

# Saves and Win-backs Code Amendment – Summary of Submissions

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# 1 Overview of the consultation

- 1.1 On 5 November 2019 the Electricity Authority (the Authority) published a consultation paper titled *Saves and Win-backs Code Amendment – Consultation Paper*.<sup>1</sup> This consultation paper discussed a proposal to augment the current saves protection scheme by prohibiting retailers from initiating win-backs.<sup>2</sup> The key elements of the proposal included:
- (a) expanding the existing saves protection scheme to all retailers (rather than having retailers ‘opt-in’)
  - (b) prohibiting a losing retailer from targeted marketing to a previous customer for 180 days after the customer switches to a gaining retailer<sup>3</sup>
  - (c) specifying limited circumstances in which a losing retailer may contact a previous customer
  - (d) prohibiting a losing retailer from using a switching customer’s information during the prohibition period to attempt a win-back or to facilitate a switch by a retailer other than the gaining retailer
  - (e) amending good conduct provisions to require retailers to adhere to high standards of conduct with customers.
- 1.2 The proposed ban on win-backs aimed to increase competitive pressure on existing retailers; stimulate innovation; promote customer acquisition by retailers and consumer search for electricity prices and plans; reduce retail margins; and reduce information asymmetries between retailers and consumers and between competing retailers. All of these outcomes are expected to benefit consumers in the long term.
- 1.3 The Authority received sixteen submissions: fourteen from retailers, one from a distributor, and one from a consumer aggregator. (See Appendix A for a list of the submitters.) Large and small retailers both submitted, with the two groups providing different perspectives on the proposal.<sup>4</sup>
- 1.4 The consultation paper, submissions, and additional material on saves and win-backs can be found on the Authority’s website: <https://www.ea.govt.nz/development/work-programme/consumer-choice-competition/saves-and-win-backs/consultation/#c18250>.
- 1.5 The Authority’s decision paper is available at: <https://www.ea.govt.nz/development/work-programme/consumer-choice-competition/saves-and-win-backs/>.

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<sup>1</sup> See <https://www.ea.govt.nz/dmsdocument/25988-saves-and-win-backs-code-amendment-consultation-paper-2019>.

<sup>2</sup> A save occurs when a switching consumer is convinced to return to the losing retailer before the switch is formally complete. A win-back occurs when the losing retailer convinces the switching consumer to leave the ‘gaining retailer’. (See also footnote 3).

<sup>3</sup> We use the terms ‘losing retailer’ and ‘gaining retailer’ to mean, respectively, the retailer that a consumer formerly contracted with and the retailer that the consumer intends (or has begun) to contract with.

<sup>4</sup> For the sake of brevity, we refer to the joint submission from Meridian Energy & Powershop as coming from Meridian/Powershop.

## 2 General themes in the submissions received

- 2.1 This section discusses the general themes of the submissions. The Authority has endeavoured to accurately summarise views expressed in the submissions. However, this summary necessarily compresses the information provided in submissions and the individual submissions should be read to obtain a full account of submitters' views.
- 2.2 We provide page numbers when we refer to views expressed by submitters. These page numbers accord with the submissions posted on the Authority's website, even when the submission itself is un-numbered. (In some cases, multiple documents were collated into a single submission with some duplication of page numbering in the originals.) No page reference is given when a submission is a single page.

### Broad support for ban on retailer-initiated win-backs

- 2.3 Most submissions were broadly supportive of the proposal, but many had suggestions about how the proposal might be improved. Eleven submitters agreed with the thrust of the proposal, three were opposed, and two were unsure whether the proposal would be beneficial or had mixed views (see Table 1).<sup>5</sup>

**Table 1 Proposal assessment – For / against / uncertain**

For	Against	Uncertain / mixed views
Ecotricity, Electric Kiwi, energyclubnz, Flick Electric, Mercury, One Big Switch, OurPower, Paua to the People, Pulse Energy, Vector, Vocus Communications	Genesis Energy, Nova Energy, Trustpower	Contact Energy, Meridian/Powershop

- 2.4 There was likewise a range of views about whether the benefits of the proposal outweighed the costs (see Table 2). Most submitters did not quantify the costs associated with the proposal. Some submitters provided estimates of the consumer benefits, focussing on loyalty taxes (discussed further below). Some submitters argued that the benefits of the proposal were large, and clearly support the proposal, but did not explicitly discuss the corresponding magnitude of the costs.
- 2.5 energyclubnz provided one of the more detailed discussions of retailer implementation costs. energyclubnz (p. 2, bullet 6) submitted that the benefits far out-weigh the implementation costs of the proposal. They suggested (p. 3) that implementation costs for retailers are significantly overstated, and that any changes required to billing systems to adapt to new registry codes would be minor (if needed at all); energyclubnz estimated their own costs from the change to be zero.

<sup>5</sup> A range of views were expressed. For example, Pulse Energy submitted "[w]e think an outright prohibition [on win-backs] is the best solution". Vocus Communications (p. 2) suggested that "the Authority's priority should be on implementing the ban on winbacks expeditiously." Vector (p. 1) "strongly supports the proposed Code amendment and considers it long overdue." Mercury (p. 2) submitted "[w]e agree that a prohibition on saves and win-backs could potentially foster competition amongst retailers." Contact Energy "believes there is some value in prohibiting saves and win-backs". Meridian/Powershop, in their joint submission, noted (p. 4) that they are "unsure whether prohibiting win-backs for a period of time will foster or harm competition". Nova Energy (p. 2) suggested "it is entirely possible prohibiting win-backs may lessen retail competition and consumer access to better pricing".

- 2.6 Trustpower (pp. 4-5) raised questions about the range of implementation costs for retailers projected by the Authority but did not provide estimates of retailer implementation costs. Trustpower submitted that the magnitude of implementation costs would depend on when any changes to the Code commence.

**Table 2 Benefits out-weight costs?**

<b>Identifies that benefits exceed costs</b>	<b>Benefits/costs difficult to quantify</b>	<b>Benefits versus costs not explicitly discussed</b>
Electric Kiwi, energyclubnz, One Big Switch, OurPower	Genesis Energy, Mercury, Meridian/Powershop, Nova Energy, Paua to the People, Trustpower <sup>6</sup>	Contact Energy, Ecotricity, Flick Electric, Pulse Energy, Vector, Vocus Communications

- 2.7 Submitters provided a variety of perspectives on problems that the policy could address (and on the lack of such problems; see Table 3).
- 2.8 Vocus Communications (pp. 6-7) submitted that the Authority consistently defined the problem with saves and win-backs in its 2014 and 2019 consultations and that there was no need to reinvent the wheel. Vocus Communications noted that banning saves but not win-backs had resulted in win-backs being substituted for saves. OurPower (p. 1) noted that joining the save protection scheme had no impact on the number of customers returning to losing retailers.
- 2.9 energyclubnz (p. 1) agreed with the consultation paper that saves and win-backs can stifle customer acquisition and discourage potential entrants, thereby reducing competition. Paua to the People (p.1) submitted that generator-retailers have strangled competition in the New Zealand electricity market. OurPower (p. 1) submitted that win-backs reduce market transparency for customers.
- 2.10 Some submitters, such as Ecotricity, Flick Electric and others, referenced material on the two-tier market and 'loyalty taxes' – the differential between electricity prices paid by consumers that tend not to switch and those that do. These submitters suggested that the benefits of the win-backs proposal were large. Electric Kiwi (p. 3) suggested that consumers are paying \$500 million in loyalty taxes per year. Electric Kiwi (p. 17) also noted that the Electricity Price Review panel estimated that retail consumers would save on average about \$240 per year if they moved to the cheapest plan available.
- 2.11 At the other end of the spectrum, Meridian/Powershop submitted (p. 2) that barriers to entry into the retail electricity market are low and that the market is already highly competitive. They also submitted that offers and counter-offers from retailers looking to win or retain business are vitally important for competition.

<sup>6</sup> Trustpower (p. 4 and p. 5) noted that the costs depend on the implementation date and referenced the Australian Competition & Consumer Commission, which suggested that regulating save and win-back activity would add regulatory burden and complexity, affecting cost ultimately borne by consumers. (See ACCC, 2018, p. 151).

**Table 3 Problem definition**

Two-tier market / Loyalty taxes	Win-backs weaken competition / barrier to entry	No market or regulatory problem	Problem definition not discussed
Ecotricity, Electric Kiwi, Flick Electric, OurPower, Trustpower, Vector, Vocus Communications	Electric Kiwi, energyclubnz, Mercury, Nova Energy, Paua to the People, Vector, Vocus Communications	Genesis Energy, Meridian/Powershop	Contact Energy, Pulse Energy, One Big Switch

\* Note: submitters may appear in multiple columns.

### **Effects of the proposal if implemented**

- 2.12 A range of views were submitted on the likely effects of the proposed Code amendment. Vocus Communications (p. 2) agreed with the consultation paper that the amendment would increase competitive pressure, innovation, customer acquisition, consumer search, reduce retail margins, and place retailers and their competitors on a more even competitive footing in regard to information about consumers.
- 2.13 Ecotricity (p. 1) suggests that closing loopholes would increase competition for the benefit of consumers. Meridian/Powershop (p. 2) submitted that prohibiting win-backs might disadvantage switching consumers because they would have fewer options to choose from if losing retailers are restricted from providing counter-offers. Meridian/Powershop (p. 4) are unsure whether prohibiting win-backs will foster or harm competition.
- 2.14 A number of submitters, such as Vector (pp. 1,2), Ecotricity (p. 2), and Electric Kiwi (p. 5), emphasise the two tier market and 'loyalty taxes', and implicitly or explicitly suggest that a prohibition on win-backs will help to lower pricing for both switching and non-switching consumers. OurPower (p. 1) suggested that prohibiting win-backs would create value by encouraging retailers to offer competitive prices to all consumers. Electric Kiwi suggested (p. 7) that a ban on saves and win-backs would ensure that everyone gets lower prices, by shifting the competitive focus from customers that switch to all customers.

### **Prohibition / protection period**

- 2.15 Retailer views on the length of the prohibition period were fairly evenly split: larger retailers generally supported shorter prohibition periods, around 30-90 days; smaller retailers generally suggested that win-backs should be prohibited indefinitely. Three submitters suggested that the proposed prohibition period of 180 days strikes a reasonable balance. (See Table 4.)

**Table 4 Suggested prohibition length?**

30-90 days	180 days	Indefinitely long	Not discussed
Genesis Energy, Mercury, Meridian/Powershop, Nova Energy, Trustpower	One Big Switch, OurPower, Vector	Ecotricity, Electric Kiwi, energyclubnz, Flick Electric, Pulse Energy, Vocus Communications	Contact Energy, Paua to the People

**Prohibit the use of customer information indefinitely**

- 2.16 The proposed Code amendment provides that, except for specific circumstances, losing retailers would be expected to refrain from using information about their switching customers for marketing activities during the switch protection period.
- 2.17 As reported in Table 5, most small retailers submitted that a losing retailer should be indefinitely prohibited from using information that it had acquired through the switch process or as part of a prior commercial relationship. Most small retailers submitted that such a prohibition would accord with the privacy principles of the Privacy Act 1993.<sup>7</sup>
- 2.18 In contrast, Trustpower (p. 6) noted obligations under the Code and legitimate reasons for passing customer information to other parties. For example, section 11.32A requires retailers to provide consumers with their electricity consumption relating to any consumption in the last 24 months, even if the retailer no longer has a contract to supply electricity to the consumer. And section 11.32E allows for a consumer to authorise an agent to request consumption data from a retailer. Trustpower also notes that recovering monies owed might result in customer information being used or passed to a third party (e.g. to a debt collection agency).

**Table 5 Prohibit losing retailer from using consumer information?**

Prohibit use of consumer data indefinitely	Not discussed
Ecotricity, Electric Kiwi, energyclubnz, Flick Electric, Pulse Energy, Vocus Communications	Contact Energy, Genesis Energy, Mercury, Meridian/Powershop, Nova Energy, Paua to the People, One Big Switch, OurPower, Trustpower, Vector

**Good conduct**

- 2.19 The Authority proposed good conduct provisions to clarify expected standards of ethical behaviour during the switching process. These provisions were based on similar requirements in the Code for Transfer of Telecommunications Services (see section 45 of that code), which the Electricity Price Review panel had highlighted as a model for revising the Code governing electricity win-backs.

<sup>7</sup> Principle 9 of the Privacy Act states that “[a]n agency that holds personal information shall not keep that information for longer than is required for the purposes for which the information may lawfully be used.”

- 2.20 Feedback on the good conduct provisions was mixed (see Table 6). Some small and large retailers supported their inclusion of good conduct requirements and other small and large retailers submitted that the proposed section should be omitted or re-drafted.
- 2.21 Various submitters noted that the proposed good conduct obligations overlap with the Fair Trading Act 1996 and the Consumer Guarantees Act 1993. Some submitters suggested that the provision overlapped with Commerce Commission responsibilities for consumer protection. Given the overlap, some submitters argued that the good conduct provision was not required.
- 2.22 A number of submitters were particularly concerned by the drafting that indicated a retailer could not “communicate any opinion... about any other retailer... that would... bring that other retailer’s reputation into disrepute”. (The drafted section is similar to paragraph 45.2 of the Code for Transfer of Telecommunications Services.) Electric Kiwi and Vocus Communications indicated that this particular provision would interfere with their ability to tell the truth about their competitors.
- 2.23 Contact Energy supported good conduct obligations but remained concerned about their enforceability. Pua for the People (p. 1) suggested that the incentives for front-line staff or third party organisations to comply with good conduct obligations are weak and noted the difficulty of monitoring retailer/agent interactions with customers ‘on the doorstep’.
- 2.24 Meridian/Powershop (p. 6) also supported the inclusion of good conduct obligations but had concerns about their enforcement. Meridian/Powershop argue that saves and win-back offers, when permitted, represent an opportunity to correct misrepresentations by competitors. Thus, if win-backs are prohibited they suggested there would be increased onus on the Authority and Commerce Commission to monitor and enforce good behaviour by retailers to ensure that offers are not misrepresented.
- 2.25 Trustpower (p. 7) noted that the Commerce and Consumer Affairs Minister announced legislative efforts in September 2019 to strengthen consumer protection from unfair commercial practices. Trustpower also notes voluntary principles for retailers in “Final Principles and Minimum Terms and Conditions for Domestic Contracts for Delivered Electricity (Interposed)”.<sup>8</sup> In this regulatory context, Trustpower does not support the inclusion of the good conduct provision in the Code.

**Table 6 Good conduct obligations?**

Good conduct required	Good conduct not required or drafting needs revision	Good conduct not expected to be effective
Contact Energy, Mercury, Meridian/Powershop, Nova Energy, Pulse Energy, One Big Switch, OurPower, Vector	Ecotricity, Electric Kiwi energyclubnz, Flick Electric, Genesis Energy, Trustpower, Vocus Communications	Pua to the People

<sup>8</sup> See <https://www.ea.govt.nz/operations/retail/retailers/retailer-obligations>.



## Specific design elements

- 2.26 As part of the consultation the Authority sought feedback on whether the proposal should:
- (a) Apply the proposal to retailers or traders
  - (b) apply the proposal to all consumers or just a subset, such as households and small businesses;
  - (c) if the latter, determine whether to identify consumers by their meter category or by their ANZSIC code
  - (d) terminate the prohibition period if a consumer shifts ICP or shifts to a subsequent gaining retailer.
- 2.27 Here we briefly summarise some of the feedback and highlight the balance of view in tables 10-12.
- 2.28 When discussed, submissions were clear that the proposal should be applied to retailers rather than traders. Submitters were concerned that if the provision applied to traders they could develop non-trader retail subsidiaries to avoid the intent of the proposed Code amendment.

**Table 7 Apply to retailers or to traders?**

Apply proposal to retailers	Apply to traders	Not discussed	Neutral
Electric Kiwi, Flick Electric, Genesis Energy, Mercury, Meridian/Powershop, Nova Energy, OurPower, Paua to the People, Trustpower, Vector, Vocus Communications	[None]	Contact Energy, Ecotricity, energyclubnz, Pulse Energy	One Big Switch

- 2.29 Submitters were split on whether the policy should apply to a subset of consumers (such as households and small businesses) or on whether it should be applied to all consumers. Some submitters noted that the Electricity Price Reviews was explicitly motivated by concerns for household consumers and suggested that the proposal should target residential households. Since households are coded with ANZSIC code 000000 in the registry, choosing ANZSIC codes to identify the relevant consumer group essentially limits the proposal to residential consumers (households) and excludes small businesses.
- 2.30 Most large retailers, except Trustpower, suggested the proposal should apply to a subset of residential or residential and small businesses, and most small retailers suggested the proposal should apply to all consumers irrespective of size. See Table 8. Submitters were concerned that if the proposal were applied to traders that would set up perverse incentives to develop non-trader subsidiaries to avoid the proposed ban on win-backs initiated by traders.

**Table 8 All consumers or a subset?**

<b>Subset of consumers – by meter category</b>	<b>Subset of consumers – by ANZSIC code</b>	<b>All consumers</b>	<b>Not discussed</b>
Contact Energy (cat. 1 only), Mercury (cat. 1 & 2), Meridian/Powershop (cat. 1 & 2), One Big Switch, OurPower, Vector (cat. 1)	Genesis Energy, Nova Energy	Ecotricity, Electric Kiwi, Flick Electric, One Big Switch, Paua to the People, Trustpower, Vocus Communications	energyclubnz, Pulse Energy

Note: Cat. (= category) refers to the meter category, as in part 10 of the Code. One Big Switch appears twice because it was indifferent between using meters to classify the relevant consumers and applying the ban on win-backs to consumers of all types. OurPower indicated that the proposal should be applied to residential and small business consumers, which implicitly suggests consumers be identified by meter category.

- 2.31 Feedback was requested on whether there should be conditions under which prohibition periods terminate early. Two possibilities were raised: i) terminating a win-back prohibition period for a losing retailer if the consumer subsequently shifts from one installation control point to another; and ii) terminating a losing retailer’s prohibition period if the consumer subsequently shifted from an initial gaining retailer to a subsequent retailer.
- 2.32 The majority of feedback suggested that these ‘conditional’ termination rules added unnecessary complexity. Submitters also suggested that a losing retailer would not be aware that a customer lost to a gaining retailer had changed ICP or had switched to yet another retailer.
- 2.33 A tick in Table 9 indicates support for an early termination option by the retailer(s) in the first column and a cross indicates that early termination is opposed.

**Table 9 Conditional termination rules – ICP-switches or retailer-switches**

Submitter	ICP-switch terminates win-back prohibition period	Subsequent retailer-switch terminates win-back prohibition period
Ecotricity, Electric Kiwi Meridian/Powershop, One Big Switch, OurPower, Paua to the People, Vocus Communications	✘	✘
Contact Energy, Nova Energy, Flick Electric	✘	Not discussed
energyclubnz	Not discussed	✘
Mercury	✔	✘
Trustpower	✔	Not discussed
Genesis Energy	✔	✔
Pulse Energy, Vector	Not discussed	Not discussed

### **Monitoring, enforcement, and post-implementation reviews**

- 2.34 Many submitters raised issues with monitoring outcomes and enforcing the various provisions. Difficulties arise because there are legitimate reasons why a retailer may contact a consumer during a prohibition period, there are legitimate processes by which a consumer may switch back to a losing retailer, and consumer-retailer interactions are not perfectly observed, thus it is difficult to ensure that retailers have behaved in accordance with their obligations under the Code. Flick Electric (p. 2) suggested that general marketing campaigns need to be monitored, as well as contact with individual customers during such campaigns.
- 2.35 Paua to the People (p. 2) raised questions about penalties for breaching and contended that there were no remedies for wronged retailers when a competitor fails to comply with the save protection scheme. energyclubnz (p. 3) submitted that there are no effective penalties for breaches of the [current saves protection scheme] Code and the resolution process is slow. Nova Energy (p. 2) suggested that strong enforcement powers and penalties for non-compliance were required to support the good conduct provisions.
- 2.36 As noted, some retailers suggested to prohibit the use of consumer information received prior to the switch or as part of the switching process. Vocus Communications (p. 4) suggested that this would serve as a bright line test for compliance: marketing staff at losing retailers should not be permitted to use contact details for switching consumers as part of their marketing.

- 2.37 As noted earlier, submitters argued that the costs and benefits of the proposed Code amendment were difficult to estimate, making it difficult to know whether it is appropriate to implement the amendment. As a result, many suggested that interim monitoring was desirable to keep track of the implications of the policy on an on-going basis, rather than leaving the evaluation to a later date (see Table 10). Other submitters suggested that the proposed post-implementation review should occur three years after implementation, in accord with a suggestion from the Electricity Price Review.
- 2.38 Contact Energy suggested that the efforts to monitor and the measure of the effects of the prohibition should be announced in advanced. Vocus Communications (p. 3) suggested that the size of loyalty taxes, the extent of higher prices, and distributional effects should be investigated in any post-implementation review. Vocus Communications also suggested that the savings calculation should be re-instituted in the Electricity Market Information (EMI) website to monitor progress. (The most recent report is for 2017.)
- 2.39 Trustpower suggested that any change to win-back rules should be discontinued if the two-year post-implementation review indicates that it has not increased competition and provided consumer benefit as expected. Genesis Energy (p. 4) suggested that the requirement for a post-implementation should be included in the Code and that if no material improvement in competition is found then then the win-back prohibition should be removed.

**Table 10 Timing of monitoring and post-implementation review?**

Interim monitoring required (e.g. annual)	Two year post-implementation review	Three year post-implementation review	Not discussed
Electric Kiwi, Mercury, Meridian/Powershop, Nova Energy, One Big Switch, Trustpower	energyclubnz, Mercury, Trustpower,	Electric Kiwi, Flick Electric, Vector	Contact Energy, Ecotricity, Genesis Energy, OurPower, Pua to the People, Pulse Energy, Vocus Communications

\* Note: submitters may appear in multiple columns.

### **Director attestation of compliance with win-back prohibition**

- 2.40 Although not raised in the consultation paper, five submitters suggested that the directors of retailers should be required to attest that their companies comply with the regulations. Ecotricity (p. 4) suggested that such certification could be done in parallel with the attestations required for stress testing. (Retailers are also required to certify their customer compensation scheme comply with subpart 4 of part 9 of the Code.)

**Table 11 Director attestation?**

<b>Support director attestation</b>	<b>Not discussed</b>
Ecotricity, Electric Kiwi, energyclubnz, Flick Electric, Vocus Communications	Contact Energy, Genesis Energy, Mercury, Meridian/Powershop, Nova Energy, One Big Switch, OurPower, Paua to the People, Pulse Energy, Trustpower, Vector

## **Urgency**

- 2.41 Eight submitters argued that the proposed ban on win-backs should be implemented urgently or was long over-due. Many of them suggested that a win-back prohibition should be instituted by Christmas 2019.

**Table 12 Expedite proposal urgently?**

<b>Urgent/over-due</b>	<b>Not discussed</b>
Ecotricity, Electric Kiwi, energyclubnz, Flick Electric, Paua to the People, Pulse Energy, Vector, Vocus Communications	Contact Energy, Genesis Energy, Meridian/Powershop, One Big Switch, OurPower, Mercury, Nova Energy, Trustpower

## **Miscellaneous observations / suggestions**

- 2.42 Nova Energy (P. 5) suggested that changes in contract lengths with higher termination fees might be an unintended consequence of the regulation. Pulse Energy submitted that termination fees are anti-competitive, often not clearly explained, and may be rolled over automatically. Pulse Energy also suggested 'sales offers' and references to sales campaigns should be prohibited during the finalisation of customer accounts.
- 2.43 Electric Kiwi (pp. 2, 6) suggested that the Authority should consider tightening regulations on minimum switch times, since the proposed ban on win-backs is likely to reduce incentives for rapid customer switches.
- 2.44 The proposal noted that multi-product retailers, such as those providing electricity and gas or electricity and broadband, would be subject to the win-back prohibition, just like retailers that are only providing electricity services (see para 3.18 of the consultation paper). Multi-product retailers may contact their customers to discuss their other products, note any fees or changes in pricing, but they must ensure that they do not use these conversations to win-back customers for their electricity services. Pulse Energy explicitly supported the application of win-back provisions to bundled offers. Genesis Energy (p. 2) noted that they would welcome guidance as to how to ensure that conversations with customers remain compliant with the policy. Contact Energy submitted that applying a win-back prohibition to electricity might be difficult as customers would struggle to differentiate conversations about electricity from conversations about other services.
- 2.45 energyclubnz (p. 3) suggested that there are no effective penalties for Code breaches and suggested that the breach resolution process is slow. Nova Energy (p. 2) suggested

that strong enforcement powers and penalties for non-compliance would be needed to support good conduct requirements.

- 2.46 Some submitters suggested other areas that were also important to support competition in the retail market. For example, Vector (p. 3) highlighted compulsory market-making in the hedge market, aggressive monitoring and enforcement of wholesale market manipulation and greater transparency from vertically integrated generator-retailers. Ecotricity (p. 3) also noted issues associated with access to hedge markets on similar terms to those of gentailers. Electric Kiwi submitted that mandatory (hedge) market-making and a prohibition on saves and win-backs are highly complementary and will promote competition.
- 2.47 Trustpower does not support a prohibition on saves and win-backs (p. 2), and instead supports the package of reforms proposed by the EPR panel to increase consumer engagement, to distribute the benefits of competition more widely across consumers.

## Appendix A List of submitters

Submitter	Description of submitter
Contact Energy	Large retailer with >200,00 installation control points
Ecotricity	Small retailer with <100,000 installation control points
Electric Kiwi	Small retailer with <100,000 installation control points
energyclubnz	Small retailer with <100,000 installation control points
Flick Electric	Small retailer with <100,000 installation control points
Genesis Energy	Large retailer with >200,00 installation control points
Mercury	Large retailer with >200,00 installation control points
Meridian Energy & Powershop	Large retailer with >200,00 installation control points
Nova Energy	Small retailer with <100,00 installation control points
One Big Switch	Customer aggregator
OurPower	Small retailer with <100,00 installation control points
Paua to the People	Small retailer with <100,00 installation control points
Pulse Energy	Small retailer with <100,00 installation control points
Trustpower	Large retailer with >200,00 installation control points
Vector	Distributor
Vocus Communications	Small retailer with <100,000 installation control points

## Appendix B Consultation questions

\* Note text in square brackets has been added to clarify the questions, in accordance with the main text of the consultation paper.

	Question
Q1	Do you agree the issues identified by the Authority are worthy of attention?
Q2	Do you agree that prohibiting win-backs for a period of time will foster competition? How long should any win-back prohibition period be?
Q3	Do you agree that losing retailers should be prohibited from passing information to third parties? Why or why not?
Q4	Do you agree that good conduct obligations are required? Why or why not?
Q5	Do you agree that the win-backs prohibition should apply to retailers [cf. traders]? Why or why not?
Q6	Do you agree that a win-back prohibition period should only terminate after a given period of time (eg, 180 days) [and does not end if the customer switches from the gaining retailer to another retailer]? Why or why not?
Q7	Do you agree that a losing retailer's win-back prohibition period should not be terminated if the departing customer subsequently shifts to a new ICP? Why or why not?
Q8	Should the save/win-back protection scheme apply to all consumers? If not, which consumers should the scheme apply to? And how should such customers be identified (eg, by the meter category at their ICP or by their ANZSIC code)?
Q9	What changes to the registry should be made to facilitate monitoring and enforcement of the proposed amendment?
Q10	Do you agree with the objectives of the proposed amendment? If not, why not?
Q11	Do you agree the benefits of the proposed amendment would outweigh its costs?
Q12	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 objective.
Q13	Do you agree the Authority's proposed amendment complies with section 32(1) of the Act?
Q14	Do you have any comments on the drafting of the proposed amendment?



## References

ACCC (2018) *Restoring electricity affordability and Australia's competitive advantage: Retail Electricity Pricing Inquiry---Final report*, Australian Competition & Consumer Commission, June,

[https://www.accc.gov.au/system/files/Retail%20Electricity%20Pricing%20Inquiry%E2%80%94Final%20Report%20June%202018\\_0.pdf](https://www.accc.gov.au/system/files/Retail%20Electricity%20Pricing%20Inquiry%E2%80%94Final%20Report%20June%202018_0.pdf).

## Glossary of abbreviations and terms

Term	Definition
ACCC	Australian Competition & Consumer Commission
Code	The Electricity Industry Participation Code 2010
EPR	Electricity Price Review
Gaining retailer	The retailer that a consumer is switching to
Gentailer	Generator – retailer
ICP	Installation control point
Losing retailer	The retailer that a consumer is switching away from
MDAG	Market Design Advisory Group