

Response to survey of residential electricity consumer perceptions 2022/23

21 November 2023



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1. Introduction

- 1.1 In May 2023, the Electricity Authority Te Mana Hiko (Authority) commissioned AK Research & Consulting¹ (AKR) to conduct a survey of a nationally representative sample of 1006 New Zealanders aged 18 years and over. The survey focused on electricity consumers perceptions on a range of questions relating to the Authority's statutory objectives, competition, reliability and efficiency.²
- 1.2 We acknowledge consumers' responses and thank them for taking the time to provide their valuable feedback.
- 1.3 The feedback we received represented a wide range of views from consumers. Some consistent themes emerged, and these have been summarised and responded to below.

2. Results of the perception survey

- 2.1 The feedback provided will continue to shape the Authority's [Annual Corporate Plan](#) as we focus on our purpose of enhancing New Zealanders' lives, prosperity, and environment through electricity.
- 2.2 Results from this perception survey have been included in the Authority's [Annual Report 2022/23](#) as part of our performance measures. The Authority uses performance measures to assess progress against our outcomes of competition, reliability and efficiency. A range of measures and data sources may be used to assess an outcome. The consumer perception survey is used alongside a participant perception survey and internally held data.
- 2.3 The use of multiple data sources allows the Authority to consider performance from a variety of angles, and these sources work together to paint an overall picture of performance. As such, individual performance measures should be considered in the wider context of the outcome to which they relate.
- 2.4 The key themes from the survey also reinforce the priorities in our Annual Corporate Plan for 2023/24. We are working hard to address the challenges facing the electricity sector with the transition to a net zero carbon economy, and the increased electricity demand we will likely see. Throughout this, we are focused on ensuring the transition is as efficient as possible while maintaining energy security, system adaptability and affordability for consumers.

Challenges with exercising consumer choice

- 2.5 In exercising consumer choice, 83% of respondents agreed they have a choice, and 73% agreed they could find a power company that meets their need.
- 2.6 Some respondents felt that there was increased competition in the market, with incentives for switching such as free electronics or internet, free power days, fuel credit or competitive prices. Others viewed competition as superficial, with people

¹ AKR is an independent research company, offering qualitative and quantitative research services.

² The survey does not ask about our additional objective introduced in 2022 "protect the interests of domestic consumers and small business consumers in relation to the supply of electricity to those consumers" as the measures introduced for them in our amended Statement of Intent in 2023 are not survey based measures.

having to actively choose to switch to see the benefits of competition. Some respondents found it hard to take advantage of choice and competition between providers because it was difficult to compare pricing models.

- 2.7 The price of electricity remains an issue, with some consumers expressing the view that, while there was increased competition in the market, this had not impacted on cost of electricity. Awareness and usage of Powerswitch has remained steady over the last three years.

Our response

- 2.8 Market competition is a key enabler to deliver a better energy future – driving progress, efficiency, and valuable outcomes for New Zealand. Competition helps to ensure New Zealanders have plenty of choice about how they get and use electricity and improves their access to competitive pricing. The Authority continues to work on improving competition and conduct in the retail market.
- 2.9 The benefits of a competitive retail sector are only fully realised by consumers making sure they are on the best plan for them. The Authority funds Consumer NZ to deliver the Powerswitch comparison and switching website. The contract with Consumer NZ was renewed on 1 July 2023 for a further 24 months. The Authority took the opportunity to seek a number of enhancements to the site, with the primary one being more accurate modelling of time of use plans.
- 2.10 The Consumer Care Guidelines (the Guidelines) are a critical part of delivering on our additional statutory objective to protect the interests of domestic consumers. Electricity retailers are expected to use the Guidelines to provide a consistent and supportive standard of service to domestic consumers. The Authority is currently reviewing the Guidelines. As part of this review, we will consider the options to give us confidence that all retailers take their responsibilities to their consumers seriously, including their most vulnerable consumers. We released an options paper for public consultation in September 2023. Consultation has now closed. We are analysing responses and developing a preferred option for the Authority Board to consider.
- 2.11 We continue to improve the collection of retail market data, to facilitate the monitoring of competitiveness and consumer protection in the retail sector. This includes monitoring the conduct of retailers towards vulnerable consumers and in relation to prompt payment discounts and late payment fees.

Reliability of electricity supply as New Zealand transitions to a low-emissions future

- 2.12 Respondents found electricity to be reliable, with 71% of respondents believing it was rare to experience an unplanned power cut. However, there were also concerns about the impact increased demand would have on the electricity network with more electrification of industries. When asked if there was enough electricity to keep New Zealand homes and businesses powered in the future, 49% agreed (down 1% from 2022).
- 2.13 Some respondents were concerned about the impact on electricity supply and therefore reliability with the increasing demand for electricity due to electrification and the increased use of electric vehicles and heat pumps.

- 2.14 Cyclone Gabrielle and other extreme weather events had impacted reliability for some respondents. Others spoke about issues with reliability in rural areas or due to poor service from their lines companies.

Our response

- 2.15 Facilitating an efficient transition to a low-emissions economy is one of the Authority's key strategic ambitions for the sector, alongside maintaining trust and confidence in the reliability of the system through this transition.
- 2.16 The Authority has several significant and transformational workstreams underway to support the transition to a low emissions economy. The Authority's 'Future security and resilience' workstream will help ensure that, through the transition, our power system remains secure, resilient, and promotes long-term benefits for consumers. We will publish a consultation paper in late-2023 on ensuring a system operation model that best promotes the long-term benefit of consumers, by providing a stable, secure, and resilient power system. This is expected to be a multi-year programme of work.
- 2.17 The Authority's 'Managing peak winter electricity demand' project focused on preparing for winter 2023 and the potentially challenging situations that may lead to strains in our electricity system during peak winter demand. We implemented four options to better manage potential supply issues and will be assessing their impact ahead of winter 2024.
- 2.18 The Authority has also identified some risks that could prevent an orderly thermal transition. The risks have either been addressed by our winter 2023 work or analysis has shown that the thermal transition risks are low.

Cost and effectiveness of new technology

- 2.19 Over a third of respondents said they have looked into connecting or operating new technologies for electricity generation (36%). We asked respondents about the barriers they faced with implementing new technology. The biggest barrier for some respondents was the cost of new technology, including installation maintenance and upgrading other parts of their home (eg, their roof or meter). Some respondents had concerns about infrastructure not keeping up with technology change and challenges with managing new technology. Other barriers included not knowing where to get advice, resource management issues or being a renter rather than a homeowner.

Our response

- 2.20 In New Zealand, and globally, the quantity of distributed energy resources (such as EVs, solar panels, wind turbines and batteries) connected to the power system is set to increase significantly in coming years. It is important that the full benefits of these resources are realised – not just for those that own and operate the distributed energy resources, but also for those consumers who do not and cannot own these resources.
- 2.21 The Authority is actively working to unlock the full benefits of and opportunities for innovation for consumers by making sure that regulatory settings facilitate innovation and industry success. The Authority will investigate whether there are other regulatory barriers to the roll-out and adoption of EV technology as part of its work on updating the regulatory settings for distribution networks.

- 2.22 Dispatch notification introduced in 2023 opens up a low-cost path for small-scale providers (such as residential solar and battery system aggregators) to bid and offer their resources into the wholesale market. As an example, SolarZero has started a pilot project enabled by real-time pricing to investigate the feasibility of offering aggregated domestic solar and battery resources as a peak demand security product.
- 2.23 The Authority remains committed to promoting the ongoing reform of distribution pricing. More efficient pricing will contribute to better investment in and use of distribution networks, provide appropriate signals to consumers as they consider investing in their own distributed energy resources, and help the transition to a low-emissions economy to be on the most efficient path – so consumers pay less and/or get better value for money.
- 2.24 Connection charges are a key component of distribution pricing. The Authority is investigating the variation in distribution connection charging approaches for load customers, including public EV chargers, and working towards developing potential options to address any identified issues. The Authority will consider amending the Code to address any issues that are within the Authority’s ambit, consult on these by early 2024, and likely make decisions on implementing these changes in 2024. We are exploring ways to progress this work more quickly while avoiding unintended consequences.
- 2.25 Having the right information can empower consumers to make choices that will benefit them in the long run. To assist consumers, the Authority has published information on our website to help demystify what consumers need to know about solar panels and generating their own electricity.³ Our new website makes this information more accessible to consumers. There is also a wealth of information on creating energy efficient homes and moving to energy efficient transport on the Energy Efficiency and Conservation Authority’s (EECA) website.⁴

3. AKR report provided to the Authority

- 3.1 The remainder of this document contains AKR’s report to the Authority. The report includes the survey results and AKR’s high-level analysis. All results presented are the perceptions of the survey respondents, and do not necessarily reflect the views of the Authority.

³ <https://www.ea.govt.nz/your-power/solar-power/>

⁴ <https://www.eeca.govt.nz/>

Survey of residential electricity consumer perceptions

July 2023



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1. Executive summary

Competitive businesses

There was an overall increase in perceived competitiveness across all businesses tested in the recent monitor. This was reflected in businesses such as supermarkets which rose from 32% to 39% and petrol stations 29% to 36% compared to the previous year.

Electricity retailers continued to rank third among businesses tested in terms of total competitiveness, 41% (up 3%).

- Internet providers maintain their position as the most competitive businesses by respondents, 47% (up 2%). Telephone companies followed at 45% (up 4%).
- The least competitive businesses were banks on 34% (up 6%) and petrol stations 36% (up 7%).

Experience

Decision making – 88% (down 1%) said they were responsible for paying the electricity bill in their household or had a say in who their electricity provider was.

Being approached to switch electricity providers - In the past two years, just under a majority (49%, up 3%) of all respondents had been **approached by an electricity retailer/power company at least once** to switch electricity providers. Meanwhile four in ten had not been approached at all.

Nineteen percent, (up 1%) said they had been approached only once, 17% (up 1%) had been approached twice and 13% (up 2%) three or more times.

Choosing an electricity provider (Competition)

Respondents identified several key themes when describing their experience of having a choice of electricity provider, finding a power company that met their needs and finding a fair price.

A number of respondents considered there was choice with an increasingly competitive market. These respondents had been offered better pricing, bundling deals and inducements as part of moving providers.

However there were a few respondents who questioned that while there was some choice this did not always result in a competitive market.

For some, the electricity system was not easy to navigate, with confusing pricing models and contractual obligations making it difficult to switch or compare provider offers. Furthermore respondents wondered if it was worth the effort when they perceived that prices were similar across the various providers anyway. Choice for some was not a reality due to their location with no other options or some were renters where landlords decided their electricity provider.

A few respondents were satisfied with their providers, some remaining with their provider over many years.

- 83% agreed (up 1%) they had a choice in their electricity provider.
- 73% agreed (up 2%) they could find a power company that met their needs.
- 69% agreed (up 5%) that having a choice of power companies meant they could find a fair price.

Electricity reliability

The fact they experienced few power cuts demonstrated how reliable New Zealand's electricity supply was for these respondents.

For many respondents, the main concerns affecting reliability were the future needs and demands on the electricity system from a growing population, increasing demand from solar and EV usage and New Zealand's climate change initiatives.

Some called for increased renewable energy generation to address future demand and ensure reliability.

Current experience of power outages reinforced the need for good communication and service by the lines company and adequate preparations by consumers. There was understanding of unplanned outages, especially in light of recent weather events. However the response to the recent weather events raised the question among respondents of whether the electricity system had the ability (resilience) to restore power quickly, putting the spotlight on lines company response times, actions, and future planning.

- 71% (down 1%) agreed that they rarely experienced an unplanned power cut.
- 63% (down 1%) agreed that if there was an unplanned power cut, it got fixed quickly.
- 49% (down 1%) agreed there is enough electricity to keep New Zealand powered.

Connection and prices (Efficiency)

Pricing continues to be an issue for respondents with many finding it hard to understand how prices are calculated; and not knowing if the price included maintenance and infrastructure as well as the cost of power.

The cost of electricity also dominates; with many considering the price of electricity too high, expensive, and unfair. Service issues also were mentioned that included no choice of provider, wait times at call centres and low rates for feeding back home solar to the grid.

- 79% (up 5%) agreed electricity providers were easy to find and connect.
- 46% (up 2%) agreed the prices on their electricity bill fairly represented the actual cost of their electricity use.

A few respondents were satisfied with their current provider and satisfied with their current experience.

New Technology

Over a third (36%, up 4%) said they had looked into new technologies for generating electricity.

Despite being asked to identify barriers that stopped them looking into new technology (**excluding cost**), many respondents still referred to the main barrier being cost. For many purchasing an EV, installing solar and battery storage was out of reach. In addition the cost of adapting housing or garages to accommodate that new technology impacted on ability to pay and also the return on investment.

Some concerns were also expressed around the technology specifically including access to quality installers, having to replace batteries, concerns about EV charging infrastructure and ability to feedback surplus power into the grid for a reasonable rebate.

Respondents also sought independent advice to provide insight and confidence on the technology that would work best for them. Some said it was difficult to understand the options being suggested, ask the right questions, and make appropriate decisions when the technology was so new.

Utilities Disputes

Awareness of the Utilities Disputes service remained low with 14% (up 2%) saying they were aware of the service.

Among those who had heard of it, this had mainly been from their power provider (24%, up 2%), TV (21%, down 9%) or word of mouth (21%, up 2%).

Just over a fifth (22%, unchanged) were aware of the Utilities Disputes service said they had used it.

Powerswitch

Nearly two-thirds (61%, down 2%) said they had heard of Powerswitch.

Among those who had heard of it, the most frequent sources mentioned were TV (38%, down 2%), Google/Internet search (30%, up 3%), word of mouth (23%, up 7%) and Consumer NZ (14%, down 1%).

Just over two-fifths (44%, unchanged) of respondents who were aware of Powerswitch said they had used the service.

2. Introduction and Methodology

2.1 Introduction

The Electricity Authority (Authority) is an independent Crown entity responsible for overseeing and regulating the New Zealand electricity market.

The Authority regulates the electricity market by developing and setting the market rules, enforcing, and administering them and monitoring the market's performance. It also places a strong emphasis on voluntary market facilitation measures.

As an independent Crown entity, the Authority is free to adopt its own work programme provided it promotes competition, reliability, and efficiency for the long-term benefit of consumers.

This report covers the responses received via a survey of residential electricity consumers' perceptions, commissioned by the Electricity Authority. Opinions expressed throughout this report are based on the verbatim comments provided by the survey respondents on their perceptions of a variety of topics, and do not necessarily reflect the views of the Electricity Authority.

The research was conducted by independent research company AK Research. AKR is a full-service market research company covering the full range of market research services and has key areas of expertise in stakeholder, client experience research, and knowledge, awareness, and attitudinal research among the general public. AKR are one of the companies that have come out of UMR (which was providing research services since 1987) with the AKR research team having over twenty years' experience working in New Zealand. AKR is a member of the Research Association of New Zealand and abides by the RANZ Code of Conduct which outlines ethical standards for the industry.

In addition data was collected, analysed, and reported independently of the Authority. The database of participants was provided to AKR and a random sample of participants were invited to take part in the survey. AKR used the Voxco platform for building and hosting their online surveys. Analysis and reporting are conducted by our senior team which includes a senior data manager/ statistician, research analyst and our senior researcher. The team approach ensures that objectivity of the research findings is maintained and key findings are interrogated and peer reviewed.

2.2 Methodology

Results in this report are based on an online survey of a nationally representative sample of 1006 New Zealanders 18 years of age and over.

Fieldwork was conducted from the 15th to the 25th of May 2023.

The margin of error for sample size of 1006 for a 50% figure at the '95% confidence level' is $\pm 3.1\%$.

At the request of the Authority, figures have been standardised to avoid the totals not adding to exactly 100%. This has been done by 'adding' or 'subtracting' 1 percentage point to the rounded unsure or N/A figures where the total appears to add to 99% or 101%.

Reporting of verbatim feedback

Respondents were invited to make additional comments about:

- Their experience of choosing an electricity provider.
- Their experience about finding and connecting with an electricity provider and prices on electricity bills fairly representing the actual cost of electricity they used.
- Connection and pricing.
- New technologies.

Key themes are discussed in the relevant sections of this report, supported by verbatim comments.

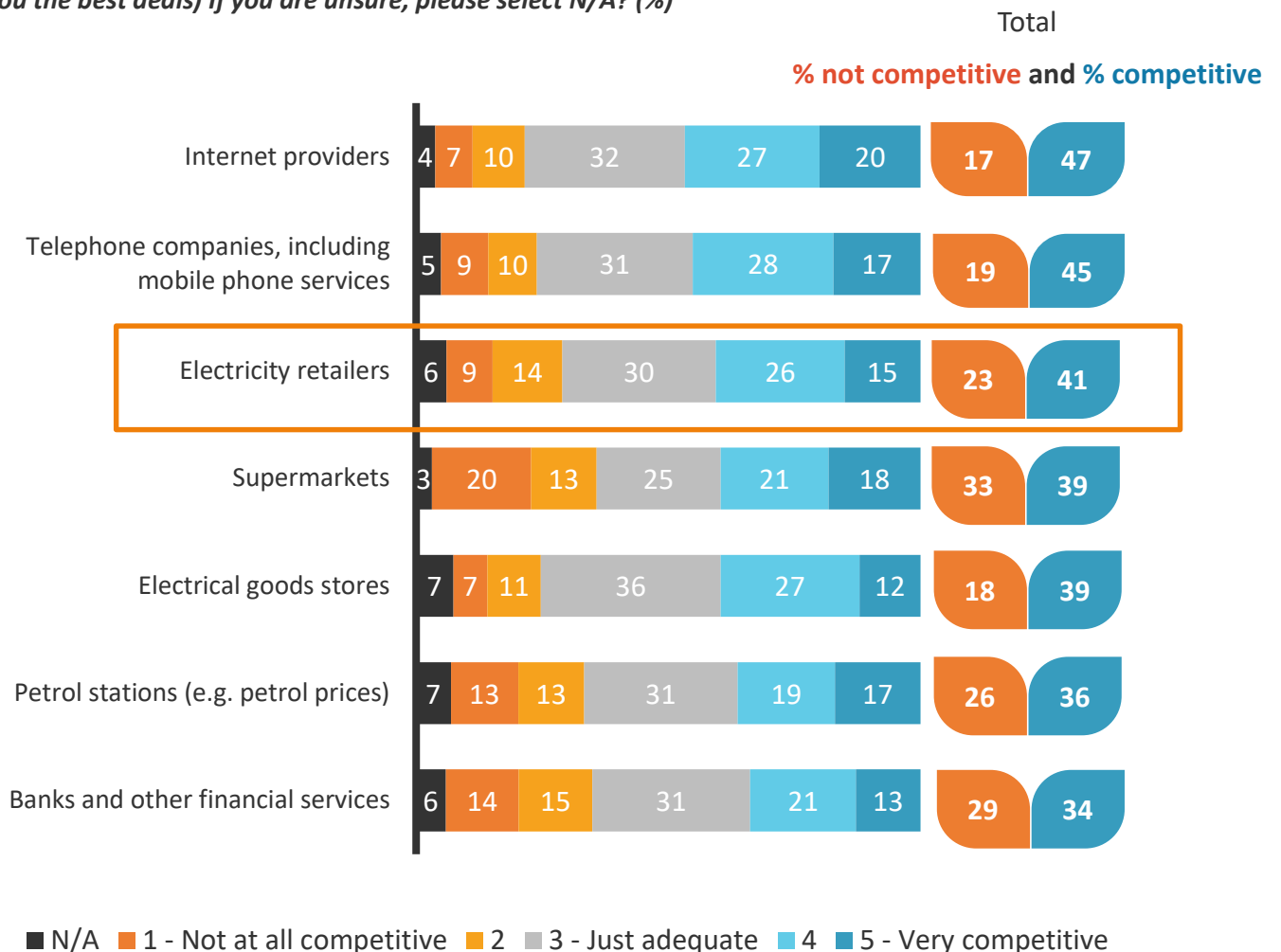
3. Competitive businesses

Respondents were asked how competitive a range of businesses were in terms of working to get their business (i.e. offering them the best deals).

Internet providers were the most competitive, while banks and petrol stations were considered the least competitive. Electricity retailers continued to be third in competitiveness.

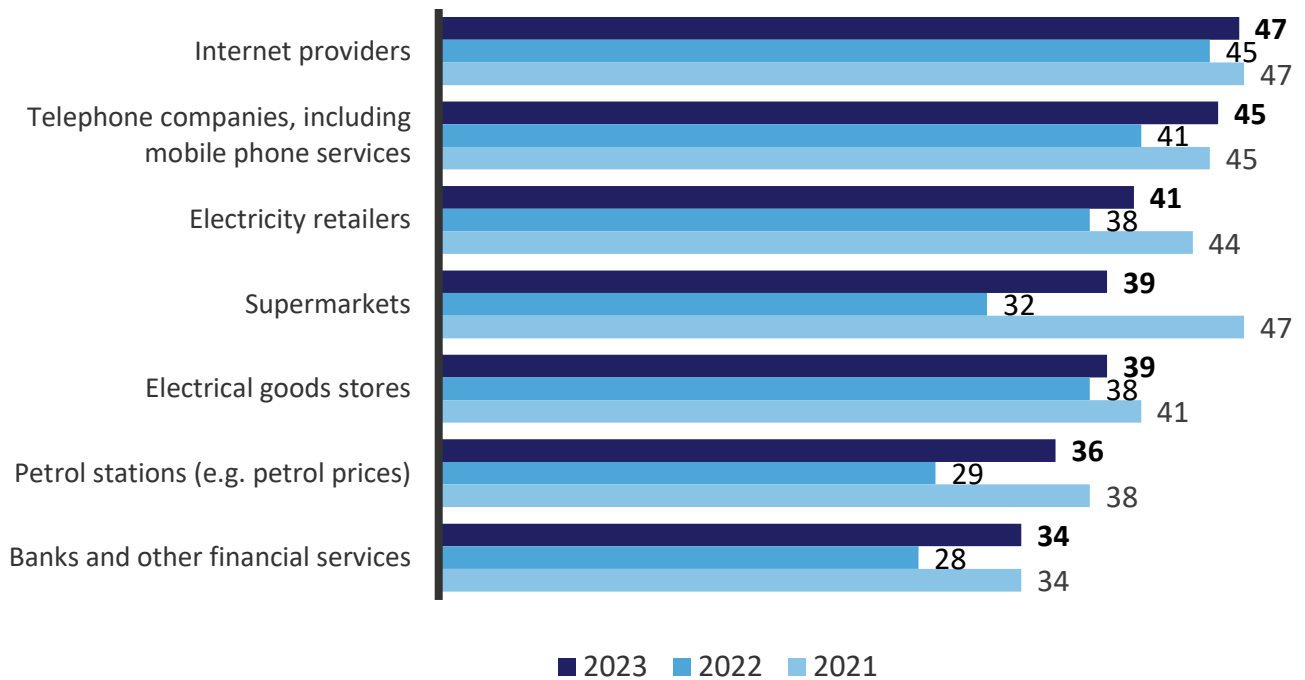
- Just under a majority (47%, up 2%) considered **internet providers** the most competitive (4 and 5 on a five-point scale)
- Followed by **telephone companies** with 45% (up 4%) stating they were competitive.
- **Electricity retailers** continue to hold their third-place ranking in terms of total competitiveness (41%, up 3%).
- Least competitive were **banks** where 34% (up 6%) said they were competitive and **petrol stations** at 36% (up 7%).
- Overall, there was an increasing trend across all business' competitiveness, with supermarkets having a similarly high increase like petrol stations (39%, up 7%).

Q: How competitive are the following businesses in terms of working to get your business (e.g. offering you the best deals) If you are unsure, please select N/A? (%)



Base: All respondents (n=1006).

Q: How competitive are the following businesses in terms of working to get your business (e.g. offering you the best deals) If you are unsure, please select N/A? (% total competitive)



Base: All respondents (approx. n=1000 per survey).

4. Experience choosing an electricity provider

4.1 Decision maker

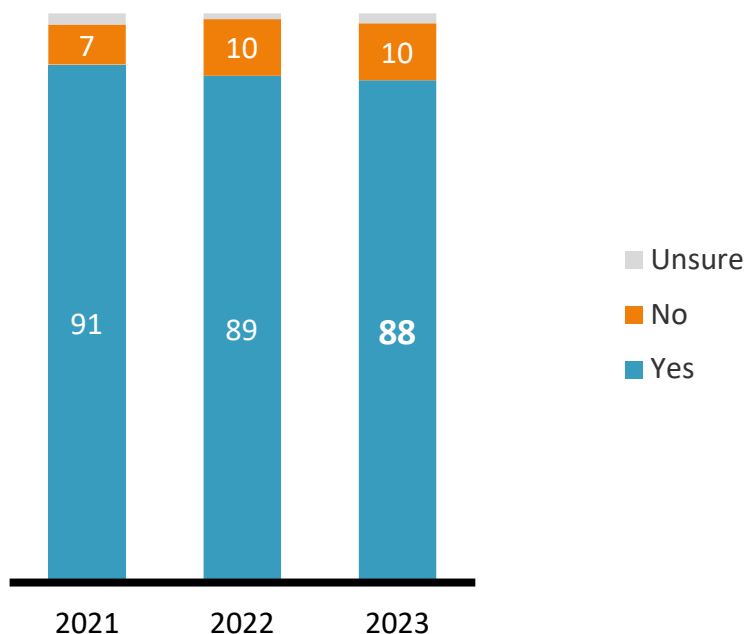
The majority of respondents (88%, down 1%) said they were responsible for paying the electricity bill or had a say in who their electricity provider was.

Demographic differences

Respondents aged 45+ years (94%), those living in the Canterbury region (95%), NZ Europeans (90%), those with dependent children (95%) and homeowners (95%) were more likely to say they were responsible.

Those less likely to say they were responsible included; under 30 years (72%), NZ Māori (79%), Pasifika (78%), those with no dependent children (85%) and those not working (82%).

Q: Are you either responsible for paying the electricity bill in your household or have a say in who your electricity provider is? (%)



Base: All respondents (approx. n=1000 per survey).

4.2 Being approached to switch electricity providers

Respondents were asked how many times in the past two years an electricity retailer had approached them about **switching electricity provider**.

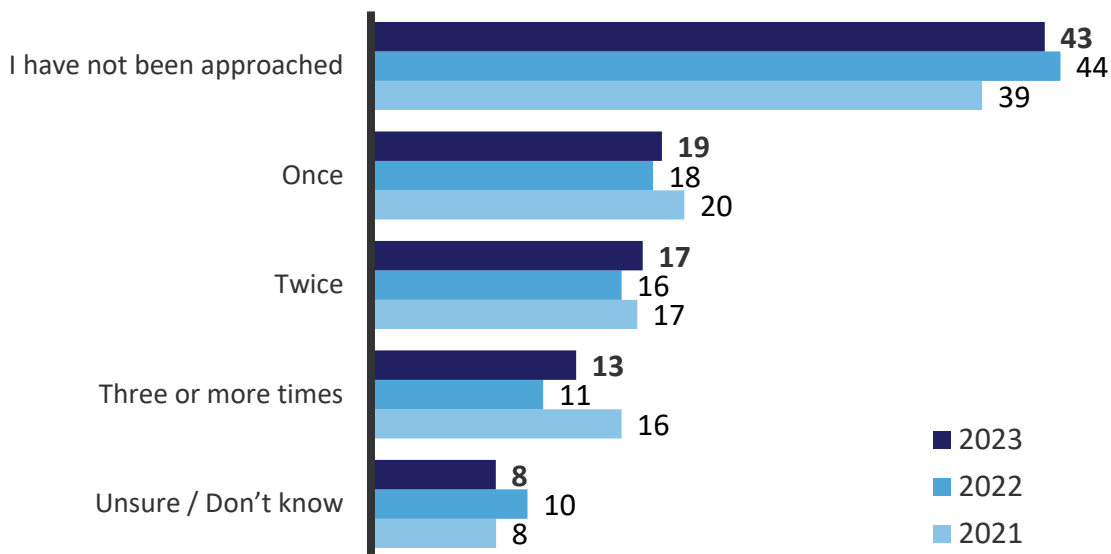
Just under a majority had been approached at least once; conversely four in ten had not been approached.

- 49% of all respondents had been approached by an electricity retailer/power company at least once (up 3%).
- 19% said they had been approached only once (up 1%).
- 17% had been approached twice (up 1%).
- 13%, three or more times (up 2%).
- 43% said they have not been approached (down 1%) and 8% said they were unsure (down 2%).

Demographic differences

Respondents who identified as Pasifika (69%), those with dependent children (58%) and fulltime workers (53%) were more likely to have been approached at least once.

Q: In the past two years, how many times has an electricity retailer/power company approached you about switching electricity providers? (%)



Base: All respondents (approx. n=1000 per survey).

4.3 Choosing an electricity provider

Respondents were asked to rate three statements about their experience when **choosing their electricity provider**.

A strong majority agreed they had choice and could find a power company that met their needs. These ratings have remained steady over the past three years. There was lower agreement that choice meant a fair price was found.

- 83% agreed (up 1%) they had a choice in their electricity provider.
- 73% agreed (up 2%) they could find a power company that met their needs.
- 69% agreed (up 5%) that having a choice of power companies meant they could find a fair price.

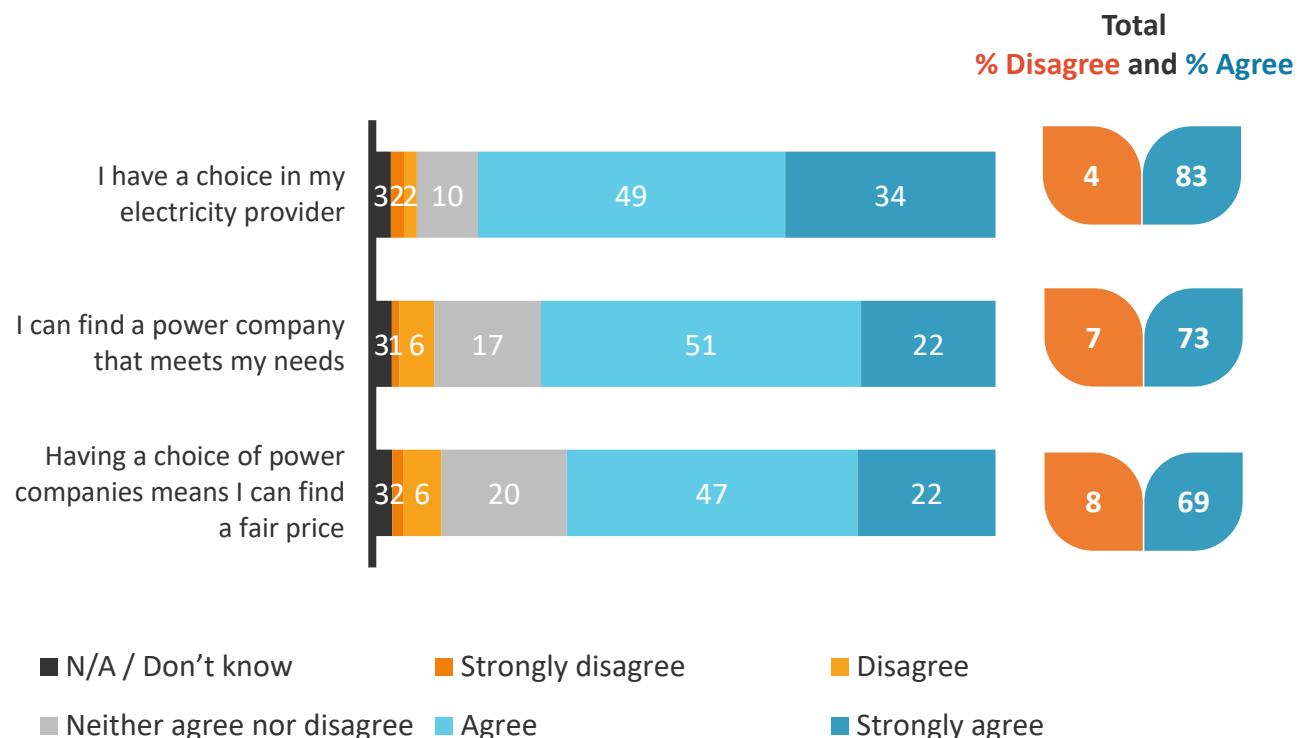
Demographic differences

Those who had a household income greater than \$100k (87%) and were homeowners (88%) were more likely to agree that they had a choice.

Those residing in Auckland (75%) and those with dependent children (78%) were more likely to agree that having a choice of power companies means they can find fair prices.

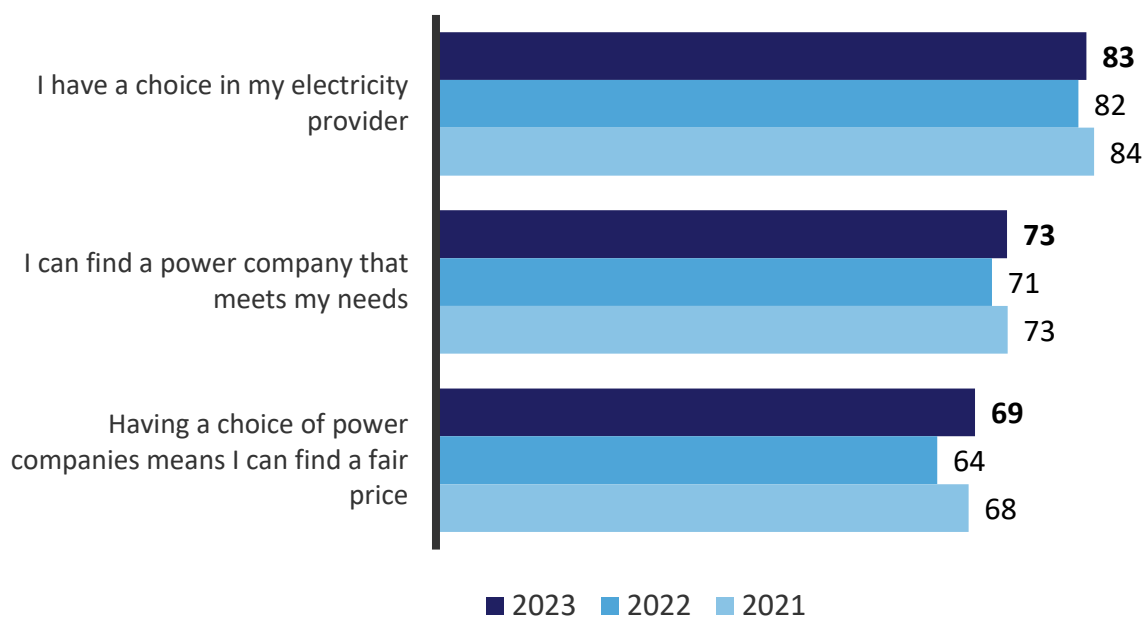
Electricity decision makers were more likely to agree with all three (70-88%).

Q: Please rate the following statements about your experience of choosing your electricity provider in New Zealand (%)



Base: All respondents (n=1006).

Q: Please rate the following statements about your experience of choosing your electricity provider in New Zealand tracking (% total agree)



Base: All respondents (approx. n=1000 per survey).

4.3.1 Verbatim feedback

Respondents were invited to make additional comments about their experience of choosing an electricity provider. Key themes are discussed below, supported by verbatim comments.

A number of respondents considered that the New Zealand electricity market was increasingly competitive. These respondents indicated they had moved providers for a better price or deal, had received inducements to switch such as appliances, a better rate, and cash credits.

I find electricity companies offer lots of inducements like televisions, free internet etc.

Some companies are being proactive offering deals like free power days, fuel credits etc.

There are many electricity companies, many offering very sharp deals and competitive rates, so it's a big playing field now.

It is fairly easy to find a power provider that gives good discount and value for money.

We have been with mercury Energy for over 10 years but each time we renew we barter with them and get a cheaper rate and also a credit on the account.

And for others the system was seen to be superficially competitive only –choice did not necessarily result in competitiveness. Customer loyalty and rewards for that were questioned, with some cynicism that offers only came through from the incumbent provider when about to switch.

Simply having different companies offering retail electricity prices in itself does not make the industry competitive. Just as supermarkets can control their industry through vertical integration--i.e. controlling supply chain, leveraging growers, etc.--so too can gentailers leverage the electricity market. When electricity retailers point this out, publicly, to the electricity authority, the EA seems to

grow "deaf ears". Precisely this happened just in the last few days, according to the head of Electric Kiwi, in an article published in the newspaper a day or two ago.

The per kwh prices are usually competitive. The daily charges and specifically the 100% increase this year is not and it's something you have NO choice with.

We may have a choice, but it doesn't mean the electricity companies are offering fair competition. You have to exercise your choice, or they will gouge you. Example: I left Mercury after many years to switch to Electric Kiwi. Mercury then pestered me with cheap deals and offers that they had never mentioned before. I would never use Mercury again.

However for many respondents the electricity system was not easy to navigate and take advantage of the choice and competition available among providers. For these respondents the confusing pricing models and contractual obligations made it hard to switch or compare provider offers.

We have choice but not easy to compare to get a plan that is suitable, fair and cheapest one. It is complicated and not easy when searching via website.

While you have choice, it's easy to get trapped in contracts.

We only stay with our current provider because of a Vector payout in September each year.

Power companies don't make it very easy to compare prices as some have variable and standard rates and others have just one rate.

Having multiple electricity providers means there are multiple pricing strategies. As a consumer this is frustrating, I would prefer the product/service I require be a same/similar price, regardless of the electricity provider.

And for many, once the comparison exercise was done, there was little difference in pricing among providers. This led many respondents to consider power companies were unfair in their pricing.

They all increase their prices together so it's hard to get a competitive quote.

Having multiple companies to choose from doesn't necessarily mean the price they charge is fair - in my opinion they're all equally unfair.

They all offer about the same rates. I'm sure it's not collusion, but it's also certainly not competitive.

We have dozens of retailers, but it has not led to more competition in the electricity market. The choice of power companies does not result in a fair or good price.

The companies are so competitive that they are all roughly the same price for getting power....

Many respondents focussed on the price of electricity, considering it was expensive and that they were paying too much. However they also felt they had little choice but to continue to pay (as prices were similar across all retailers).

WE ARE STILL PAYING TOO MUCH MONEY FOR ELECTRICITY, DESPITE THE ABUNDANCE OF HYDRO ELECTRIC POWER AND A LARGE AMOUNT OF POWER RETAILERS.

All companies are expensive with low rate not available.

The daily fixed charges are now extortionate. Made my bill rise about \$40 a month. Need good incentives not to switch every year.

All electricity providers charge far too much.

A few respondents were distrustful of power companies.

They're all colluding.

Some are greedier than others.

Reputation of power companies is poor. There has been a lot of criticism directed towards them in the media and need for greater oversight by central government being demanded.

A few respondents commented that had little choice: either due to their location with no other options or being renters and dependent on the landlord's choice of power provider.

Not all providers offer their services nationwide, thus my options are somewhat limited.

I rent an apartment and have zero say in what power company provides electricity for the building.

The electricity contract is included in my tenancy agreement.

A number of respondents were satisfied and positive about their power provider.

I have been with the same company for years and been happy with them.

I have been with my power company for over 10 years and have had no trouble.

The power company we use is because we chose it, and we are happy with what we have chosen.

5. Experience of electricity reliability

5.1 Electricity reliability

Respondents were asked to rate three statements about their **experience with electricity reliability** in New Zealand.

Nearly three quarters of all respondents rarely experienced an unplanned power cut, with only 12% disagreeing. This has remained steady over the past three years. However just under a majority agreed there was enough electricity for future needs. Agreement has declined over the past three years.

- 71% of respondents agreed (down 1%) they rarely experienced an unplanned power cut.
- 63% (down 1%) of respondents agreed that if there was an unplanned power cut it got fixed quickly.
- While the lowest agreement was regarding whether there is enough electricity to keep New Zealand powered in the future; 49% agreed (down 1%).

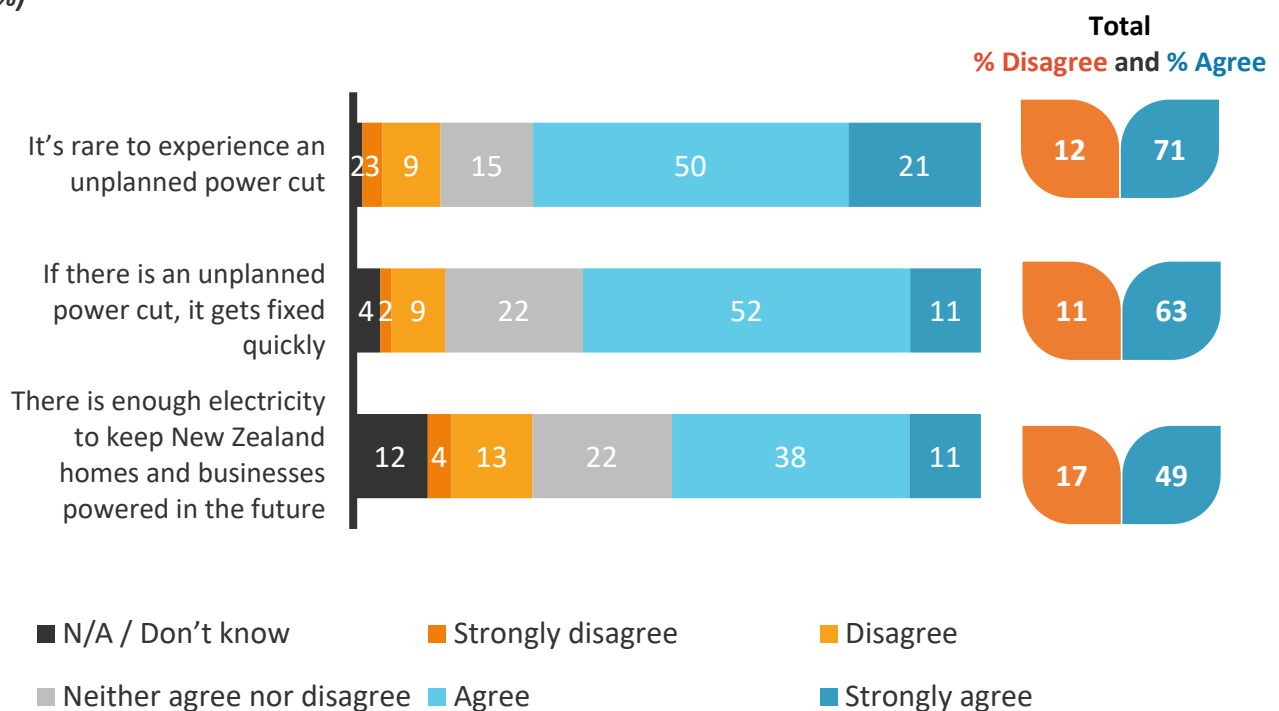
Demographic differences

Canterbury respondents (87%) and home owners (76%) were more likely to agree that they rarely experienced an unplanned power cut.

Those in households with incomes less the \$50K were less likely to agree (56%) if there were an unplanned power cut it gets fixed quickly.

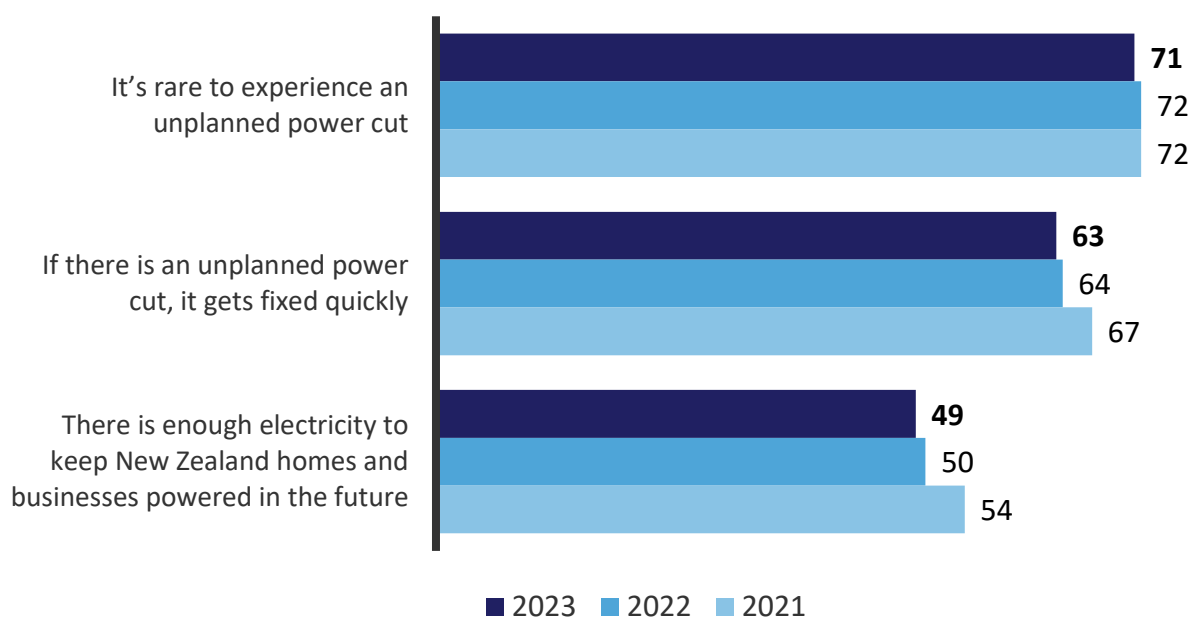
Those aged between 30-44 years (56%) and renters (55%) were more likely to agree there is enough electricity to keep New Zealand powered in the future.

Q: Please rate the following statements about your experience with electricity reliability in New Zealand. (%)



Base: All respondents (n=1006).

Q: Please rate the following statements about your experience with electricity reliability in New Zealand. (% total agree)



Base: All respondents (approx. n=1000 per survey).

5.1.1 Verbatim feedback

Respondents were invited to make additional comments about their experience regarding electricity reliability in New Zealand. Key themes are discussed below, supported by verbatim comments.

There were some respondents who considered that New Zealand had a reliable power supply noting they rarely experienced power cuts.

We rarely have power cuts, and we are very grateful.

We have been lucky not to have power cuts at our house, even with the recent storms.

I've not experienced a power cut for some years.

However many respondents were concerned about the future power needs of New Zealand and its impact on reliability with increasing electricity demand. They queried whether there was enough electricity generation for the future with demand coming from a growing population, increasing demand for electricity from EVs and heat pumps for space heating and government climate change initiatives.

Always going to need more power as population and industries grow.

I have concerns about sufficient electricity distribution with the growing use of Electric Vehicles and what this will mean for investment in the network and the flow through to consumer pricing. I have read an article that says electric prices will double in the next decades.

NZ is going to need more generation in the future. Electric vehicles, heat pumps, smart houses etc.

As to the future, if we go to electric vehicles as the majority of our transport then we will need to double our power generation from its current amount.

Electric cars will drain the electricity that we require to warm our homes in winter.

With adding so many electric vehicles, we will soon run out of power to run everything else.

There was a call for increased renewable energy generation to address the future demand.

More sustainable power options should be looked at for future proofing the electricity supply.

NZ has plenty of ways of harnessing power naturally e.g. geothermal, wind, hydroelectric and solar, but this is not being fully exploited.

There is enough electricity to keep New Zealand homes and businesses powered in the future assuming we continue to build and improve green energy sources.

Respondents also mentioned their current experiences of power outages, equating reliability with the outages experienced. There was understanding of unplanned power outages; however the importance of notices and updates was apparent. Thinking about outages also served to remind respondents of the importance of being prepared.

Nobody can plan for the unexpected, and you can plan for a time frame to get power back on, it going to depend how the power has been cut and getting the lines people out there to fix the issue safely.

Our area has a lot of trees and thus quite a lot of unplanned power outages.

With recent weather events fresh in respondents minds some comments were about how these were impacting on unplanned power cuts, lines infrastructure and the ability to restore power quickly.

After the cyclone in Hawkes Bay the poor planning of electrical substation sites meant we were without power 3 days, but others were without power for weeks. Hardly impressive.

If it rains a lot, we usually have power cuts.

Regarding power cuts I would have agreed with the first two statements until just a few months ago, however, since cyclone Gabrielle unplanned power cuts have happened surprisingly often. Just last night I experienced another one for almost two hours. It feels like latent issues have been amplified by recent weather events.

Those in more rural areas mentioned the delays in getting their power restored as part of the conversation around reliability.

Living in a road with not many dwellings we seem to be always the last ones to have power restored, when there is a wider outage.

We are a future urban area on the edge of Auckland and our power cuts can run from less than a minute to multiple days. Because there are not a lot of houses down our street - even though we are very close to high density areas, we are often last to be reconnected as they do the more populated areas first.

I live in rural Southland, we get power cuts every now and again. They are never resolved quickly, our distribution company sucks.

Concerns were also raised around network reliability with some experiencing poor service from their lines company such as poor workmanship, lack of notifications and delays in getting power restored.

I had a power cut recently at my area and it was out for 8 hours without a notice.

Due to ageing of equipment and lines, coupled with lack of investment and maintenance I feel we are in a position to see outages more frequently and for longer unless something is done about it now.

The last outage was 6 hours! This occurred after the line charges had doubled and represents an unacceptable service level.

Where we live the power goes out more than I do and when it's unplanned it can take some time before anyone turns up let alone fix it.

6. Experience of connection and prices

6.1 Connection and prices

Respondents were asked to rate their service **experiences with electricity regarding connections and prices** in New Zealand.

A strong majority agreed they can easily find an electricity provider; this has remained steady over the past three years. However under a majority agreed that prices were fair for the electricity they used. This was still lower than the 49% agreement in 2021.

- 79% (up 5%) of respondents agreed electricity providers were easy to find and connect with.
- 46% (up 2%) agreed the prices on their electricity bill fairly represented the actual cost of their electricity use.

Demographic differences

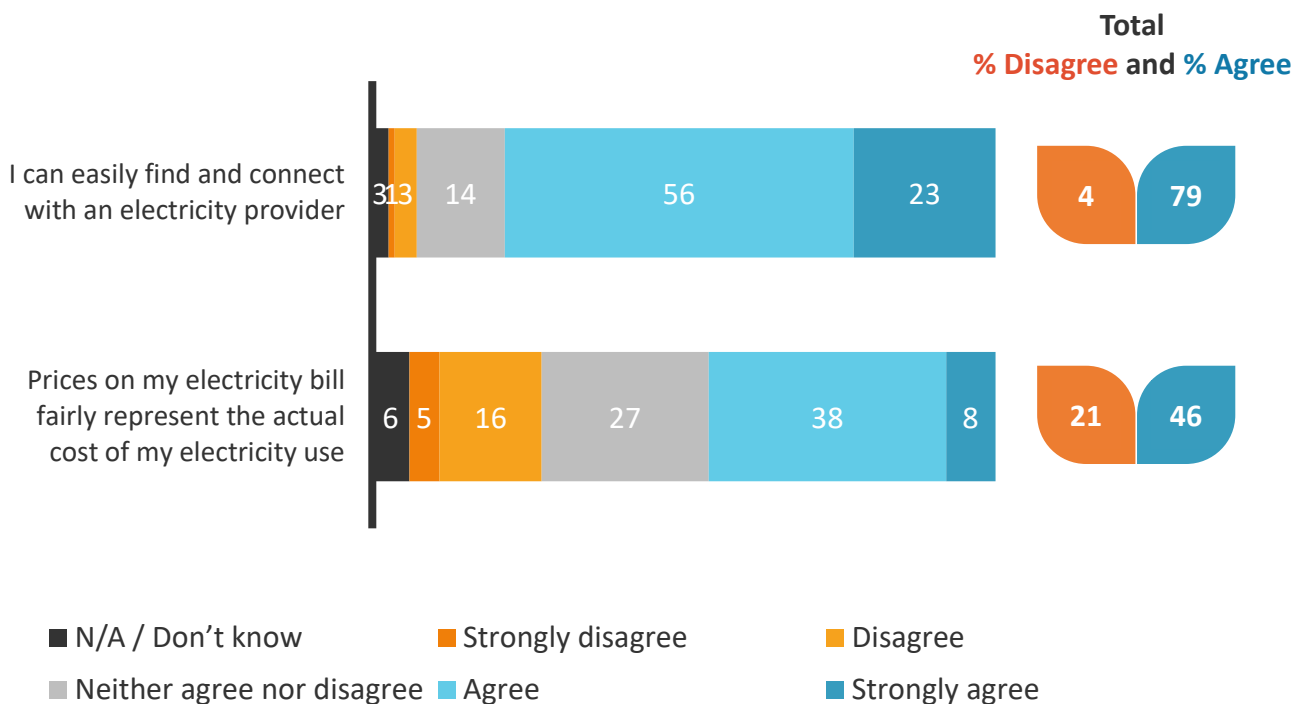
Those who had a household income greater than \$100k (85%) were more likely to agree they can easily find and connect with an electricity provider.

While those with a household income less than \$50K (72%) were less likely to agree they can easily find and connect with an electricity provider.

Those aged 60+ years (39%) and NZ European (43%) were less likely to agree that prices on their electricity bill fairly represent the actual cost of their electricity use.

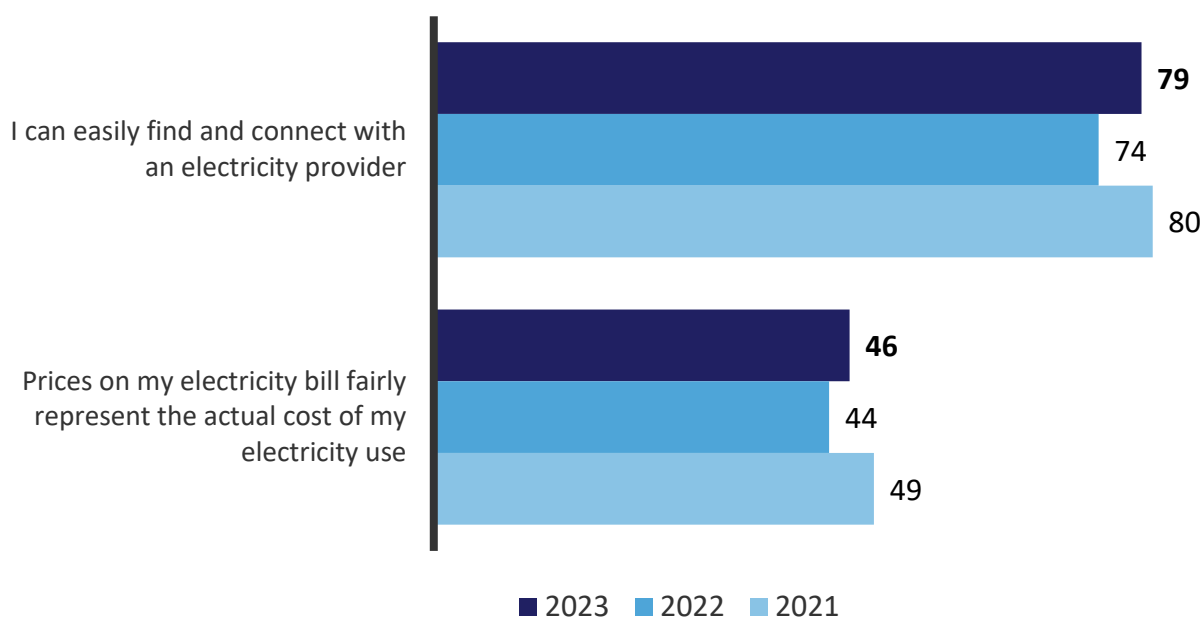
Electricity decision makers were more likely to agree with both statements (82% and 48%).

Q: Please rate the following statements about your experience with electricity in New Zealand. (%)



Base: All respondents (n=1006).

Q: Please rate the following statements about your experience with electricity in New Zealand. Tracking (% total agree)



Base: All respondents (approx. n=1000 per survey).

6.1.1 Verbatim feedback

Respondents were invited to make additional comments about their experience finding and connecting with an electricity provider and prices on electricity bills fairly representing the actual cost of electricity they used. Key themes are discussed below, supported by verbatim comments.

Pricing continues to be an issue with many commenting on not understanding how prices are calculated, querying the fairness of prices and whether prices included maintenance and infrastructure as well as the cost of power.

I have no idea how much new infrastructure costs are added to our bills, or how much replacement/maintenance of existing infrastructure costs .

While prices have become more transparent as a result of the introduction of time-of-use pricing, I have no idea if these are representative. Media stories about gentailers spilling hydro capacity and burning coal to keep prices high artificially confuse and worry me.

Although there are competitive prices among varying electricity companies, I still feel the price/cost is not reflected fairly.

The cost of electricity continues to be viewed as high and very expensive for many. Low energy users felt disadvantaged.

It still very expensive for what we use, should be cheaper rates for out of peak demand etc

Daily charges are so high, especially after recent legislative changes, that my actual usage is only a small part of my bill.

The immense increase in power prices across New Zealand from all retailers is appalling. I consistently take advantage of off-peak hours but that still doesn't shave enough off my bill to satisfy me.

Being a low energy user I get annoyed being charged same wiring and maintenance fees

I am a low user of power but I am getting hit in the pocket by the fixed line chargers and they are only going to increase year by year.

Some also raised concerns about the service they received from their providers; mentioning lack of provider choice, use of smart meters, long wait times at call centres and low rates for feeding back home solar to the grid.

Waiting long times in phone queues only to hear repeated messages, saying you can do everything online...well, when you have power supply issues, it is frequently not possible to sort anything online.

The use of Smart meters is a barrier to my choosing alternative providers. My provider has respected my decision not to have a smart meter to date.

Credit for inputting power from home solar should be higher as these people are giving power to the power companies for little reward.

Notwithstanding there were a few respondents who were more positive and satisfied with their current experience.

Love my energy supplier.

Very happy as I am kept updated all the time.

I never study my electricity bill, I just have a level of trust.

Prices are reasonable.

7. Experience of new technologies

7.1 Looked into new technologies

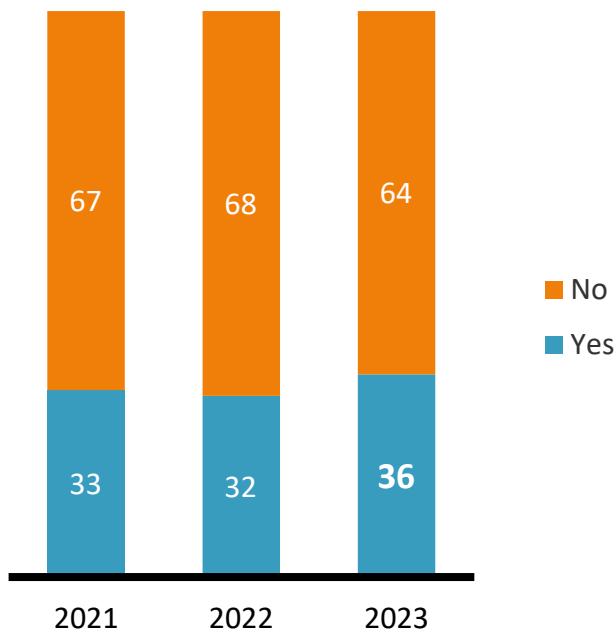
Respondents were asked if they have ever looked into connecting or operating new technologies for generating electricity.

Over a third (36%, up 4%) now state they have looked into connecting or operating new technologies for generation.

Demographic differences

Homeowners (42%) were more likely to say they have looked into these.

Q: Have you ever looked into connecting or operating new technologies for generating electricity? (%)



Base: All respondents (approx. n=1000 per survey).

7.1.1 Verbatims feedback

Respondents were invited to make additional comments about their experience exploring new technologies and the barriers that prevented them from using new technologies such as EVs, solar and storage batteries (excluding cost).

Key themes are discussed below, supported by verbatim comments.

Only a few had already invested in new technologies, these respondents stated they had positive experiences.

Disregarding the upfront cost for the technology; price/ cost for setup, maintenance and return on investment were identified as barriers. The additional costs for physical logistics, installation and maintenance were mentioned. These additional costs all added to the payback period and return on investment.

When installing solar panels and inverter had to change the smart meter to a newer type at a cost to me. Worried about electricity charges affecting costs of running an Electric Vehicle if I choose to buy one.

I was told that it was not worth putting in solar panels and that the cost of a new roof to support them would be prohibitive.

We are low users; hence, the payback period from the likes of solar panels is a lot longer than for other households.

It's really just the cost but also the physical logistics & planning.

The amount of time and energy needed to do for the installation and maintenance.

There were also a number of technology concerns regarding emerging technologies like hydrogen powered cars and technical issues regarding solar, EVs and batteries.

Government is very slow and blocking a lot of the hydrogen Tec that could be implemented right now. e.g. A hydrogen powered car if put in generation mode will generate the power needed for a small household and at night even put power onto the grid giving the owner a rebate that could help pay for their hydrogen if not offset the cost entirely. If they were truly committed to moving away from fossil fuel, then this would be a moot point as the Tec is already in use in other places and is proven.

I successfully installed rooftop solar and a home battery system in 2017, and I drive an electric vehicle. What I miss, though, is off-grid capability in a power outage. Currently my panels go offline, and my battery goes in stand-by when the grid is down. I would like to be able to use them as a backup power supply during outages. I'm also keen to enable vehicle-to-grid (V2G), to use my EV as another battery system.

Solar Panel Installation: We have recently installed solar in our home. However, once it was installed - we were not shown how to use them. We had barriers in this area because it is unfamiliar and still on the up.

Battery replacement seemed like a hassle and expensive with going solar.

We looked into solar panels, but we need to buy a new roof for our house before we put the panels on and that's just out of our budget at the moment.

Electric vehicles do not have the infrastructure really needed.

Some respondents were unsure of where to get advice, especially independent advice on the new technologies and how it would for their own situation.

Just the range of availability and what could be offered to me.

Figuring out if those alternatives are actually viable for my household / use case.

Didn't really understand if that was a good deal or not. I also had no idea how it would affect my power bill once installed.

Being able to find a method to compare provider offerings, knowing what to ask and understanding enough about the technology to ask the right questions to get the right information from the technology provider.

Lack of independent information to help make a choice.

Respondents own housing location and design impacted on ability to connect to solar or EV technologies. Storage for batteries was also an issue for some. And for renters new technology options were not seen as viable.

Looked at solar but to house a battery to store excess power for household use was one of the obstacles.

Want an electric car but have no garage and cannot get power down to the road to charge it. Purchasing our own charging station is not affordable so we can't get an electric car.

I looked at fitting solar panels to my roof. The main barriers were: 1. my roof faces NE rather than N or NW, meaning less sunlight. 2. for a single-person household, even one where I am at home during the day, the electricity generated by the panels is not very efficiently used. Yes, there are expensive options like batteries to provide storage, i.e. to solve the problem of time-shifting, but a much better option is to have group or neighbourhood-wide sharing of such power resources. Such ideas were suggested for Ch-ch (e.g. central-city businesses) following the quakes, but it was just one of many good ideas put forward that the then govt., and council, and businesses, all decided to ignore.

I live in a high-rise apartment with a small balcony as a renter. I am unsure whether the balcony is large enough to hold a sufficiently sized solar panel or whether I would have permission to install one.

I rent, so options to install alternatives are not possible!

A few respondents also cited **local council** processes as a barrier to implementing new technologies.

The local council won't let me build a sixty-foot tower for my wind turbine.

The resource management act. I'm keen to look at hydropower.

Council problems.

Even though respondents were reminded to exclude cost as a barrier many still referred to the cost and set-up of the new technology as the main barrier to exploring new technologies.

The cost of purchasing an electric car is rather high right now.

Nope, just cost. VERY expensive!!

Solar panels on the roof are too expensive and in the long run not worth the money.

Battery systems need to drop in price as they are expensive.

8. Utilities Dispute service

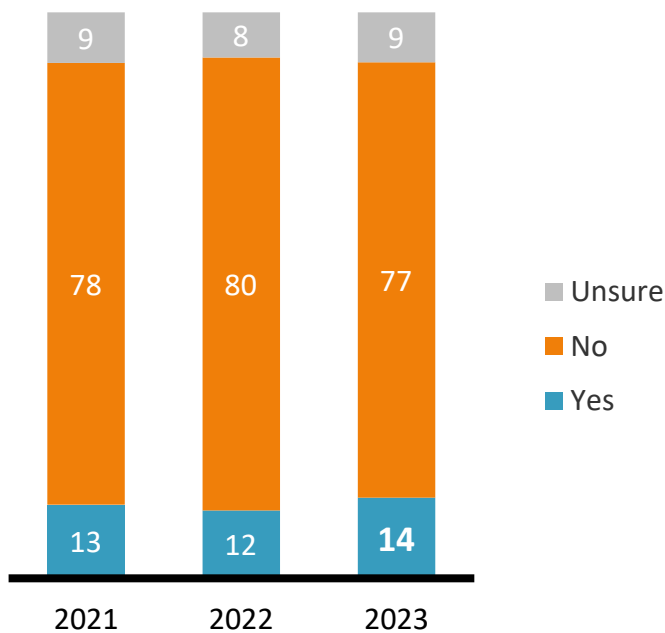
8.1 Awareness of Utilities Dispute

There is still low awareness of the Utilities Disputes service with 14% stating that before now, they had heard of the Utilities Dispute service (up 2%).

Demographic differences

Men (19%) and electricity decision makers (15%) were more likely to say they have heard of the service.

Q: Before now, had you ever heard of the Utilities Disputes service? (%)



Base: All respondents (approx. n=1000 per survey).

8.2 Where heard about Utilities Dispute

Respondents who had heard of the Utilities Dispute service were asked where they had heard about it (n=142)

The main ways were from their power provider, TV and from others through word of mouth.

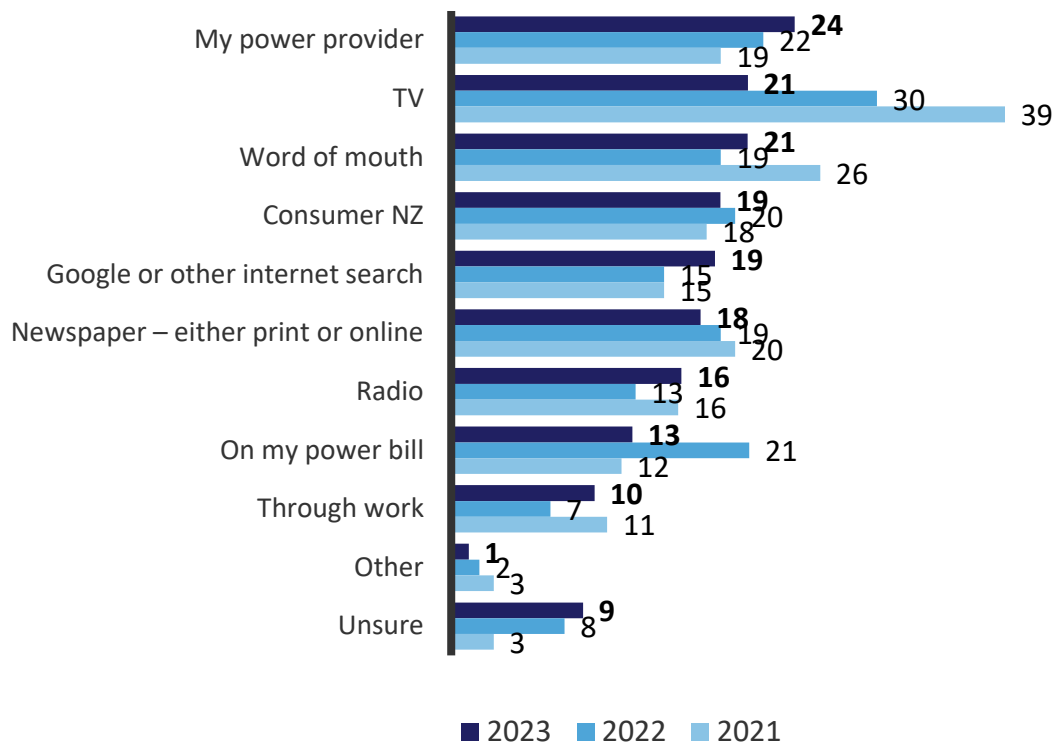
- 24% (up 2%) from their power provider.
- 21% (down 9%) recalled it from TV.
- 21% (up 2%) from word of mouth.
- Between 16-19% of respondents mentioned hearing about the Utilities Dispute Service from Consumer NZ, Google or another internet search, newspaper, or radio.

Few heard about the Utilities Disputes service through seeing it on their power bill or at work.

- On their power bill at 13% (down 8%).
- 10% through work (up 3%).

48% had heard about the service from a single information source, while 22% had heard about it via two channels and 20% via three or more channels.

Q: Where did you hear about it? (%)



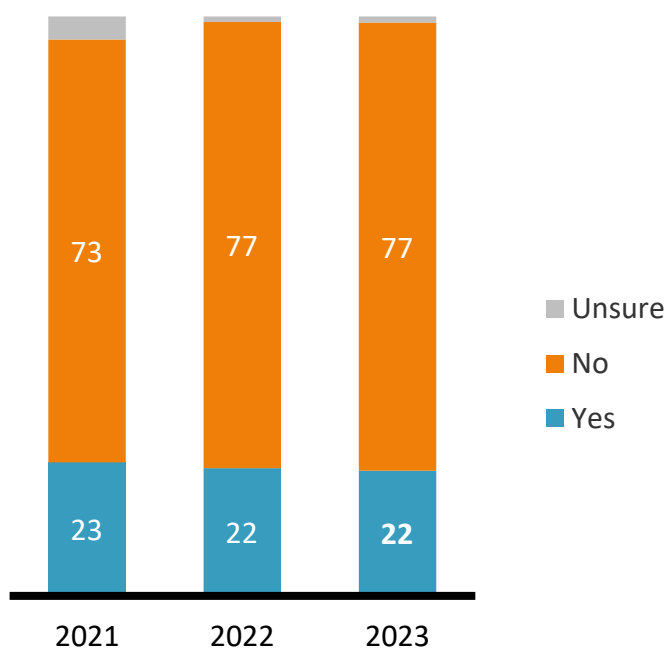
Base: Have heard of the service (approx. n=100).

8.3 Usage of Utilities Dispute

Among respondents who were aware of the Utilities Dispute service (n=142), 22% said they had used the service (unchanged).

There were no significant and meaningful demographic differences.

Q: Have you ever used the Utilities Disputes service? (%)



Base: Have heard of the service (approx. n=100).

9. Powerswitch

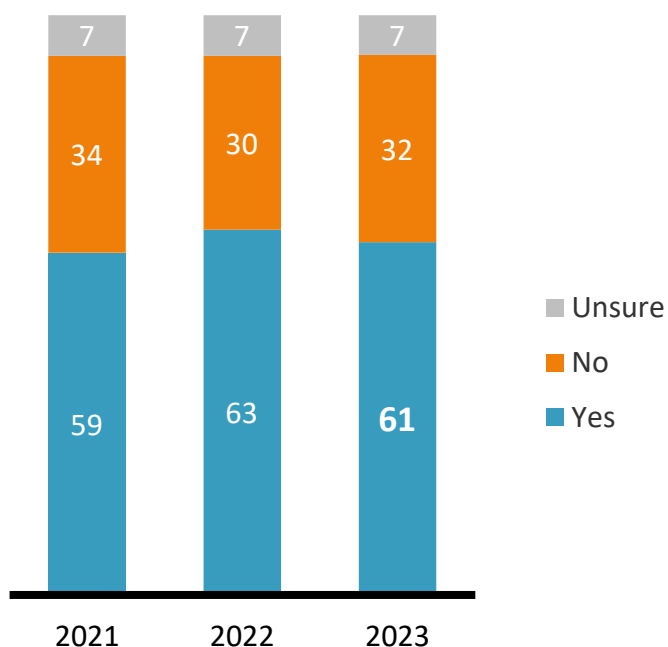
9.1 Awareness of Powerswitch

Awareness of Powerswitch remains steady; with 61% (down 2%) stating they had before now, heard of Powerswitch.

Demographic differences

Those more likely to say they have heard of it included respondents aged 60+ years (73%), NZ Europeans (65%), those who had a household income greater than \$100K (66%), homeowners (68%) and electricity decision makers (64%).

Q: Before now, had you ever heard of Powerswitch? (%)



Base: All respondents (approx. n=1000 per survey).

9.2 Where heard about Powerswitch

Respondents who had heard of Powerswitch were asked where they had heard about it (n=622)

The main ways were through hearing about it on TV followed by google/internet searchers and from others through word of mouth.

- Most frequently mentioned was TV at 38% (down 2%) and 30% Google or another internet search (up 3%).
- These were followed by word of mouth at 23% (up 7%) and Consumer NZ at 14% (down 1%).
- Between 2% and 8% of respondents mentioned other channels, including radio, newspaper, work, power provider and on their power bill.
- 11% could not recall where they had heard about it (down 4%).

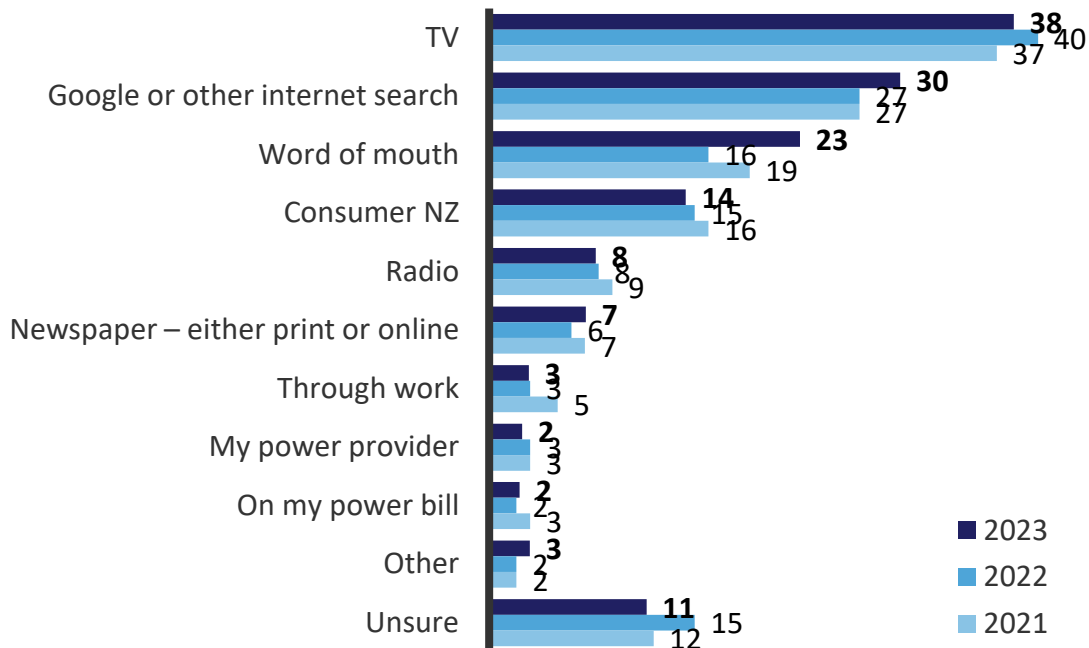
63% had heard about the service from a single information source, while 16% had heard about it via two channels and 10% via three or more channels.

Demographic differences

Those aged between 30-44 (40%) were more likely to say they heard about Powerswitch through Google or other internet searches.

Respondents aged 60+ years were more likely to have heard about Powerswitch from Consumer NZ (22%).

Q: Where did you hear about it? (%)



Base: Aware of Powerswitch (approx. n=600).

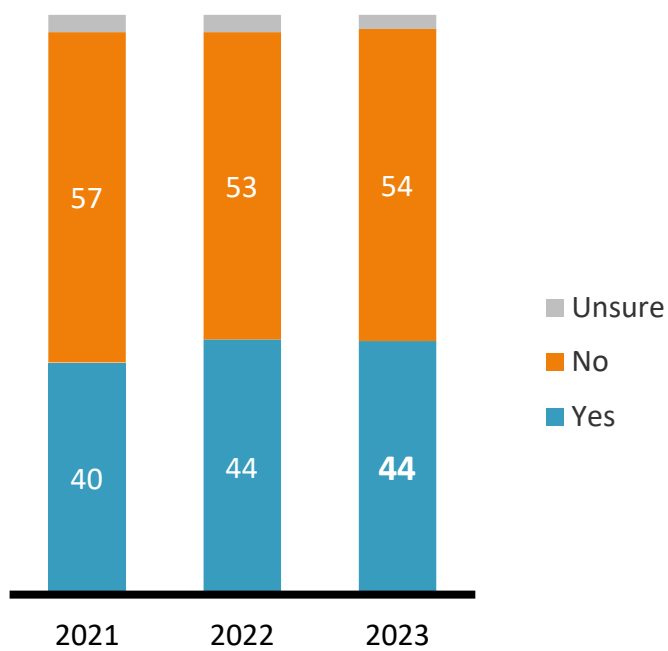
9.3 Usage of Powerswitch

Among respondents who were aware of Powerswitch (n=622), 44% (unchanged) said they had used the service.

Demographic differences

Homeowners were more likely to say they have used Powerswitch (49%).

Q: Have you ever used Powerswitch? (%)



Base: Aware of Powerswitch (approx. n=600).

