

Appendix C Summary of feedback received in the December consultation

- C.1. This appendix provides a summary of feedback received in submissions, focusing on the key themes that emerged in response to our consultation paper.
- C.2. The Authority has published the full submissions it received to this consultation on its website.
- C.3. Note that this summary does not include analysis of the technical feedback on the workability of the notice provided by retailers at a workshop held in May 2024. Workshop feedback has been incorporated into the amended notice, with details outlined in Appendix D.

Submissions analysis

Submissions were received from a broad range of stakeholders

- C.4. The Authority received 30 written submissions from 32 individual respondents. This included one group submission from the Independent Retailers (2degrees, Electric Kiwi, Flick Electric and Pulse Energy) and another individual submission from Flick Electric.
- C.5. A full list of submissions by category is shown in Table 1 below.

Table 1: List of submitters to the consultation paper by category

Category	Submitter details
Consumer advocacy groups (6)	Common Grace Aotearoa, Consumer Advocacy Council, Consumer NZ, Disabled Persons Assembly, He Kāinga Oranga, New Zealand Council of Christian Social Services
Consultants (2)	Liz Kilduff Consulting, Neil Walbran Consulting
Electricity distributor (1)	Vector Limited
Electricity retailers (9 submissions, 11 total organisations)	*Large: Contact Energy, Genesis Energy, Mercury Energy, Meridian Energy. Medium: Independent Retailers (2degrees, Electric Kiwi, Flick Electric and Pulse Energy), Flick Electric, Nova Energy ¹ . Small: Hanergy Limited, Octopus Energy.
Independent Crown Entity (1)	Office of the Privacy Commissioner
Individuals (4)	Anonymous (x3), Steve Southall
Other (3)	Ecobulb, Fincap, Utilities Disputes Limited

¹ Nova's submission noted the interests of its small sized retail brands Megatel and Wise Prepay.

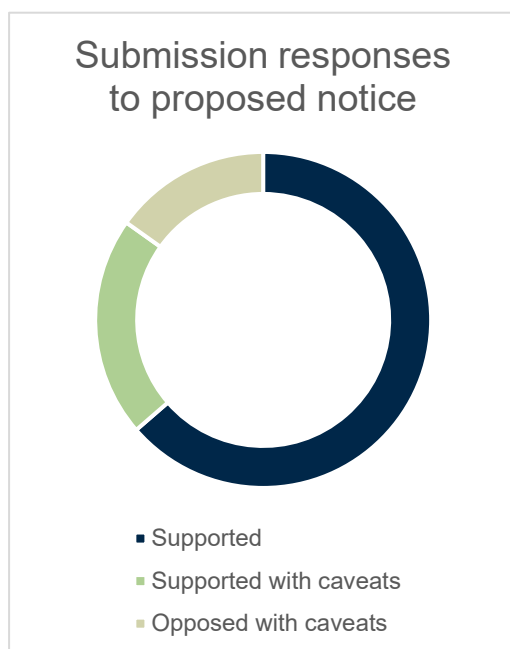
Sector associations (3)	Electricity Networks Aotearoa (ENA), Electricity Retailers Association of New Zealand (ERANZ), Major Electricity Users' Group (MEUG),
Social enterprise (1)	Sustainability Trust/Toast Electric

*Retailer size is based on the following scale at February 2024 (when the consultation closed):

- Large: brands with more than 100,000 ICPs
- Medium: brands with between 99,999 and 10,000 ICPs
- Small: brands with less than 10,000 ICPs

Most submitters supported the proposed notice in principle, with amendments to its scope

- C.6. Most submitters, representing a broad range of stakeholder groups, supported the Authority's proposal to enhance its retail market monitoring, using clause 2.16 of the Code to collect information under one, mandatory consolidated data notice.
- C.7. However, opinions differed between submitters on to the proposed scope of the notice and the potential benefits of collecting this data, as outlined in the consultation paper.
- C.8. Consumers and consumer advocates felt the proposed data request would greatly benefit consumers. Most retailers and their sector association ERANZ was concerned about the impact that delivery of the proposed data would have on the retail market.
- C.9. This difference can be broken down as follows:



Submission responses	Total
Supported	21
Consultants	2
Consumer advocacy groups	6
Distributor	1
Individual consumers	4
Medium retailers	1
Other	3
Sector associations	2
Small retailers	1
Social enterprise	1
Supported with caveats	7
Independent Crown entity	1
Medium retailers	4
Sector associations	1
Small retailers	1
Opposed with caveats	5
Large retailers	4
Medium retailers	1
Grand Total	33

*Flick's two submissions have both been represented in this data set.

Key themes

- C.10. Six themes emerged across the submissions received:

- (a) Broad support for the use of clause 2.16 of the Code to collect one, mandatory consolidated data request.
- (b) Suggestions to amend the scope of the proposed notice (both widening and narrowing the content included).
- (c) Feedback on the benefits to consumers of collecting the proposed data.
- (d) Delivery of the proposed data would impose high implementation costs on retailers. These submissions highlighted that:
 - (i) Some aspects of the notice would be difficult or unfeasible to provide within the required timeframe.
 - (ii) Delivery of accurate data may be difficult at the monthly frequency requested.
 - (iii) Historical data back to 1 January 2018 may not be available.
- (e) Requests for clarity on how the Authority will use and publish the data.
- (f) Desire for further explanation around the privacy impacts of the proposal.

Broad support for the use of Code clause 2.16 to collect one, mandatory consolidated data request

- C.11. Submitters broadly agreed with the Authority's proposal to consolidate and streamline the delivery of its retail market data requests into one, mandatory notice [that collects data on a consistent basis, is cost effective, fills identified information gaps, and is proactively published.]
- C.12. All submitters agreed that the proposed use of clause 2.16 of the Code as a mechanism to collect retail market data was appropriate and there was general agreement that use of the notice would help the Authority to achieve its statutory objectives.
- C.13. Some submitters were supportive of the additional data requested to ensure sufficient monitoring of the Consumer Care Guidelines, which will become mandatory by 1 January 2025.
- C.14. Where disagreement was voiced, this related to the scope of the proposed notice, the potential time and cost of implementation for retailers, and the feasibility of delivering some of the data requested. This will be discussed further in the following themed sections.

Scope of the proposed notice should be amended

- C.15. Respondents were divided on the scope of the proposed notice, specifically the detailed amount of data requested across the five tables and monthly questions.
- C.16. Consumers and consumer advocates felt the notice asked the right questions of retailers. There was general support for improved collection of debt and disconnection data, including for prepay customers and medically dependent consumers.
- C.17. Several submitters proposed additional suggestions on the content of the notice to ensure the questions covering these key areas of consumer interest were properly addressed.
- C.18. All large retailers, one medium retailer and the sector association ERANZ each raised concerns regarding the broad scope of the notice. Several felt it would be unfeasible to deliver, would impose large costs on retailers, and would require a longer period to implement than the proposed two-month timeframe. Some questioned specific aspects of the notice that they considered were inappropriate for collection by the Authority, such as

data on bundled utilities. Reducing the scope of the notice was proposed by some, with two retailers providing line by line detail of what could and could not be provided to the Authority without a large cost and time burden.

Collecting the proposed data will benefit consumers

- C.19. Consumer advocacy groups were particularly supportive of the potentially wide-ranging benefits to consumers from the collection of increased data by the Authority. Publication of key aspects of this data, such as pre- and post-paid plan pricing, debt, and disconnection statistics was seen as critical to obtain full benefits for consumers.
- C.20. Submitters saw such benefits as including potentially increased consumer switching rates and improving outcomes for consumers facing financial hardship. One submission from the Disabled Persons Assembly specifically focused on the potential benefits gained through more robust monitoring of medically dependent consumer registrations and disconnections. Most felt that publication of the collected data was key to increasing retail market transparency and enhancing consumer trust.
- C.21. Several submissions from this group linked the positive outcomes of the Authority's notice proposal to its wider consumer care work programme. This includes its additional objective obligations and decision to mandate the Consumer Care Guidelines, alongside other related reports advocating for improved consumer outcomes (such as the Electricity Price Review and the Energy Hardship Expert Panel reports).
- C.22. Some large and medium retailers were sceptical of the proposed consumer benefits raised in the paper. Amongst this group, doubt was raised that the proposed benefits would outweigh the costs imposed on retailers. Some expressed doubt that average or vulnerable consumers would be likely to gain any substantial benefit from gaining access to the detailed retail market data proposed for collection. Some pointed to the Authority's recent decision to mandate the Consumer Care Guidelines as being of greater benefit to consumers, particularly those in financial hardship.
- C.23. Concerns raised by retailers largely centred around the potential privacy implications of the Authority collecting substantially more data on consumer consumption, through half-hourly data monitoring. Most comments on this issue related back to general uncertainty regarding how the data would be used by the Authority, particularly its publication and the proposal to link the data collected with Statistics NZ geographical and population demographic information.
- C.24. By contrast, most medium and one small retailer noted that increased monitoring of the retail market was likely to improve retailer competition and potentially open greater opportunities for new entrants, which would in turn improve outcomes for consumers particularly around price. Some consumer advocates also raised this as a potential positive outcome of the notice.

Retailers face high implementation costs to deliver the proposed data

- C.25. Four large and one medium retailer raised concerns about the potentially high cost to deliver the requested data. Some provided estimated costings to support their assessments, which ranged in price depending on the length of the implementation period required by the Authority.
- C.26. A collective of medium-sized independent retailers (2 Degrees, Electric Kiwi, Flick and Pulse) was generally supportive of the Authority collecting and publishing data, with a view to improving retail market competition. In its separate submission, Flick acknowledged that the cost to implement was likely to be high but was generally supportive of the proposal. None of these retailers provided costings to support their submissions.

- C.27. Of the three small retailers that submitted, which included the social enterprise Toast Electric, two were broadly supportive of the proposal. While acknowledging the potential costs to their businesses were unknown, these two felt that the general benefits were likely to be positive. The third small retailer (Octopus) noted that, while generally supportive, the proposal would likely impose a much higher time and cost burden on small retailers such as themselves. None of this group provides costings to support their submissions.
- C.28. The following areas of the notice were of particular concern to retailers:

Some aspects of the notice would be difficult or unfeasible to provide within the required timeframe

- C.29. Some retailers pointed to specific sections of the notice that would be particularly difficult for them to supply to the Authority without considerable cost (specifically fields in Tables 4 and 5).
- C.30. Several suggested that they would need to set up complex and costly new systems (possibly driven by artificial intelligence engines) to scrape data from customer management systems (CRM) or contact centre interactions to provide the data requested by the notice. Upgrades to internal processes and accompanying staff training to accommodate these changes would also impose additional costs.
- C.31. Many felt that the two-month implementation period proposed in the notice would impose a significant cost and resource burden to create systems able to deliver the requested data. This would require retailers to shift their internal data engineers and analysts away from other planned project work and/or would require additional external contractors to be brought on to complete the system upgrades within the required timeframe.
- C.32. Longer implementation periods of between six to 12 months were proposed as being more reasonable in terms of cost.

Data quality and frequency of delivery concerns

- C.33. Some retailers expressed concerns over their ability to deliver data to the level of accuracy required by the Authority both in the short and long term.
- C.34. Some felt that the monthly frequency requested for the request may be too costly to provide, proposing a quarterly, six-monthly or annual submission options.
- C.35. Some retailers noted that, due to the complexity of some of the questions asked, not all parts of the notice could be automatically generated each month. This would create an additional resourcing burden on retailers to extract, clean and check the data before submitting it to the Authority, adding significantly to their ongoing costs.

Historical data may be misleading or not be available

- C.36. Several retailers noted that they would be unlikely to provide the requested data back to 1 January 2018 to a sufficient data quality level.
- C.37. Some noted that certain requested fields may no longer be available or could be problematic to access (such as in situations where data has been archived). Potential areas of concern were historic consumption data and data belonging to former customers.
- C.38. Retailers that had joined or exited the market within the proposed historical data period raised specific concerns about their obligations to deliver data to the Authority and how this could be managed. Similarly, those retailers who had undergone significant data system management changes in the last five years cited potential complications in their ability to deliver data to the level of detail requested (such as software incompatibility or obsolescence).

- C.39. One retailer raised concerns about the level of manual effort required to provide historic disconnection and debt customer records, noting that some of this had already been provided to the Authority through the Retailer financial stress notice (at aggregate not ICP level).
- C.40. Another questioned the necessity of requesting such a long historical data series (to a pre-Covid period), noting the significant cost of adhering to such a request to provide data that they saw as being of low quality and limited potential benefit.

Requests for clarity on how the Authority will use and publish the data.

- C.41. Most submissions requested more clarity on how the Authority would use the data collected, what would be published, and the frequency of publication. This included more calls for further information on priority publication topics and how socio-economic data would be analysed.
- C.42. Consumer advocates generally supported increased publication of data, particularly around key areas of concern (eg, disconnections for pre- and post-paid customers, consumer debt, credit checks, and complaints). This group felt that this data should be published not just in aggregate but also by retailer, where appropriate.
- C.43. Retailers generally preferred aggregation level publishing. This approach was supported by the Office of the Privacy Commissioner as a way of avoiding potential privacy harm.
- C.44. While submitters acknowledged that the notice proposes collecting data in a tabular format that has less scope for ambiguity, some retailers were concerned about the potential for misinterpretation without the proper contextual information or retailer commentary in place such as around plan rates and their availability (eg, where limited eligibility scenarios were in place) or data from retailer interactions with customers.
- C.45. Submissions were mixed on the proposal to match collected data with Statistics NZ Meshblocks. Some supported the ability to better understand how the retail market is functioning in areas such as load control and DER, while others, particularly retailers, voiced concerns around the potential to overexpose consumer personal information through such granular level analysis, with one suggesting regional level analysis only.
- C.46. Some raised concerns about how unpublished data might be shared with third-party researchers (as allowed under the Act).

Privacy considerations require further explanation

- C.47. Most submissions that commented on privacy eagerly anticipated the publication of the Privacy Impact Assessment (PIA) by the Authority, which would further inform their thinking regarding the privacy implications of the notice.
- C.48. Consumers and consumer advocates were generally supportive of the Authority's decision to increase its collection of private consumer data.
- C.49. The Office of the Privacy Commissioner was also broadly supportive of the proposal, so long as privacy risks are appropriately managed to protect the personal information of consumers. Specifically data security protocols, publishing in aggregate, limited data retention, de-identification measures, and regular privacy assessment reviews.
- C.50. By contrast, some larger retailers and sector associations raised concerns on the potential privacy implications of the proposed notice, to protect the interests of both consumers and retailers. Some from this group questioned the need for the Authority to collect consumer data at ICP level, which they felt contained highly personal information. Some felt this was an overreach and suggested that this decision should be well justified.

- C.51. When asked if they felt aspects of the notice should be considered confidential, retailers cited arrangements relating to commercial customers, half-hourly consumption, load control/flexibility services, debt, and disconnection data. Some went as far as labelling all ICP data confidential (eg, not for publication).
- C.52. In response to a specific consultation question on the notice creating new issues or costs from a privacy perspective, some retailers noted potential increases mostly related to communicating this change with their customers and updates to privacy policies, alongside internal education of staff.
- C.53. A few retailers referred to forthcoming consumer data rights legislation, stressing the need for this notice to avoid duplication with the privacy and system requirements surrounding these changes. Others raised concerns over how private data would be handled if subjected to Official Information Act requests.