

10 September 2024

**Submissions
Electricity Authority**

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CONSUMER CARE CONSULTATION PAPER – SUBMISSION FROM NETWORK WAITAKI

Network Waitaki welcomes the opportunity to provide our comments to the “*Proposed Consumer Care Obligations*”. We also generally support and agree with the submission by the Electricity Networks Association (ENA).

We appreciate the intent of the Authority to protect residential consumers, especially medically dependent consumers (MDCs) or those facing hardship.

We do not agree that the proposed Consumer Care Obligations pertaining to Distributors will achieve the purpose of keeping MDCs safe. Instead, in our view the opposite is much more likely. We are very concerned that the proposed Consumer Care Obligations will give MDCs a false sense of safety by shifting the responsibility to the Distributor to visit residential premises in the event of an emergency when practicable and if there is sufficient time. Instead, it is in the best interest of an MDC that this responsibility lies with the MDC along with their healthcare provider so that they are prepared for a power outage at any time and are ready to activate their emergency response plan when required.

Network Waitaki delivers electricity to more than 13,000 consumers across a network of 2,000km of power lines, with urban, rural and remote rural customers. We are proud to power our community, and our focus and core objective is on providing a safe and reliable supply of electricity to all our consumers. It is not clear to us what the problem is that the EA is trying to solve with the proposed obligations to Distributors.

Our detailed comments are contained in Appendix 1, but in summary, the proposed obligations do not seem to consider:

- Existing regulatory arrangements such as Default Distributor Agreements and the Electricity Information Exchange Protocol 5A (EIEP5A) that set out requirements relating to outage notifications.
- That traders use non-regulated EIEP4 information to advise distributors of MDCs and that EIEP4 data is inconsistent and unreliable.
- “Visiting” physical residential premises before undertaking an electrical disconnection in an emergency will in most cases not be practicable and there will not be sufficient time.
- Most Distributors do not invoice residential consumers directly.

In case of any questions or clarifications on our responses please feel free to contact us.

Yours sincerely

Cornel van Basten
Regulatory Manager

Appendix 1

Submitter	Network Waitaki
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Questions	Comments
Q1. Do you have any feedback on our approach to making operational improvements to the Guidelines, to ensure the proposed Consumer Care Obligations are clear, and workable?	The proposals around distribution obligations are not clear and workable. Please see comments below.
Q2. Do you have any feedback on the proposals to clarify the application of the proposed Consumer Care Obligations?	The proposals around distribution obligations are not clear and workable. Please see comments below.
Q3. Do you have any feedback on the purpose statement for the proposed Part 11A of the Code?	Support the ENA submission
Q4. Do you have any feedback on the compliance monitoring provisions in the proposed Part 11A of the Code, or on the Authority's new outcomes framework?	Support the ENA submission
Q5. Do you have any feedback on the proposed improvements to terminology?	Support the ENA submission
Q6. Do you have any feedback on the proposal to align standards of behaviour in the proposed Consumer Care Obligations?	Support the ENA submission
Q7. Do you have any feedback on Part 2 of the proposed Consumer Care Obligations relating to consumer care policies and related matters?	Support the ENA submission
Q8. Do you have any feedback on Part 4 of the proposed Consumer Care Obligations relating to information and records relating to consumer care?	Support the ENA submission
Q9. Do you have any feedback on Part 3 of the proposed Consumer Care Obligations relating to when a customer signs up or is denied a contract?	Support the ENA submission

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Q10. Do you have any feedback on Part 5 of the proposed Consumer Care Obligations relating to business-as-usual account management?	Support the ENA submission
Q11. Do you have any feedback on Parts 6 and 7 of the proposed Consumer Care Obligations relating to customers experiencing payment difficulties and disconnections?	<p>Clause 42: Restriction on disconnection for non-payment by distributor</p> <p>(1) <i>A distributor must not electrically disconnect a residential consumer’s premises for nonpayment in respect of distribution services if that distributor has been notified of an application or a decision to record a person as a medically dependent consumer in relation to those premises under clause 58.</i></p> <p>(2) <i>A distributor must not otherwise electrically disconnect a residential consumer’s premises for non-payment in respect of distribution services unless the distributor has provided at least five business days’ notice to the retailer who is the trader recorded in the registry as being responsible for the relevant ICP.</i></p> <p>Comment: Network Waitaki, similar to the majority of Electricity distributors invoice retailers for network services, i.e. they do not invoice residential consumers directly.</p> <p>Recommendation: Clause 42 should clarify that this applies to Electricity Distributors that directly invoice residential consumers.</p>
Q12. Do you have any feedback on Part 8 of the proposed Consumer Care Obligations relating to medically dependent consumers?	<p>Clause 58: Retailer’s obligations to share information about medically dependent consumers</p> <p>1. If a retailer receives an application under clause 57, and the applicant has given their consent in accordance with clause 57(1)(b), the retailer must:</p> <p>(a) if the retailer is the trader recorded in the registry as being responsible for the relevant ICP, advise the relevant distributor and metering equipment provider, using the relevant EIEP, of:</p> <p>(i) the application, at the time the retailer receives the application; and</p>

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	<p>(ii) the retailer's decision regarding whether to record the applicant as a medically dependent consumer, as soon as practicable once the retailer has made that decision; and</p> <p>(b) if the retailer is not the trader recorded in the registry as being responsible for the relevant ICP, advise that trader of the matters in subparagraph (a)(i) and (ii).</p> <p>2. If a trader receives advice under subparagraph (1)(b), the trader must record that information and advise the relevant distributor and metering equipment provider as soon as practicable, using the relevant EIEP, of:</p> <ol style="list-style-type: none"> a. the application; and b. the retailer's decision regarding whether to record the applicant as a medically dependent consumer. <p>Comment:</p> <ol style="list-style-type: none"> 1. Retailers use the non-regulated EIEP4 to advise distributors of consumer information including MDC status. EIEP4 data is not reliable and is inconsistent in relation to the detail of information provided for each consumer. 2. We do not agree with traders/retailers advising an Electricity Distributor when they receive applications for “medically dependent consumer” status. We only need to know that a customer is a MDC once it has been confirmed by the retailer. This proposed change will not add any value: <ol style="list-style-type: none"> (a) except risk data accuracy in already unreliable EIEP4 – between the “application” status and the final “decision” status on “medically dependent consumer” status. It will create a ‘grey area’ of information that is being held by distributors. (b) Continuous need for data exchange, e.g. retailer notifies distributor of application but then rejects the application and does not immediately update the EIEP4 (which is in any event received once a month if that). Hence the distributor might treat the consumer as an MDC, not knowing in a timely fashion that the application has been rejected. This will serve no purpose except create data quality and accuracy concerns for all parties involved.

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	<p>Recommendation:</p> <ol style="list-style-type: none"> 1. If a distributor is obligated to use the EIEP4 data from retailers then there needs to be an obligation on retailers regarding data integrity, content and frequency of delivery. 2. Retailers only advise distributors of MDC status once it has been confirmed.
	<p>Clause 69: Distributor’s obligations in event of emergency situation</p> <ol style="list-style-type: none"> 1) A distributor must, if practicable and if there is sufficient time, before undertaking an electrical disconnection in an emergency: <ol style="list-style-type: none"> a) visit the residential premises and use reasonable endeavours to contact any person at the premises before undertaking the electrical disconnection; and b) if contact is made with any person at the premises, advise them: <ol style="list-style-type: none"> i) of the reason for the emergency electrical disconnection; and ii) that if any medically dependent consumers are present, they should enact their individual emergency response plan. 2) When subclause (1) applies, a distributor must, as soon as practicable, advise the retailer who is the trader recorded in the registry as being responsible for a relevant ICP: <ol style="list-style-type: none"> a) of the electrical disconnection; and b) if the distributor contacted any person at the premises under subclause (1) and, if so, the name of that person (if known). <p>Comment:</p> <ol style="list-style-type: none"> 1. It is not clear what the problem is that this clause is trying to address. 2. Subclause 69(1) and in extension the rest of clause 69 will almost never be practicable with sufficient time when there is an emergency to allow Network Waitaki staff to ‘visit’ residential premises and door-knock before dealing with the emergency. <ol style="list-style-type: none"> (a) Retaining this obligation will create a “false sense of safety” for MDCs and shift the responsibility to an Electricity Distributor to keep MDCs safe.

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	<p>(b) This obligation will put the Electricity Distributors staff at risk, e.g. an emergency can happen at any time and rushing to try and ‘visit’ all residential premises based on unreliable EIEP4 data without any information about “dangers” such as dogs at premises could put the field crew at risk, not to mention what has caused the emergency i.e. a severe weather event that may not be safe to be out in, or an inability to travel safely.</p> <p>(c) An emergency can happen late at night and it could be an inconvenience to residential consumers if Electricity Distributor staff wakes them up to inform them of an “electrical disconnection” while they were asleep in any event.</p> <p>(d) It is in the interest of an MDC to take responsibility for their health and wellbeing and be prepared. Power outages can happen at any time without notice and they must be prepared. It is our understanding that there is an obligation on healthcare providers to ensure that MDCs have a plan B. The suggestion in this clause to shift the responsibility to Electricity Distributors could potentially make MDCs more unsafe and we believe it is out of the scope of what a distribution company does.</p> <p>(e) The cost to put a process/system in place and to have staff members on standby to enable us to comply with this obligation in times of emergencies will be enormous and will need to be paid for by our mostly residential consumer base.</p> <p>(f) The distance that our team would need to travel in an emergency to carry out this clause is not practicable. Our network stretches 50km south from our head office in Oamaru, and up to 178km into the Mackenzie Country.</p> <p>(g) Reliance on accurate data to be provided from retailers as previously mentioned in this submission.</p> <p>Network Waitaki’s practice:</p>

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	<p>Network Waitaki has a planned outage process in accordance with the Default Distributor Agreement with retailers. We notify our consumers directly and inform our retailers via EIEP5As. MDCs as per EIEP4 records are highlighted for each planned outage and care is taken to notify them, including a phone call the day prior to a planned outage to ensure they received the notification and remind them.</p> <p>In terms of unplanned outages and emergencies we use social media as well as text messages and phone calls where possible in the time available to inform consumers.</p> <p>Recommendation:</p> <ol style="list-style-type: none"> 1. We recommend that this clause be removed in its entirety as we cannot envisage an actual emergency situation where it will be practicable that this will be applied. The danger with keeping it in the Code is that it provides a false sense of safety to MDCs that Electricity Distributors will keep them safe by knocking on their doors during emergencies when it is highly unlikely that it will ever happen in reality. 2. The Electricity Authority to consider developing educational material to inform MDCs on how to ensure their emergency response plans are in place when the power goes off.
	<p>Clause 70: Coordinating planned service interruption or electrical disconnection</p> <ol style="list-style-type: none"> 1) <i>Where a retailer has advised a distributor of an application or a decision to record a person as a medically dependent consumer under clause 58, the retailer and the distributor must use reasonable endeavours to agree processes to coordinate with each other on planned service interruptions and electrical disconnections that will affect those medically dependent consumers.</i> 2) <i>Where a distributor receives a notification from a retailer under clause 58, the distributor must not vary the time or date of a planned service</i>

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	<p><i>interruption or electrical disconnection that will affect those medically dependent consumers, without first consulting that retailer regarding those medically dependent consumers.</i></p> <p>3) A retailer who is consulted under subclause (2) regarding a variation to the time or date of a planned electricity outage or electrical disconnection must use reasonable endeavours to inform any affected customers who are medically dependent consumers or who may have medically dependent consumers residing at their premises of the changes.</p> <p>4) Each retailer that has an arrangement with a metering equipment provider under Part 10 of this Code must use reasonable endeavours to ensure their service level agreements with metering equipment providers prevent the metering equipment provider, having regard to any applicable health and safety requirements, from:</p> <ul style="list-style-type: none"> a) electrically disconnecting the retailer’s customer without explicit instruction or agreement from the retailer; or b) <i>as far as reasonably practicable, varying the date or materially varying the time of an agreed electrical disconnection or reconnection.</i> <p>Comments:</p> <p>Network Waitaki notifies consumers directly at least 4 working days ahead of a planned outage. We also notify retailers via the EIEP5A process of planned outages.</p> <p>We do not see any value in clause 70(1) to 70(3) as these are currently covered through the DDA and EIEP5A processes.</p> <p>In addition:</p> <p>1) Subclause 70(1) – As per our comment 2 under Q12 we do not see any value from a retailer advising us about an “application” from a consumer for MDC status. It is only once the decision has been made that it is important</p>

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	<p>that a consumer's MDC status is updated on the EIEP4 forms that informs outage notifications.</p> <p>2) Subclause 70(1) – As stated elsewhere Network Waitaki notifies consumers and retailers directly of outages following the DDA and EIEP5A processes.</p> <p>It is not clear why Network Waitaki would need to agree processes to coordinate with retailers <i>on planned service interruptions and electrical disconnections that will affect those medically dependent consumers.</i></p> <p>If the data from the unregulated EIEP4 data is reliable MDCs will be notified via Network Waitaki's planned notification process which pays special attention to MDCs. What will be achieved through agreeing a separate process with retailers?</p> <p>3) Subclause 70(2) – it is impractical to “consult” with retailers for planned work and disconnections affecting MDCs. Network Waitaki has a clear process in place for planned outage notification in accordance with the EIEP5A and our DDA with retailers. To “consult” with retailers on coordination processes will result in time delays with higher expenses and network maintenance work falling behind which will affect all our consumers. Instead, we advise retailers about planned work and disconnections that will affect all of our customers.</p> <p>4) Subclause 70(2) – It is impractical to obligate a distributor to the extent that the distributor must not vary the time or date of a planned interruption affecting an MDC before “consulting” with retailers. Changes to planned interruptions occur for many reasons such as weather, staffing issues and equipment issues. Changes are notified via the same process taken to advise of the initial planned outage, via EIEP5A (which caters for “alternate dates/times”) and in accordance with the DDA.</p>

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	<p>For example, in the event of a severe storm how can a distributor be obligated to continue with a planned outage affecting an MDC before “consulting” with the relevant retailer?</p> <p>Recommendation:</p> <p>It is recommended that:</p> <ul style="list-style-type: none"> • Clause 70(1) to 70(3) be removed as planned outage notifications are covered through the DDAs between distributors and retailers and the EIEP5A notification process. <ul style="list-style-type: none"> ○ In the event that the Authority does not remove clauses 70(1) to 70(3), then at the very least: <ul style="list-style-type: none"> ▪ Remove the word “application” from 70(1). ▪ In 70(1) distinguish between distributors that notify consumers directly and those that do not. ▪ In 70(2) replace “consult with retailer” with “advise the retailer”
<p>Q13. Do you have any feedback on Part 9 of the Consumer Care Obligations relating to fees, bonds and conditional discounts?</p>	<p>No comment</p>
<p>Q14. Do you have any feedback on the proposed Code obligations for distributors?</p>	<p>Please see our comments under Q12 above.</p>
<p>Q15. Do you agree that the benefits of the proposed Code amendment outweigh its costs?</p>	<p>In Network Waitaki’s case there will be no benefit to our consumers with this Code Amendment.</p> <p>Instead, the Amendment will require us to put processes and systems and people in place at a cost which will need to be paid for by our consumers. Even with processes, systems and people we will still not be able to guarantee full compliance as we will be subject to the unreliable EIEP4 unregulated consumer data received by retailers.</p>
<p>Q16. Do you have any comments on the drafting of the proposed amendment?</p>	<p>As outlined in our introduction and comments above we are concerned about the proposed amendment and obligations on distributors. We do not see these added complexities in any way contributing to the safety of MDCs, instead we anticipate</p>

Questions	Comments
	the opposite effect. MDCs might rely on a distributor to inform them through door-knocking of emergencies and that will almost always be impractical and not possible for a distributor within the timeframe of dealing with an emergency.