

Consumer Care Obligations

INDUSTRY WEBINAR



Nau mai, haere mai Welcome

- The session is recorded
- We'll share the slides after
- Questions welcome!

Today's MC

Sina Tolovae, Principal Advisor Communications and Engagement



He Karakia Tīmatanga me te Whakakapi Kaupapa

Kia tau ngā manaakitanga a te mea ngaro

ki runga ki tēnā, ki tēnā o tātou

Kia mahea te hua mākihikihi

kia toi te kupu, toi te mana, toi te aroha, toi te Reo

Māori

kia tūturu, ka whakamaua kia tīna! Tīna!

Hui e, Tāiki e!

Let the strength and life force of our ancestors

Be with each and every one of us

Freeing our path from obstruction

So that our words, spiritual power, love, and

language are upheld

Permanently fixed, established and understood!

Forward together!

Agenda

Policy update: Carolina Rodriguez

- Overview of the Consumer Care Obligations
- Responding to feedback and final decisions
- Staged implementation & two key protections
- EIEP4A

Compliance update: Ginni Murray

- Compliance approach
- Supporting consumers
- Implementing 1 January 2025 requirements

Answering your pātai



Consumer Care Obligations: Policy update



Caro Rodriguez
Principal Analyst - Policy
Retail and Consumer



Part 11A Consumer Care

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Schedule 11A.1 Consumer Care Obligations

Purpose and interpretation

11A.1 Purpose of this Part

The purpose of this Part is to impose a set of minimum standards on retailers requiring

 adopt behaviours and processes that foster positive relationships with residential consumers;

 (b) support residential consumers in accessing and maintaining an affordable and constant electricity supply suitable for their needs; and

 (c) help minimise harm to residential consumers caused by insufficient access to electricity or by payment difficulties.

11A.2 Interpretation

In this Part, unless the context otherwise requires,-

alternate contact person means any person authorised by a customer, or by a medically dependent consumer who permanently or temporarily resides at a customer's premises, to operate as an alternate contact person if a retailer is unable to contact the customer or medically dependent consumer, provided any alternate contact person is indecement of the customer's retailer

bond means an upfront payment of a lump sum to provide security to a retailer for the performance of a customer's obligations under their contract with the retailer

bend means an apfront payment of a lump sum to provide security to a retailer for the performance of a contener's obligations under their contract with the retailer

adependent of the customer's retailer

medically dependent persons many any province extension by a contract, or a system or promised, to operate as an advance who promised by a temperatily residue for extension is consistent to medically dependent consistent person if a retailer is consistent to residue by

Why mandate the Consumer Care Obligations?

- Consistent care standards for all residential consumers
- Clear, workable protections without stifling innovation



Consultation

- 361 submissions
- General support for operational improvements proposed
- A strong theme of retailer submissions was the need for further operational improvements to specific clauses

What we decided

Part 2:Consumer Care Policy and related matters

Part 3: Signing up customers and contract denials

Part 4:Information and records relating to customer care

Part 5: Business-as-usual account management

Part 6: When payment difficulties are anticipated or arise

Part 7: Disconnect/ reconnection of residential premises

Part 8: Obligations in relation to medically dependent consumers

Part 9: Fees and bonds



Applicability of the Obligations



Retailers

Residential consumers

Distributors



Staged implementation

Clause 37



1 January 2025

Two key protections:

Clause 37: Restrictions on disconnecting medically dependent consumers

Clause 68: Fees must be reasonable



1 April 2025

Full obligations



Restrictions on disconnecting medically dependent consumers

From 1 January 2025

A retailer must not disconnect a post-pay customer's premises if the retailer knows a medically dependent consumer may be residing there.



Restrictions on disconnecting medically dependent consumers

Applies if:

- the retailer has recorded a medically dependent consumer under the Consumer Care Guidelines (verified or unverified)
- the retailer has received an application (in any form) and hasn't decided that application yet
- the retailer becomes aware of relevant information



Restrictions on disconnecting medically dependent consumers

What you need to do

Check you have:

- a) processes to receive, request, record and process medically dependent consumer applications
- b) disconnection processes that check medically dependent consumer status
- c) trained staff



Restrictions on disconnecting medically dependent consumers

What you need to do

You must notify us as soon as possible if a disconnection results in a person being without electricity under clause 37.

Use the prescribed *Disconnection Notification Form* via the Electricity Authority's information provision platform, <u>Infoprov</u>.



Restrictions on disconnecting medically dependent consumers

Our process

On receipt of a clause 37 notification, we will:

- acknowledge receipt and log the incident
- contact the retailer and/or support services if needed
- assess compliance / potential breaches
- monitor reconnection
- record outcomes



Fees must be reasonable

From 1 January 2025

Any fee charged by a retailer to a customer must:

- not exceed reasonable estimates of the costs the fee is identified as contributing to; and
- otherwise be reasonable



Fees must be reasonable

When clause 68 applies

- Applies to all fees charged by electricity retailers to residential customers
- Includes disconnection or reconnection fees and fixedterm contract termination fees

Does not apply to:

- electricity prices or other charges, like interest, tax or levies
- fees charged by unrelated third parties, eg bank-imposed credit card fees.



Fees must be reasonable

What you need to do

Check your fees are set at a level:

- that reflect the estimated costs of the activity the fee contributes to costs should be closely connected to the activity and appropriately apportioned
- that is otherwise objectively reasonable

You can balance precision with administrative and practical efficiency

You can't use fees to offset future costs or address previous underrecovery or generate a profit or as a deterrent

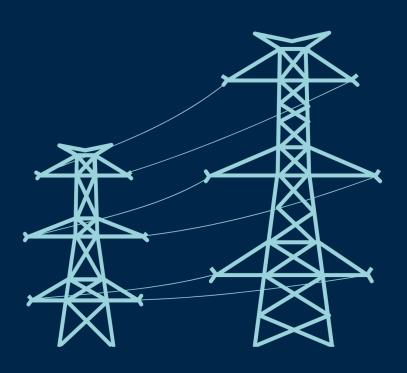
How can we support retailer and distributor education?



www.slido.com

Code: 1600323

Addressing key distributor feedback



Distributors requested updates to the electricity information exchange protocol to support information-sharing about medically dependent consumers



We're proposing a new regulated protocol EIEP4A and consulting on this

Consumer Care Obligations: putting consumers at the centre



Ginni Murray Manager Consumer, Compliance & Projects



Monitoring & compliance reporting framework



How we'll approach notifications of a breach

- Report breaches on our compliance portal
- Educative approach initially
- If the alleged breaches are considered serious, we will investigate eg, a medically dependent consumer is disconnected.

The roles of the Authority and UDL

Electricity Authority

- is not a dispute resolution scheme
- does not investigate all reported alleged breaches

UDL

- free and independent dispute resolution scheme
- will work with the consumer and retailer to help try and reach a resolution to their CCO concern

How complaints will be managed

- The Electricity Authority can **only** look at the alleged breach
- UDL may assist in trying to resolve the complaint between the consumer and the retailer separately
- The Authority and UDL may share information related to the issue (with the consumer's permission)

Working with UDL

- UDL takes consumer calls
- The Authority passes any urgent calls and useful information to UDL
- Information shared between organisations with the consumer's permission

Supporting retailers to comply

- Retailer Guidance is coming
- Guidance won't be binding is intended to assist retailers to understand and comply with their obligations
- The Guidance will be updated before 1 April 2025
- Email us at <u>consumercare@ea.govt.nz</u> if there are specific matters you would like included in the Guidance



PĀTAI?

He Karakia Whakakapi

Kia whakairia te tapu

Kia wātea ai te ara

Kia turuki whakataha ai

Kia turuki whakataha ai

Haumi e. Hui e. Tāiki e!

Restrictions are moved aside

So the pathways is clear

To return to everyday activities