

13 March 2020

Electricity Authority
PO Box 10041
Wellington 6143
New Zealand

Attention: Jonathon Staite - Adviser Market Operations

Dear Jonathon,

Re. Raising Consumer Awareness of Utilities Disputes and Powerswitch Services Consultation Paper

Thank you for the opportunity to respond to the Raising Consumer Awareness of Utilities Disputes and Powerswitch Services Consultation Paper. Please see following our response to the questions raised.

Q1 – No, not really;

In our opinion the level of awareness of Utility Disputes is adequate insofar as it is shown clearly on all retailer invoices. We believe anybody looking to escalate a genuine complaint will have no problem identifying Utilities Disputes within the current regulatory framework. The proposed amendment is also wide and depending on the interpretation could be quite impractical to implement.

In terms of Powerswitch, concentrating on the underlying problems within the electricity market which have pushed wholesale prices up and made it extremely difficult for smaller retailers to compete would take care of competition as more active participants would create more marketing activity and therefore more churn. Comparison tool(s) could continue to act as a resource for those people approached by retailers to make sure what's on offer is competitive. We would also prefer that any promoted scheme is government run, transparent and fully independent.

Q2 – No;

We don't think adding Utilities Dispute information to every correspondence is sensible – it should be limited to correspondence which (a) has a material effect and (b) consumers may legitimately have reason to complain about e.g. invoices, price change notifications, credit letters and changes to terms and conditions.

Smart Billing Solutions manages non contestable networks on behalf of property owners. A requirement to add Powerswitch information on communications would cause confusion and is, we believe, inappropriate for non-contestable connections.

Any requirement to add Powerswitch information should be limited to certain types of communication only (e.g. price change letters) and be required for contestable connections only.

Q3 Unknown;

From the information provided the projected benefits appear to outweigh the projected costs, but there is insufficient information provided to reach an independent conclusion on this point. Some retailers, for example, may face substantially higher compliance costs than those indicated, depending on the interpretation of the scope of communications affected.

Q4 No;

Given the concerns raised in earlier answers we would not be in favour of the Authority pushing ahead with the amendment as it stands. At most we would prefer option two as we believe that most or all industry participants are responsible entities that can be relied upon to develop a robust voluntary arrangement without the need for further

regulation. From our point of view this would better allow for the handling of situations that may exist or arise that are outside of those contemplated by the proposed code amendment.

Q5 Maybe;

We agree that the amendment appears to comply however it is possible that requiring Utilities Disputes information on every correspondence could increase the number of complaints that lack merit, which would decrease the efficiency of the industry.

If you have any questions please don't hesitate to contact the undersigned.

Yours sincerely,



Smart Billing Solutions Limited

Nick Oldham

General Manager