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Electricity Authority | Te Mana Hiko

By email to: consumer.mobility@ea.govt.nz

Tēnā koutou

SUBMISSION ON IMPROVING ELECTRICITY BILLING IN NEW ZEALAND

Unison Networks Limited (Unison) and Centralines Limited (Centralines) are consumer-owned electricity distribution companies operating in Hawke's Bay, Taupō, Rotorua and Central Hawke's Bay. We welcome the opportunity to submit on the Electricity Authority's Consultation Paper: Improving Electricity Billing in New Zealand.

As consumer-owned electricity distribution companies operate in trust for the enduring benefit of their communities. Strategic planning is focused on delivering sustainable, reliable, and efficient network services, maintaining a balance between affordability and responsible investment. These initiatives prioritise consumer interests while ensuring compliance with regulatory requirements and supporting New Zealand's transition to new energy solutions.

Executive Summary

Unison and Centralines support the Authority's preferred Option 3: Regulated Minimum Standards and Targeted Mobility Measures. Mandatory, standardised billing requirements, enhance plan review processes, risk-free plan switching and a cap on back-billing will empower consumers, increase transparency, and drive competition and innovation across the sector. The package is pragmatic, recognising implementation costs and recommending a phased rollout, the provision of toolkits (model bills and guidelines) and alignment with ongoing initiatives (data and comparison standards). The long-term consumer benefits outweigh the short-term investment required by retailers.

1. Consumer-Centric Rationale

Electricity bills are the main interface between consumers and the energy sector. The current lack of standardisation, inconsistent terminology, and fragmented presentation leaves many consumers unable to understand their charges, compare plans, or switch to better deals. This entrenches loyalty penalties, increases hardship, and blunts competitive pressure.

Unison and Centralines support the Authority's proposals to:

- Standardise bill content and layout across all channels (paper, email, app, web).
- Require plain language and logical, tiered presentation of information.

- Ensure every consumer receives the same critical information, making bills easier to understand and act upon.
- Embed prompts to the Authority's new comparison and switching service, making market-wide comparison simple and timely.

2. Problems with the Status Quo

The Consultation Paper describes the problems that underpin this. Electricity bills currently vary widely in content and terminology across retailers and channels, resulting in high search and interpretation costs and disadvantaging people with low literacy or limited time. Many loyal customers pay more simply because they remain on higher-cost plans: complexity, data friction (inconsistent content undermines comparison tools, only a quarter of initiated comparisons end in completed switches), loyalty penalties and lock-in fees deter mobility. Furthermore New Zealand lacks a regulated cap on back-billing: estimated meter readings can accumulate, giving rise to unaffordable bills long after consumption has occurred. Examples involving back-bills of more than $76,000 demonstrate the harm caused by the absence of clear back-billing limits and underscore the need for stronger consumer protections to maintain trust in the market.

3. Support for Regulatory Intervention and Preferred Option

Unison and Centralines agree with the Authority's assessment that regulated minimum standards are a proportionate, enforceable and future-proof solution to embedded billing problems. Alternative approaches such as voluntary guidelines or 'comply or explain' models have proven insufficient in New Zealand and overseas.

4. Recommendations

1. *Support Option 3:* Mandatory minimum standards for retail billing; voluntary approaches have proven insufficient.
2. *Unbundle cost components:* Show network (distribution) and energy (retail) charges separately to promote true transparency, enable targeted queries or complaints and facilitate meaningful comparisons.
3. *Standardise bill content and layout:* Require plain language, logical tiered presentation and consistent terminology across all formats (paper, email, web, app).
4. *Enhance plan review processes: R*isk-free time-of-use trials and remove internal switching penalties so consumers can remain on the best available plan as circumstances evolve.
5. *Promote market-wide comparison:* Embed prompts to the independent comparison and switching service on bills and require retailers to publish all available plans to aid informed decision making.
6. *Cap back-billing:* Introduce a six-month cap for residential and small businesses, coupled with clear communication when historic usage is adjusted and options to pay by instalments where needed.

7. *Support retailers:* Provide model bills, detailed guidelines and technical specifications, particularly to assist smaller retailers meeting new requirements without undue cost.

8. *Coordinate reforms:* Align sequencing and data standards with other sector initiatives (product data, comparison service, MTR and Consumer Data Right) to maximise synergies and avoid confusion.

5. Stakeholder Impact Analysis

Consumers will benefit from increased clarity and transparency, enabling more informed decision-making and decreasing the likelihood of unforeseen hardship through improved communication and the implementation of back-billing limits. Retailers will be required to update their systems and processes to meet new standards, incurring compliance costs, but can anticipate enhanced customer satisfaction and greater market confidence. Small and vulnerable consumers are afforded targeted protections, including accessibility requirements and support mechanisms for plan identification. The industry as a whole will see more consistent consumer experiences, heightened competition, and the potential for increased innovation. Regulators and policy makers will have access to clearly defined metrics for evaluating success, more effective tools for monitoring compliance, and a structured platform for continuous improvement.

6. Futureproofing the Regime

The Code should incorporate robust mechanisms to ensure that standards remain fit for purpose as technology, consumer habits, and market dynamics progress. It is recommended to schedule formal reviews of the standards every couple of years with comprehensive stakeholder engagement, maintain an active stakeholder working group to identify and address emerging issues (such as AI assistants, innovative payment platforms, and smart home integration), and establish sunset clauses or review triggers linked to adoption thresholds or external frameworks (for example, Consumer Data Right). Employ technology-neutral language so terms like ‘email’ or ‘paper’ are replaced with ‘any channel’ and ensure alignment with evolving data standards and related industry initiatives to enhance interoperability and operational efficiency.

Conclusion

Unison and Centralines support the Authority’s plan:

- Mandatory billing standards will provide better consumer protection and encourage competition.
- A phased, collaborative rollout with practical tools and clear measurement will lead to simpler bills, fairer practices, and more choices for households and small businesses.

It is recommended that the Authority maintain a collaborative approach, communicate with consumers and industry, and measure success through clear improvements in consumer outcomes.

No part of this submission is confidential; we acknowledge it will be published. Please contact us for further information, including on operational requirements.

Nā māua noa, nā

Jason Larkin / Tarryn Butcher
GM COMMERCIAL AND REGULATORY / REGULATORY MANAGER
[redacted]

Appendix C Format for submissions

Submitter	Unison and Centralines

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??	Minimum billing standards should be compulsory. Voluntary approaches have repeatedly led to inconsistent adoption and uneven consumer outcomes, both in New Zealand and overseas. Compulsory standards ensure that all consumers receive clear, comparable, and accurate billing information regardless of their provider. This promotes trust, reduces confusion, and supports more effective consumer choice, while also creating a level playing field for retailers who invest in transparent and consumer-friendly billing practices.
Q2. Would the Authority providing a model bill and guidelines reduce your implementation costs and the time needed to implement these changes?	Having an Authority-provided model bill and clear implementation guidelines would significantly reduce both cost and time. It would give retailers and distributors a consistent framework to build from, minimise interpretation differences, and streamline system and process changes. A standardised model also promotes consistency across the sector, helping consumers more easily understand and compare bills, while reducing the need for repeated redesign or consultation at the company level.
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?	Yes, we support a two-tiered approach. Presenting critical information upfront such as total amount due, payment date, and key contact details helps consumers quickly find what matters most. Important but less time-sensitive information, like plan details, usage insights, and savings opportunities, can be placed in a secondary section or linked digitally. This structure improves clarity and accessibility while avoiding information overload, ensuring all consumers can easily understand and act on their bill.
Q4. Content requirements – Do you have any additions or removals to the proposed tier one and tier two content lists?	We support the proposed tier one and tier two content lists, but suggest a few refinements to strengthen consumer understanding and usability: Additions: 1. *Tier One*: Include a simple statement on how the bill compares to the previous period (e.g. “Your bill is $X higher/lower than last month”) to help consumers quickly spot changes. 2. *Tier Two*: Add links or references to tools that help consumers compare plans or understand time-of-use options, supporting better engagement and switching confidence. Removals or simplifications:

	1. *Tier One*: Avoid including excessive technical terms (e.g. network charge breakdowns or tariff codes) that may confuse consumers—these can remain accessible via Tier Two or online. This balance keeps the bill clear, actionable, and consumer-focused, while still enabling access to detailed information for those who want it.
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?	N/A
Q6. Future-proofing – What mechanisms would best ensure these standards to evolve with new technologies, plans and AI-enabled billing in future?	1. *Regular review cycles*: Mandate periodic reviews (e.g., every 2–3 years) of standards to incorporate new technologies, plan types, and consumer behaviour insights. 2. *Principles-based framework*: Focus on clear, outcome-oriented principles (e.g., clarity, comparability, actionable insights) rather than overly prescriptive formats, allowing flexibility as billing systems and AI capabilities evolve. 3. *Guidance for innovation*: Provide optional guidance on emerging tools—like AI-enabled consumption insights, personalised recommendations, or dynamic tariffs—so providers can adopt them without breaching standards. 4. *Stakeholder consultation*: Include mechanisms for ongoing input from consumers, retailers, and technology providers to identify practical improvements or emerging needs. 5. *Digital-first adaptability*: Ensure standards accommodate both paper and digital channels, supporting interactive or personalised bill formats while maintaining consistency and accessibility. These mechanisms balance consumer protection with innovation, helping standards remain relevant as billing technology and offerings evolve.
Proposal B – Introduce better plan	
Q7. Do you agree with the proposed better plan review mechanism?	We agree in principle with the proposed review mechanism. Regular reviews help consumers avoid loyalty penalties and ensure they remain on the most suitable plan for their needs. To be most effective, reviews should focus on meaningful changes in pricing or consumption and be communicated in a clear,

	actionable way to maintain engagement without causing information fatigue.
Q8. Is six months the right frequency for a better plan review?	Six months may be too frequent for all consumers but appropriate were usage or pricing changes significantly. A 12-month review, with additional prompts when material changes occur, strikes a better balance between keeping consumers informed and avoiding information fatigue.
Q9. Is three months an appropriate time frame for time-of-use trials? If not, what period would you suggest?	Three months may be too short to capture meaningful insights from time-of-use (TOU) trials. Consumers typically need time to understand new pricing signals and adjust their behaviour, while networks and retailers need sufficient data across different seasons to assess impacts. A 6–12-month trial period is more appropriate, allowing for both behavioural adjustment and seasonal variation in demand.
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?	We support the risk-free time-of-use proposal, as it builds consumer confidence and encourages participation by removing financial risk. Clear, timely updates on savings are vital to maintain trust. Guidance should be simple and tailored to typical household patterns practical tips like "run your washing machine after 9 p.m. to save $X per month" are more effective than generic or technical advice in driving lasting change.
Q11. Do you support prohibiting termination fees when switching between plans with the same retailer?	Yes, we support prohibiting termination fees when consumers switch between plans with the same retailer. Removing these fees encourages consumers to move to plans that better suit their needs, promotes fair competition, and prevents unnecessary penalties that can erode trust. This aligns with a consumer-centric approach by making it easier and more transparent for customers to optimise their electricity plans.
Q12. For retailers, what costs do you anticipate in implementing this change and what implementation support would reduce such costs?	N/A
Q13. Do you agree with our proposed transitional arrangements? If not, how would you change them?	The proposed transitional arrangements allow retailers and consumers time to adjust to updated billing standards and procedures. These changes support a more gradual transition and maintain clear communication and protections for consumers.
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?	N/A
Q15. For retailers, what lead-in period would you need to implement this prompt across all channels?	N/A
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?	Retailers should keep an up-to-date catalogue to minimize confusion, build trust, and help consumers compare plans easily.
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?	N/A
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?	Adding details about the retailer's channels for comparing and accessing plans in the annual check-in keeps customers informed and empowered to choose what suits them. This promotes transparency and engagement while helping consumers stay on suitable 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?	N/A
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?	Yes, we agree. Limiting back-billing, while allowing justifiable exceptions, protects consumers from unexpected or excessive charges and promotes trust in billing practices. At the same time, retaining exceptions for genuine errors or system issues ensures retailers can correct legitimate discrepancies without being unfairly penalised. Clear rules and communication around these exceptions are important to maintain transparency and consistency.
Q21. Is a six-month cap reasonable?	A six-month cap is generally reasonable. It balances protecting consumers from large, unexpected charges while still allowing retailers sufficient time to correct genuine billing errors. Shorter caps could be impractical for detecting and resolving certain issues,

	while longer caps could undermine consumer trust and create financial stress. Clear communication around the cap and any exceptions is essential to maintain transparency.
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?	Allowing customers to pay back-bills in instalments that match the period of the back-billing helps make repayment manageable and fair, reducing financial stress. As an alternative, retailers could offer flexible repayment options, such as spreading payments over a slightly longer period for customers experiencing financial hardship, provided this is communicated clearly and agreed with the customer.
Q23. What additional proactive measures (beyond those listed) would best prevent back bills from accruing?	• *Real-time or near-real-time usage monitoring*: Enable customers to track their consumption through apps or online portals, helping detect anomalies early. • *Automated alerts for unusual usage or billing issues*: Notify customers promptly if consumption patterns or system readings suggest potential errors. • *Regular meter checks and data validation*: Ensure meters are functioning correctly and readings are accurate before billing. • *Predictive billing analytics*: Use system data to identify accounts at higher risk of back-billing (e.g., complex tariff structures or delayed readings) and address them proactively. • *Enhanced staff training*: Equip customer service and billing teams to identify and resolve potential discrepancies before bills are issued. These measures reduce the likelihood of errors, support timely resolution, and improve consumer confidence in billing practices.
Q24. For retailers, taking into account any operational requirements, is the proposed transition period sufficient to implement these obligations?	N/A
Next steps and proposed implementation	
Q25. Are these the right outcome measures to track success?	They are broadly appropriate, but their effectiveness depends on whether they capture both consumer impact and operational performance. The right outcome measures should:

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Reflect consumer experience: For example, customer understanding of bills, awareness of better plans, and satisfaction with billing clarity.
Measure tangible financial outcomes: Such as reductions in back-billing incidents, late payments, and overpayments.
Track engagement and behaviour change: Including uptake of better plans, use of comparison tools, and responsiveness to time-of-use signals.
Include operational indicators: Accuracy of billing, timeliness of updates, and adherence to standards.

If current measures focus too heavily on internal processes without capturing consumer benefit, we recommend adding metrics that directly reflect customer outcomes, to ensure the initiative delivers real, measurable value.
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<tr><td>Q26. Do you agree with these implementation principles?</td><td>They provide a clear framework to ensure changes are rolled out in a consistent, transparent, and consumer-focused way. Emphasising clear timelines, practical guidance, stakeholder engagement, and flexibility where needed helps minimise disruption, supports staff and system readiness, and maximises positive outcomes for consumers.</td></tr>
<tr><td>Q27. How could we best support smaller retailers during the transition?</td><td>
Smaller retailers could be best supported during the transition through a combination of guidance, flexibility, and practical assistance:

Clear implementation guidance: Provide model bills, templates, and detailed step-by-step instructions to reduce interpretation and design burden.
Phased timelines: Allow longer or staggered deadlines for smaller retailers with limited IT or operational capacity.
Shared resources: Offer centralised tools or platforms for reporting, compliance checks, or data standardisation.
Training and support: Deliver webinars, workshops, or one-on-one support to ensure staff understand new requirements and processes.
Targeted exemptions or flexibility: Allow minor adjustments where rigid compliance would be disproportionately costly, while maintaining consumer protections.

These measures help ensure smaller retailers can comply without undue cost or operational strain, while still achieving the intended consumer benefits.
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Q28. Are there other interdependencies we should factor into the timetable?	• *IT system upgrades and integration*: Coordination with billing, CRM, and customer portal systems to ensure new content and tiered layouts function correctly. • *Data standardisation across channels*: Ensuring usage, pricing, and plan data are consistent for accurate billing and comparisons. • *Staff training and resourcing:* Aligning timelines with time needed to train customer service and billing teams. • *Regulatory or legislative changes*: Accounting for any upcoming changes that could affect billing requirements or compliance obligations. • *Consumer communication campaigns:* Timing customer notifications and education to avoid confusion during rollout. • *Cross-industry initiatives:* For example, aligning with time-of-use trials, plan comparison tools, or energy efficiency programs that may influence billing content or engagement.
Q29. Do you agree with our preferred timing?	We broadly agree with the preferred timing, as it provides a reasonable balance between allowing retailers sufficient time to implement changes and ensuring consumers benefit from improved billing practices as soon as practicable. However, flexibility should be considered for smaller retailers or where system upgrades and data standardisation present practical constraints, to ensure a smooth and effective transition.
Q30. If you prefer option 3, which elements should be delayed to 2027?	Elements that could reasonably be delayed to 2027 are those that are more complex, resource-intensive, or less critical to immediate consumer benefits Core elements that directly impact bill clarity, critical information, and consumer protection should remain in the earlier phase to ensure immediate benefits. This staged approach balances practicality with maintaining consumer trust and engagement.
Q31. How much lead time do you need to implement these proposals, should they proceed?	N/A
Regulatory statement for the proposed amendment	
Q32. Do you agree with the objectives of the proposed amendment?	In-principle we agree with the objectives of the proposed amendment. The focus on improving bill clarity, transparency, and comparability aligns with consumer interests, helps prevent loyalty penalties,

	and supports informed decision-making. By promoting clear communication and access to better plan information, the amendment is likely to enhance trust in retailers and the broader energy market while encouraging fair competition.
Q33. Do you agree that the benefits of the proposed Code amendment outweigh its costs?	In-principle we agree that the benefits outweigh the costs. The proposed Code amendment is likely to deliver significant consumer benefits such as clearer billing, easier plan comparisons, reduced loyalty penalties, and better-informed choices while fostering trust and transparency in the market. Although implementation will involve some costs for retailers, these are largely one-off system and process updates, and they are outweighed by the long-term gains in consumer confidence, engagement, and more efficient market outcomes.
Q34. Do you have any feedback on these criteria for weighing options?	The proposed criteria are generally appropriate, but we suggest a few refinements to ensure they fully capture consumer impact, practicality, and long-term benefits: • Include explicit weighting for how each option affects consumer understanding, ease of use, and ability to make informed choices. • Ensure criteria capture IT complexity, resource requirements, and potential impact on smaller retailers. • Consider both short-term implementation costs and long-term operational efficiencies or savings for consumers. • Include how easily each option can adapt to new technologies, plan types, or regulatory changes. • Reflect impacts on competition, retailer behaviour, and incentives to improve service or plan offerings. These refinements help ensure the evaluation process selects options that are not only feasible but also deliver meaningful, lasting benefits for consumers and the market.
Q35. Do you agree with our assessment of the four options presented?	We agree with the assessment of the four options, as it appears to balance consumer benefits, implementation practicality, and cost considerations. However, it is important to ensure that: • Options should be assessed on how effectively they improve clarity, engagement, and access to better plans. • Practical feasibility and resource requirements should be factored into scoring.

	• Options that are more flexible and future-proof may deliver greater benefits over time, even if initial implementation is more complex. With these considerations, the assessment can more fully capture both immediate and enduring outcomes for consumers and the sector.
Q36. Do you agree with our proposal to introduce mandatory billing improvements, rather than voluntary guidelines?	Mandatory billing improvements are necessary to ensure consistent, clear, and actionable information for all consumers. A mandatory approach promotes trust, transparency, and fair competition, while providing a level playing field for all retailers.
Q37. Which elements of standardisation (if any) could remain voluntary without undermining consumer outcomes?	Some elements of standardisation could remain voluntary without undermining core consumer outcomes, particularly those that enhance usability but are not critical for clarity or comparability. Core elements for critical billing information, tiered layout, plan costs, and back-billing protections should remain mandatory, as they directly impact consumers' ability to understand, compare, and act on their bills.
Q38. Do you agree with our proposed approach regarding small businesses?	The proposed approach suggests that small businesses should be subject to the same billing clarity and plan transparency standards. This would support informed decision-making, help customers avoid loyalty penalties, and facilitate effective plan comparisons. Additionally, maintaining proportionality such as allowing flexibility in implementation timelines or reporting requirements for very small businesses may reduce administrative burden while upholding core consumer protections.
Q39. Do you agree with our assessment on alternatives to proposal B?	We broadly agree with the assessment of alternatives to Proposal B, as it appears to consider consumer impact, implementation feasibility, and cost-effectiveness.
Q40. Do you agree with our assessment on alternatives to proposal C?	We broadly agree with the assessment of alternatives to Proposal C, as it appears to balance consumer benefits, implementation practicality, and cost considerations.
Q41. Do you agree with our assessment on alternatives to proposal D?	We broadly agree with the assessment of alternatives to Proposal D, as it considers consumer benefits, implementation practicality, and cost implications.
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	In-principle we agree that the proposals are overall better than the alternatives considered.

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.	In-principle we agree that the proposals are overall better than the alternatives considered. They deliver clearer, more consistent, and actionable billing information, promote timely better plan reviews, and protect consumers from practices like excessive back-billing directly supporting informed choice and fair competition.
Proposed Code amendment	
Q44. Do you have any comments on the drafting of the proposed amendment?	1. *Clarity and consistency*: Ensure terms like "better plan review," "tiered content," and "critical vs important information" are consistently defined and used throughout the amendment to avoid ambiguity. 2. *Flexibility for implementation*: Include wording that allows proportional timelines or minor exceptions for smaller retailers or where system limitations exist, without undermining consumer protections. 3. *Consumer-facing clarity*: Where possible, align the drafting with plain-language principles so requirements are easily understood by consumers, particularly regarding back-billing limits, instalment options, and plan comparisons. 4. *Future proofing*: Consider including references to allow adaptation for new technologies, digital channels, or AI-enabled billing to avoid the amendment becoming quickly outdated. 5. *Cross-references*: Check that all cross-references to other sections of the Code or related regulations are accurate and up to date.
Q45. Do you have any comments on the transitional provisions?	The transitional provisions are reasonable and help support a smooth implementation. They provide retailers with reasonable time to update systems, processes, and staff training, while ensuring consumers begin to receive the benefits of clearer, more transparent billing without undue delay. We suggest maintaining flexibility for smaller retailers or those with legacy systems to manage any practical constraints.
Q46. Do you have any other feedback on this consultation paper or proposed Code amendment?	1. *Consumer engagement and education*: Alongside implementation, clear communication campaigns could help consumers understand new bill layouts, tiered information, and better plan options. 2. *Monitoring and evaluation*: Include mechanisms to track the impact of the changes on consumer

	behaviour, satisfaction, and uptake of better plans to inform future refinements. 3. *Flexibility for innovation*: Ensure the amendment allows for adoption of new technologies, digital billing channels, and AI-enabled tools, so standards remain relevant over time. 4. *Support for smaller retailers*: Consider additional guidance or shared resources to reduce compliance burden and ensure a smooth transition for all providers.