU plans. The Low Fixed Charge (LFC) phase out does not complete until 1 April 2027 so low user and standard user tariffs will still be in the mix adding to the number of plans retailers must offer. Choosing this timing to start better planning and as outlined could cause operational complexity which drives cost for retailers and distributors, distracting from the wider system benefits TOU plans aim to achieve. Our strong preference would be to delay the introduction of any better plan requirement until after the LFC phase out.

Delaying the introduction of a better plan requirement would also make sense from the perspective of the Consumer Care Obligations (CCOS) and the monthly data being collected by the Authority on the CCOs under the Retail Market Monitoring regime. The CCOs offer targeted protection for consumers struggling to pay their bills and if data shows that these customers are being well served by the CCOs there is less need for an overly prescriptive better plan requirement for a retailer's entire customer base.

2.3. Unintended consequences

2.3.1. **Operational inefficiencies add costs to consumers** – The prescriptive requirements and timing of the better plan proposal introduce complexities to retailer systems that demand new technology build and reprioritisation of other initiatives. Retailers will be pressed to meet compliance deadlines and solutions will be adopted to solve for timeframes rather than working towards the most efficient outcomes for the business and customers. Introducing inefficiencies into operations risks additional costs being passed on to consumers.

2.3.2. **Focus on historic usage risks misleading consumers** - The proposal is focussed on historic behaviour comparisons. These comparisons provide an indication for retailers that a TOU plan might be more suitable for customers however without corresponding future behaviour change savings will not materialise for the customer. There is a risk that better plan recommendations that do not have the expected outcome could be considered misleading by the customer. Retailers need time to develop education material that is carefully thought through and supports customers making well-informed decisions.

2.3.3. **Opportunity costs and less innovation** – Prescriptive compliance requirements pull resource away from retailer innovation including in relation to the development of TOU plans in line with the Authority's Taskforce package 2 requirements. For example, the proposal is focussed on point in time / push-based solutions i.e. retailer-initiated actions at prescribed moments in the customer journey. Within our new TOU programme Mercury has been developing an internal self-service comparison tool that would be available 24/7 to customers. It factors in both historical usage including time of day profiles and guidance on realistic opportunity to shift load into off peak times.
In our view this is a much richer approach and better aligns with Mercury customer experience. The Authority's prescribed approach would squeeze out more innovative solutions like this.

2.3.4. **Undermines uptake of TOU plans** – The Authority's Taskforce 2 package mandates that retailers must have TOU plans available for all residential and small business customers as at end June 2026. Retailers are working hard to have appealing and workable offerings that will genuinely help to shift load away from peak times ready for the market by this date. Aspects of proposal B (including proposed timing as discussed above) could seriously undermine the uptake of TOU plans:

2.3.4.1. The combined impact of proposals B1, B2 and B3 is to flag to consumers that there is a risk moving to a TOU plan and if you do not see savings within a short space of time it is easy to return to a more traditional plan. Whilst we will not prevent customers from switching back to a more suitable plan if TOU does not work for them, there should not be a proactive requirement on retailers to encourage customers off TOU plans before behaviour change has had time to embed. Rather than offering an escape route, retailers should be able to focus on educating customers on how to achieve better savings through behaviour change.

2.3.4.2. The proposed three-month "risk-free" period does not give a customer the opportunity to fully realise the benefits of a TOU plan. Consumption changes over seasons and it could be misleading to compare for example, three months' usage over winter months versus the preceding autumn quarter, so the timeframe for the comparison is meaningless. Further, the short time frame might start to drive poor customer experience both from overly frequent contact from the retailer and from the ping pong effect for customers who switch between plans to test the financial benefits to be gained from different load shift windows

For the above reasons, our preference is that the requirement for a retailer to conduct the comparison after 3 months is removed and instead form part of a 12-month better plan review requirement that could be undertaken at the same time as the annual check in, at a retailer's discretion. Customers who are not happy on their current TOU plan can contact us at any time to try an alternative TOU plan or switch back to their previous plan if it is still available.

In summary, Mercury supports helping customers find the plan that is right for them but recommends the Authority: adopt a principles-based approach that encourages innovation; and amend and delay the implementation of the better plan requirements until April 2027 after the phase out of the LFC to help retailers optimise operational efficiencies.

Our views in relation to the more technical aspects of the proposal are set out in our responses to the Consultation questions at Appendix to this cover letter.

We would be happy to support the Authority in developing more principle-based requirements giving retailers the flexibility to determine how to best achieve the desired outcomes.

Yours sincerely

[redacted]

Jo Christie
Regulatory Strategist

APPENDIX – MERCURY Submission

Question	Comments
Proposal A – Standardise billing information	
Q1. Should minimum billing standards be compulsory or voluntary?	Mercury would support mandatory minimum billing standards that are principles-based not prescriptive. The current proposal is highly prescriptive and would necessitate a complete overhaul of the Mercury bill even though 78% of new customers surveyed told us that our bill is "Easy to understand" (see our cover letter). We recommend a more principles-based approach where retailers were simply required to meet the general principles proposed in Part 1 of Schedule 11A.2 of the Code in relation to plain language requirements and customer comprehension.
Q2. Would the Authority providing a model bill and guidelines reduce your implementation costs and the time needed to implement these changes?	Having access to a model bill to provide guidance would help to clarify the Authority's expectations and for some retailers may reduce design costs and time to implement, particularly if a more principles-based approach were adopted. This would allow retailers discretion to retain elements of current bills that work and change only those that do not meet plain language and customer comprehension principles. We note however that the model bill the Authority has referenced in the Consultation is overly simplified and does not account for multiple ICPS and multiple product offerings. Mercury's bill has been refined over years to accommodate our different retail offerings and to be accessible for our customers and we are confident it is fit for purpose. If the Authority were to proceed with the current highly prescriptive proposal, implementation costs will be high as bills will require substantial redesign. Please also see our response to Q1 above and paragraph 1.2.2 of our cover letter.
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?	We do not support a two-tiered approach. It is counter to the intentions of proposal A2 which emphasises the importance of presentation for customer comprehension. The tier one items listed will not all fit on the first page of a bill. The proposal does not consider multiple ICPs, multiple service offerings and the simple fact that space on a bill is limited. By way of example, the following tier one items will be problematic: i. Premises address (Schedule 11A.2 Part 2 clause 7(1)(b)) – customers often have more than one address / premise that are supplied under their account. Each premise may also have bundled services i.e. not just an electricity account. ii. ICP number (7(1)(e)) - as above. iii. Recovering undercharged amounts (7(1)(l)) - for many types of back-billing any explanation is likely to be complex and not best provided on an electricity invoice. At Mercury, most back-billing cases are completed by phone, often involving two or three calls. During these calls, we can provide thorough explanations, listen to the customers perspective, and

	gain an understanding of their circumstances, answer any questions, provide all the relevant billing details including how the underbilling details will present on the invoice, and agree payment terms. Where a call is not possible, this information is provided by email or letter and the customer invited to call a dedicated number if they have any questions. iv. Payment options (7(1)(m)) – Mercury does not list every payment option and currently this is not on page one of our bill. Instead we have a payment section/slip on the final page which refers to mercury.co.nz/ways to pay. v. Customer meter reading (7(1)(n)(iii)(B)) – we do not advise on the bill how a customer can submit a meter read. This is because the vast majority of accounts are smart reads. For those customers who have not been read, we proactively request reads via other channels. vi. Product identifier code (7(1)(o)) – logically this should sit with the ICP, which should sit alongside the address of the premises. vii. Final bill (7(1)(p)) – due to the quantity of services this needs to appear in the service section, not on the front page. viii. Electricity plan comparison platform - Mercury would like to be able to continue to promote other switching and plan comparison websites on our bill. See our response to question 14 below. We would like to work with the Authority to help determine what information is critical and should be displayed on page one of a bill. In our view, page one should be primarily transactional i.e. it is an invoice and should include the fundamentals of what the customer needs to know to pay and understand total charges for each service provided (including any overdue amounts/balances brought forward such as credit balances carried over). If information is not deemed important or critical, retailers should have the discretion to choose whether it belongs on the bill or whether there is another more suitable communication channels for addressing such information i.e. phone, email, letter.
Q4. Content requirements – Do you have any additions or removals to the proposed tier one and tier two content lists?	Please see our response to question 3 in relation to tier one information. In relation to the proposed tier two requirements, the following items should not be mandatory for inclusion on a bill: i. Average daily consumption (8(1)(e) – Mercury already displays monthly/annual consumption via a graph on our bill, and we strongly believe that anything more granular is not appropriate for the bill. Our customers with smart meters can access daily consumption data on our app/my account. ii. Average monthly consumption (8(1)(f)) – as above, any detail for comparison with previous months such as dollar figures and consumption is already available on the app/my account and should not be required on the bill. Please also note the following comments for clarification by the Authority: • What does “emergency information” mean? Is it the faults contact line? • Retailers will have different terminology for “Invoice number.” For example Mercury calls the bill a “tax invoice” and uses “statement number.” • The Authority will need to consider Time of Use plans when requiring retailers to display whether a bill is based on estimated or actual readings.

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?	We estimate it would take retailers 12 months to incorporate this content across all billing channels. This includes scoping and prioritisation and working alongside our bill production provider Datam.
Q6. Futureproofing – What mechanisms would best ensure these standards to evolve with new technologies, plans and AI enabled billing in future?	The current proposal does not consider the differences between TOU and legacy billing. Further thought should be given to how these differences are managed in practice. Following a principles-based approach to improving billing would give retailers the ability to iterate how TOU billing should be displayed once TOU plans have been operationalised.
Proposal B – Introduce better plan	
Q7. Do you agree with the proposed better plan review mechanism?	We agree with the policy intent and support retailers working towards providing some form of better plan advice to customers however we do not agree with the proposed mechanism. We have serious concerns regarding the prescriptive nature and timing of the proposal, and these broad concerns have been addressed in our cover letter. We set out below our more technical concerns relating to the proposed review mechanism: • The better plan proposal requires retailers to compare customer's plan with all other pricing plans including bundled goods or services. There are many combinations of different bundles and determining what is "better" for one customer over another is difficult. The Authority will be focusing on better electricity price however if that is packaged with a wider offer including bundled services customers may see that as better value for them i.e. value does not equal price. This is a major consideration for multi service providers like Mercury – nearly half our existing customer base now has multi services. Comparing a customer's plan with bundled goods is both logistically challenging and impossible for retailers to assume what better means for each individual customer. • What is a "materially better outcome" when it comes to lower financial cost will be different for each customer. For example, do we recommend a customer switch if savings per month are $5? $15? $25? Determining what is better for each customer is beyond our capabilities, for some customers cost savings may not even be a motivator. As we have set out in our cover letter, a less prescriptive more principles-based better plan mechanism would give retailers flexibility to be innovative with their solutions and produce ways for customers to self-determine what they think is a better plan • Non smart meter customers will not have access to the same plans as customers with smart meters therefore we recommend an exclusion be incorporated into clause 10(3) of Part 3 of Schedule 11A.2.
Q8. Is six months the right frequency for a better plan review?	No, six-monthly reviews are too frequent. This is to do with both seasonality and customer experience. A six-monthly review would not pick up a customer's seasonal consumption patterns/changes. For recently joined customers, shorter review windows can lead to inaccurate suggestions of a better plan. For example, if a customer signs

	up at the start of winter and is reviewed immediately after, the assessment will be based solely on winter usage. Many customers have different consumption patterns between winter and summer due to space heating, which can significantly alter their usage profile. Six-monthly reviews could lead to poor customer experience. Contacting customers every six months is considered a lot of contact (given we will be talking to customers about other things as well) and we risk flooding customers with information and decreasing their desire to engage. We note that the Consumer Care Guidelines have already created additional contact requirements that retailers have adopted into their processes. We would be reluctant to add further mandatory contacts as proposed by the six-monthly review and the three month “risk free” period for TOU plans (see below at question 9). In our view a 12-monthly review period would be more appropriate. This would enable seasonal consumption patterns to be considered and means less unsolicited contact with customers. To further streamline customer communications, retailers should have the option to undertake the 12-monthly review at the same time as the customer’s annual check in pursuant to clause 16 of the Consumer Care Guidelines. The combined annual check in/better plan review cycle could be triggered when a customer accepts a new plan or has their pricing reviewed. Sending multiple notifications out of cycle can create a poor customer experience. Instead of feeling supported, customers may feel frustrated, as they have only just made an informed choice and have not yet had time to adapt and optimise their usage under the new plan.
Q9. Is three months an appropriate time frame for time - of-use trials? If not, what period would you suggest?	No. A three-month time frame does not give a customer the opportunity to fully realise the benefits of a time of use plan. The seasonality considerations discussed at question 8 above are more heightened with a 3-month window. Comparing 3 months’ usage over winter months versus the preceding autumn quarter may provide a different view than on an annualised basis and could be meaningless it terms of a customer’s longer-term consumption. For customers who change plan more frequently this would start to drive very frequent and potentially undesirable contact. Further, care should be taken not to undermine the effectiveness of new plans by not allowing time for customer behaviour change to embed. A preferable outcome would be for retailers to pick up review of the TOU plan suitability as part of the wider review (which we propose should be done on a 12-monthly basis). This would not prohibit a customer who wanted to switch to a different plan i.e. a different TOU option if they think they would be better suited, but that would be customer-led.
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	We do not support the proposed process when a customer has been on a TOU plan for three-months. Issues with the current proposal include: i. It risks undermining the impact of TOU plans. After only 3 months customers have not been on TOU plan for long enough to realise

and type of guidance given on how to shift consumption?	benefits. This is both due to consumption patterns that change with seasons and the time that it might take for customers to embed behaviour change. The idea of a "risk free" period implies that being on a TOU plan is somehow risky. This is not an idea we should be actively promoting, noting however that on our TOU plans customers are free to move at any time. ii. Customers who have been on legacy pricing plans will not be able to revert to their previous plan if that pricing plan is no longer being offered to the public. The requirement at paragraph 3.49a simply will not be an option. iii. The proposal at paragraph 3.50 constitutes overactive contacting and customers are likely to find this frustrating and/or intrusive. Poor customer experience erodes good will and is not good for future customer engagement. iv. If customers are moved between plans every three months it may unintentionally reduce confidence in their retailer. v. Using the same contact method as customer last used or prefers is not always going to be the best method of communication. For example, for some customers the most recent contact may have been via our webchat, but we cannot randomly send webchats to people. Mercury's strategy for TOU is not to lock customers into a specific TOU plan but to enable them to shift between TOU or flat rate plans (one change per billing period) without paying a fee. Customers will be provided with information on how to shift their consumption. As an alternative to the proposed mechanism we recommend the following: a. Any customer who contacts their retailer because they are unhappy with a TOU plan can switch back (with no fee) to their original plan if it is a generally available plan or the next best plan. b. The proactive requirement for retailers to provide information on savings should only be triggered once the customer has been on the plan for 12 months as part of the 12-month review. c. Retailers should have the flexibility to provide this information in a manner that achieves the right outcome for the customer.
Q11. Do you support prohibiting termination fees when switching between plans with the same retailer?	Mercury supports this proposal provided that customers are switching between the same category of plan. For example, a contracted customer can switch without termination fee between contracted TOU and everyday (flat rate) plans and an uncontracted customer can switch between uncontracted TOU and everyday plans. Retailers should also have a mechanism to prevent operational inefficiencies, for example, we would recommend a business rule limiting internal plan changes to one switch per billing cycle.
Q12. For retailers, what costs do you anticipate in implementing this change and what implementation support would reduce such costs?	We do not currently have the ability to properly cost the proposed changes however they would involve: • Changes to our sales platform GTV and these are onerous and costly. • Implementation and ongoing work across pricing, communications, and frontline teams to conduct better plan assessments. Further, any changes would have to be added to the backlog of other compliance changes required by the Consumer Care Obligations, Retail Market Monitoring, TOU plan development, Product and Customer data sharing etc. All

	of this comes at a time when Mercury is focussed on improving our operational efficiency. Less prescriptive, principle-based regulations would give retailers flexibility to achieve desired outcomes in a manner that is most efficient for business operations.
Q13. Do you agree with our proposed transitional arrangements? If not, how would you change them?	We support the proposed transition arrangements for the proposal B3 prohibition on early termination fees (as qualified above at question 11) but request that this proposal be carved out from the B1 and B2 proposals which will require a much longer timeframe to implement. Retailers should have the ability to stagger compliance with the principles of proposals B1 and B2 enabling them to prioritise compliance initiatives according to operational efficiencies.
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?	No, we do not agree with the proposed wording of the prompt. In our view: • It is too long. A more compact statement would be preferable for example, removing the words "The Electricity Authority requires us to include this information." • It should not refer to saving money. Instead it should be about a "more suitable plan." We disagree that retailers should only be allowed to refer to the Authority-funded switching and comparison service. Comparison services may offer different features and retailers should have discretion to include more than one service, if desired. Customers may also have their own preferences. We also note that it is not always possible to include hot links (for example on posted bill or a static PDF). The hot link requirement should be limited to digital channels and the email body (as opposed to bill copy).
Q15. For retailers, what lead -in period would you need to implement this prompt across all channels?	We would require a12-month lead in period. Any changes under this proposal C should be aligned with other bill changes required as part of the wider billing proposal to minimise delivery efforts and testing requirements.
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?	We support this requirement in relation to generally available retail tariff plans. Including legacy plans in a catalogue would be misleading and confusing for customers as there is no option for a customer to choose to switch to a legacy plan. We also note: • The possible number of permutations to compare could be confusing for customers, as they may not understand metering types, controlled vs. Uncontrolled etc, so a large catalogue of all options across each region could inadvertently create more confusion rather than enhancing customer experience. We have our offers and plans on our website and Powerswitch and at the point of signing up make sure customers have the right information to make a decision. • This requirement should not include bespoke pricing deals as these include negotiated levers to meet pricing such as expected volumes or load shifting.
Q17. For retailers, do you already have a catalogue in which you show your current	No. We do not publish information about plans until we have basic information from customers. This is because factors such as meter type will determine their eligibility. We have information on the website around our generally available

and any prospective customers your generally available plans and tariffs? If not, why not?	plans and tariffs, but more granular detail is needed for mapping customers to their specific plan.
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?	The annual check in should be tied in with the annual better plan review (as per our response to question 8 above).
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?	Whilst we support providing information when customers contact us, general billing queries are frequent, and this level of engagement could involve a trade off with other aspects of customer experience. For example, this requirement would add to call length which in turn would result in longer wait times for customers. This would require retailers to invest in better tools, adding to implementation costs.
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?	We agree with limiting back-billing. Preventing bill shock and providing residential and small business customers with predictability and fair terms is especially important to us as a retailer. We have concerns however regarding the limited range of justifiable exceptions and the applicability to small businesses as currently defined. These are set out below. I. **Justifiable exceptions** The Code amendment in its current form does not seem to have considered the wide range of back-billing types, and the inherent differences in cause, investigation, and resolution. Revenue Assurance related back-billing occurs for many legitimate reasons, for example: - Stopped meters, - Faulty meters, - Failed AMI meter LED displays, - Customer Generation setup errors or discrepancies, - Meter mix-ups (where the installation of the meters at an ICP does not match the registry and retailers' records), - Registration mix-ups (where a consumer or consumers are registered into the incorrect ICP), - Crossed wiring issues, - Multiplier discrepancies, - Missing, incomplete or incorrect paperwork, - Meter tampers, Service line and wiring bypasses, Illegal reconnections, Power theft for drug grows, - Bridged meters, - Unmetered load discrepancies, - Vacant properties – consumers forget or avoid registering for supply, - Fraud – identity theft To address this, we propose: A. an amendment to 11.32H(3) that currently outlines that subclause (1) does not apply if the retailer holds a reasonable belief that the retailer was "**unable to obtain a meter reading"** due to the reasons

	listed. As many of the back-billing types outlined above are not related to or reliant on the obtaining of a meter reading, we recommend clause 11.32H(3) be amended to read: *(3) Subclause (1) does not apply if the retailer holds a reasonable belief* ***that the cause of the back-billing was due to****:* *(a) Fault on the part of the customer…* B. In addition, the current list of exceptions is very narrow and should include a generic carve-out for legitimate instances where consumption cannot be measured. . **II. Definition of a small business consumer** The back billing proposal will apply to domestic consumers and small business consumers as those terms are defined in section 5 of the Act. A small business consumer is: *A consumer that is not a domestic consumer and* *(a) that is in a class specified in regulations made under section 133A; or* *(b) if no such regulations have been made, that consumes less than 40 MWh of electricity per year* As no regulations appears to have been made around this in section 133A, then (b) would apply. In our experience that, any consumer using as much as 40MwH of electricity per year would not be considered by most observers to be a “small business”. We note that 40MwH is the equivalent of 10958 KwH per day, which is the same amount of electricity as would be used in a day by around 548 average NZ households. We are concerned that the back billing requirements will unintentionally extend to many industrial plants, hotels, dairy sheds, farms and orchards with large irrigation systems, government and local body properties, supermarkets, McDonalds outlets etc. These protections are not designed for this type of consumer. We therefore recommend a more reasonable definition of small business consumer for the purpose of the Billing Standards would be: *“A consumer that is not a domestic consumer and that consumes less than* ***100000kWh*** *of electricity per year”.* Exclusions could be made for government departments and where a contractual agreement is in place between the parties around over-billings and under-billings as is common between retailers and larger commercial users.
Q21. Is a six -month cap reasonable?	We support the six-month timeframe. We do however support case by case management of these sites and customers and are willing to negotiate total cost and credit customer for usage where appropriate e.g. depending on whether the no read was a Mercury issue or customer issue.

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?	Yes, except in cases of fraud or theft.
Q23. What additional proactive measures (beyond those listed) Improving electricity billing in New Zealand 89 would best prevent back bills from accruing?	At paragraph 3.103(a) we recommend 4 months/150 days no reads is when we should contact customers rather than the 3 months proposed. Mercury reads legacy sites and non-communicating meters on manual read sequences every 2 months, and extreme remote sites we read 6 monthly. So a 4-month cycle would allow 2x attempts by a meter reader, for most meter types.
Q24. For retailers, taking into account any operational requirements, is the proposed transition period sufficient to implement these obligations?	A three-month transition period is not long enough to ensure compliance. To implement this change we will need to update letters, terms and conditions, internal reporting, payment plan processes etc. A 12-month transition period would be more realistic given the number of compliance obligations requiring implementation.
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?	All retailers should be treated the same and all retailers would benefit from less prescriptive requirements and from having more time to implement required changes. We note that even though a retailer might be small in terms of ICPs in New Zealand, it may still be part of a large and well-funded global organisation therefore does not require additional support.
Q28. Are there other interdependencies we should factor into the timetable?	Yes. Please see our cover letter and the need to give retailers time to focus on embedding TOU plans, time for the LFC phase out to complete and not least time to focus on ways to innovate and improve our retail offerings.
Q29. Do you agree with our preferred timing?	No. Retailers have too many other compliance obligations to meet and there is a risk that time pressures will drive operational inefficiencies that will mean greater costs for consumers.
Q30. If you prefer option 3, which elements should be delayed to 2027?	The better plan proposal should be delayed until 2027 post completion of the LFC phase out. This is explained in more detail in our cover letter.
Q31. How much lead time do you need to implement these proposals, should they proceed?	If the better plan proposal is delayed, it may be possible to implement a less prescriptive proposal A, and proposals C and D (as qualified in our submission) in 12 months.
Regulatory statement for the proposed amendment	
Q32. Do you agree with the objectives of the proposed amendment?	We agree with the objectives of the proposed amendment but for the various reasons raised in this submission do not believe that current proposals A and B will meet those objectives.

Q33. Do you agree that the benefits of the proposed Code amendment outweigh its costs?	No. We are concerned the Authority has not conducted a full cost benefit analysis for this Consultation. The only costs referred to are based on Australian implementation costs for similar reforms which are said to range from AUD$500,000 to $2,000,000. In our view this is a significant outlay especially when viewed alongside ongoing/current/future compliance costs for Consumer Care Obligations, Retail Market Monitoring, Product and Customer Data, Multiple Trading Relationships, Consumer Data Right etc. The benefits the Authority lists are all qualitative and we do not agree with paragraphs 6.33 and 6.34 that prescribed bill content and better offer processes have competition and innovation benefits. Whilst elements of standardisation will help consumers to compare bills, forcing retailers to present information and deliver services in homogenous ways stifles innovation both in terms of outcomes and opportunity cost.
Q34. Do you have any feedback on these criteria for weighing options?	We would be interested to know how much weight the Authority applies to each of the criteria. For example, it would appear that proportionality has not been given much weight and perhaps it should be given more?
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?	Yes, however we recommend the definition of small business consumer be amended as the current definition will include businesses who through empirical observation are not "small." Please see our drafting suggestions at question 44 below.
Q39. Do you agree with our assessment on alternatives to proposal B?	
Q40. Do you agree with our assessment on alternatives to proposal C?	No we do not agree with the Authority's assessment of alternatives to proposal C. Please see our response to question 14.
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 Improving electricity billing in New Zealand 91 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?	