



Disabled Persons Assembly NZ

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To Electricity Authority

Please find attached our submission on the Consumer Care Obligations

For any further inquiries, please contact:

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Introducing Disabled Persons Assembly NZ

We work on systemic change for the equity of disabled people

Disabled Persons Assembly NZ (DPA) is a not-for-profit pan-impairment Disabled People's Organisation run by and for disabled people.

We recognise:

- Māori as Tangata Whenua and [Te Tiriti o Waitangi](#) as the founding document of Aotearoa New Zealand;
- disabled people as experts on their own lives;
- the [Social Model of Disability](#) as the guiding principle for interpreting disability and impairment;
- the [United Nations Convention on the Rights of Persons with Disabilities](#) as the basis for disabled people's relationship with the State;
- the [New Zealand Disability Strategy](#) as Government agencies' guide on disability issues; and
- the [Enabling Good Lives Principles](#), [Whāia Te Ao Mārama: Māori Disability Action Plan](#), and [Faiva Ora: National Pasifika Disability Disability Plan](#) as avenues to disabled people gaining greater choice and control over their lives and supports.

We drive systemic change through:

Rangatiratanga / Leadership: reflecting the collective voice of disabled people, locally, nationally and internationally.

Pārongo me te tohutohu / Information and advice: informing and advising on policies impacting on the lives of disabled people.

Kōkiri / Advocacy: supporting disabled people to have a voice, including a collective voice, in society.

Aroturuki / Monitoring: monitoring and giving feedback on existing laws, policies and practices about and relevant to disabled people.

United Nations Convention on the Rights of Persons with Disabilities

DPA was influential in creating the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD),¹ a foundational document for disabled people which New Zealand has signed and ratified, confirming that disabled people must have the same human rights as everyone else. All state bodies in New Zealand, including local and regional government, have a responsibility to uphold the principles and articles of this convention.

The following UNCRPD articles are particularly relevant to this submission:

- **Article 28 – Adequate standard of living and social protection**

The Submission

Q1: Do you agree with our approach to making operational improvements to the Guidelines?

DPA welcomes these new protections for electricity consumers across Aotearoa and the fact that the guidelines will be applied mandatorily to all power retailers throughout the country.

DPA has collaborated with Electricity Allies in lobbying for this important change that will do much to tilt the balance in the electricity marketplace towards customers. We are pleased to see that the Authority has taken on board our comments around the need to recognise the issues facing disabled people and people with health conditions, especially those who are medically dependent customers.

Consumer care matters to the disability community as many disabled people need to have access to a stable power supply while, at the same time, navigating significant amounts of energy hardship and poverty. This is borne out by statistics as disabled

¹ <https://social.desa.un.org/issues/disability/crpd/convention-on-the-rights-of-persons-with-disabilities-articles>

people are more likely to live in cold, damp, mouldy homes which require a great deal more heating and cooling than places where non-disabled people live.²

Studies and data from the UK³ and New Zealand⁴ show that disabled people and people with health conditions need to consume more electricity to stay warm, cool down and charge or use disability-related equipment including power wheelchairs, hoist beds and breathing apparatus.

These additional energy-related costs are part of the additional costs of living with disability which are faced by many disabled people, with figures from 2018 showing that 54% of all beneficiaries receiving a benefit from Work and Income New Zealand either had a disability or health condition.⁵ WINZ provides some financial support for disabled people who face additional energy costs in the form of the Winter Energy Payment, Disability Allowance and hardship grants.⁶

Despite some financial support being available to disabled customers experiencing financial hardship from government, it is the actions of power retailers which cause the most stress to disabled people and their families/whānau struggling to meet their disability-related energy needs.

² Unknown author. (2017, March 15). Disabled people more likely to be in cold, damp rental accommodation – Statistics NZ survey. *New Zealand Herald*. <https://www.nzherald.co.nz/nz/disabled-people-more-likely-to-be-in-cold-damp-rental-accommodation-statistics-nz-survey/6LP3RYABGLY2EATG7L5357SQLI/>

³ Sumaria, P. (2022, September 21). Why are disabled people more vulnerable to rising energy costs and what can be done about it? Retrieved from <https://www.regen.co.uk/disability-and-energy/>

⁴ Statistics New Zealand. (2020, October 28). Measuring inequality for disabled New Zealanders: 2018. Retrieved from <https://www.stats.govt.nz/reports/measuring-inequality-for-disabled-new-zealanders-2018>

⁵ Kia Piki Ake Welfare Expert Advisory Group. (2019). Welfare system: statistics. Retrieved from [https://www.weag.govt.nz/background/welfare-system-statistics/#:~:text=Recipients%20with%20a%20health%20condition,Working%20For%20Families%20tax%20credits\).](https://www.weag.govt.nz/background/welfare-system-statistics/#:~:text=Recipients%20with%20a%20health%20condition,Working%20For%20Families%20tax%20credits).)

⁶ Work and Income Te Hiringa Tangata. (n.d.) Power, gas and heating if you have a disability. Retrieved from <https://www.workandincome.govt.nz/eligibility/health-and-disability/power-and-heating-if-you-have-a-disability.html>

Frequent power price increases and the need for disabled people to meet their high electricity needs sees many disabled people having to make the choice between heating, eating or doctor's visits.

These challenges culminate in some disabled people and people with health conditions facing the need to pay mounting bill debts or suffering disconnection – which for some people can represent the difference between life and death.

That is why making these guidelines mandatory will help disabled people, as customers, when they face barriers to keeping their electricity on, such as:

- Difficulties getting hold of a retailer
- Being left on the wrong plan, or overcharged for any other reason
- Being charged unreasonable fees
- Getting into debt with retailers
- Being disconnected without the retailer making five attempts at contact

We acknowledge that things will go wrong for consumers, even after these guidelines are applied.

However, when things do go wrong between customers and retailers, there will be a set of mandatory obligations to which both customers and/or their advocates can refer to if issues arise.

Q2: Do you agree with the new outcomes we have developed?

DPA agrees with the new outcomes that have been developed but there is a need to set outcomes about consumers knowing their rights and being empowered to make complaints.

The complaints process should be accessible for all customers to use, including disabled customers.

Recommendation 1: that power companies make their complaints and other communications accessible through providing, for example, information and forms

in accessible formats including, New Zealand Sign Language, Easy Read, Braille, captioned video, Plain English and audio formats.

Q3: Do you have any concerns about retailers monitoring electricity usage?

DPA agrees that full monitoring of a customer's electricity usage by retailers could help them identify and support customers in hardship or identify customers who would be better off on a different plan. Introducing greater monitoring requirements would particularly benefit disabled electricity customers.

Providing this information via an electricity data right (as is also being proposed by the Authority) will empower consumers through having real time access to their user data, rather than in delayed time as at present.

However, we seek to remind the Authority that it is important to acknowledge the digital divide and its disproportionate impact on disabled people.

A Department of Internal Affairs report (2020) on digital access by disabled people showed that the disability community continue to experience a reduced ability to engage with digital and online services compared to non-disabled people.⁷

That is why we prefer that other means of contact are used by companies including and up to in person home visits to ensure that disabled customers are not disconnected.

Granting additional monitoring authority for retailers will assist them in monitoring the usage of medically dependent customers (who include many disabled people) as well.

Q4: Do you agree with the proposed operational improvements we have made to this area of the Guidelines? (Protecting consumers experiencing payment difficulties).

⁷ <https://www.digital.govt.nz/news/digital-inclusion-ux-insights-for-disabled-people-report/>

DPA agrees to the proposed operational improvements to this area of the guidelines around protecting consumers experiencing payment difficulties.

As the discussion paper recommends, we agree that companies be required to visit customers before moving to disconnect them. Visits are an important extra safeguard, because disconnecting a property when retailers may not know what is happening or the financial issues being faced by customers living within them would be disastrous. Other forms of contact, such as signed courier, answered phone call or read in-app message may not provide the full picture of what is going on.

We agree with other additional safeguards including the following:

<p>Recommendation 2: that significant penalties be introduced for companies which breach the rules contained in these obligations.</p>

<p>Recommendation 3: full compensation for customers who are wronged by power companies.</p>

Q5: Do you agree on our proposed operational improvements for medically dependent consumers?

For disabled people, being medically dependent on electricity and fearing that retailers may disconnect them for unpaid debts is a huge concern.

The assessment process used by retailers when seeking to verify a customer's medical dependency application needs to become more straightforward.

We recently heard from a member that the process needs to be clarified after they were required to sign documentation permitting their power retailer to approach their GP to ask for their medical records.

This member uses a CPAP machine to aid breathing during sleep and his retailer required evidence of this from his GP.

In this case, the member was unsure as to whether this meant all his medical records or just the most relevant aspects around his sleep apnoea.

This raises the issue of the need to carefully word application forms for medical dependent status to mean that only medical information relevant to the person's request is shared and nothing more than that.

Recommendation 4: that customer application forms for medically dependent status clarify that only medical information relevant to the person's request is shared with retailers.

DPA asks that the following provisions also be added to the obligations as additional protections for disabled customers and customers with health conditions:

Recommendation 5: that a requirement for companies to inform the Electricity Authority urgently (within 2 hours) if they disconnect a medically dependent consumer is introduced.

Recommendation 6: that compensation for medically dependent customers who are wrongly disconnected is introduced.

Recommendation 7: that companies may not refuse or discontinue service to customers who are, or become, medically dependent on power as this would be discriminatory.

These additional protections will ensure that disabled customers and customers with health conditions who need a steady supply of electricity will be able to continue receiving service, even if they are experiencing financial hardship.

Q6: Do you agree with our proposed approach to improve monitoring and compliance?

DPA agrees that there needs to be a more thorough plan around how consumers will be involved and compensated.

We make the following recommendations around how this can be done:

Recommendation 8: that the plan for operationalising the guidelines be finalised through the involvement of all interested stakeholders including disabled people and disability organisations.

Recommendation 9: that the level of compensation and grounds under which it will be awarded is determined through consultation with all interested stakeholders including disabled people and disability organisations.

We would also like to see the following steps taken to further safeguard electricity consumers rights:

Recommendation 10: that communication about consumer rights is contained in every bill and clear, accessible guidelines about how to make complaints are also included.

Recommendation 11: that a complaints phone line is set up, and one that can be answered quickly by the Authority.

Recommendation 12: that the Electricity Authority be proactively required to monitor compliance, and Utilities Disputes should inform the EA of all non-compliances, even if the issue is settled with an individual customer.

Recommendation 13: that the Electricity Authority have the authority to impose penalties that are big enough to motivate companies to follow the rules. Penalties could be scaled depending on company size, profit margins and other considerations.

Q7: Do you have any feedback on Part 4 of the proposed Consumer Care Obligations relating to information and records relating to consumer care?

We commented earlier on the necessity to clarify the application process around medical records being given to retailers to prove medically dependent status.

Another aspect of the improved consumer care obligations that we welcome is the recommendation that retailers check that “the customer should be able to understand the retailer’s communications” through establishing an obligation to adapt communications based on the needs of each customer.

This flexibility is important to disabled people and D/deaf people who may prefer to (as noted under question 2) receive information in accessible formats including New Zealand Sign Language, Easy Read, Plain English, Braille, audio, or captioned video.

All retailers and their frontline staff should have the ability to support D/deaf, deafblind and disabled users of the New Zealand Relay Service.

<p>Recommendation 14: that all power retailers provide information and communications to disabled consumers in accessible formats if they request this.</p>
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Q8: Do you agree with our assessment that the benefits of mandating the Consumer Care Guidelines will outweigh the costs?

DPA agrees with the Authority’s assessment that the benefits of mandating outweigh the costs of not doing so.

Many of this country’s major power companies, particularly gentailers (power companies which operate both retail and generation arms) have made substantial

profits in the past year, approximately \$2.7 billion worth according to Consumer New Zealand.⁸

It stands to reason that medically dependent customers, disabled people, older people, people with health conditions and low-income families/whānau should not have to fear the risk of disconnection over debts.

Electricity companies could gain more out of building better, more compassionate and understanding relationships with at risk customers which could result in better outcomes in terms of, for example, establishing payment plans which enable customers to clear power debts at their own pace or even get them written off completely if unable to do so in certain circumstances.

Q9: Do you have any other comments on the proposed Consumer Care Obligations?

DPA views the introduction of mandatory obligations for power retailers as a long overdue step.

The current electricity market settings have failed to protect the most at-risk consumers, who include disabled people, older people and low-income communities.

In closing, we make the following additional recommendations to ensure that there is greater transparency, clarity and accountability from the electricity sector to all customers.

Recommendation 15: that power companies be required to break down their fees, and show transparently how these relate to actual costs, if a consumer requests this.

Recommendation 16: that disconnection/reconnection fees in cases of unpaid bills are banned.

⁸ <https://www.consumer.org.nz/articles/profits-surge-for-new-zealand-s-gentailers>

Recommendation 17: that power companies be prohibited from charging more than prepay rates for their cheapest post-pay plan.

Recommendation 18: that power companies be required to check every six months whether consumers are on the cheapest plan that they offer, and to inform them of better deals.

Recommendation 19: that power companies be required to include standard information on bills.