

28 January 2025

Submissions
Electricity Authority
Level 7, AON Centre
1 Willis Street
Wellington 6011

Via email: ccc@ea.govt.nz

SUBMISSION ON THE PROPOSED ELECTRICITY INFORMATION EXCHANGE PROTOCOL – EIE4A: MEDICALLY DEPENDENT CONSUMER INFORMATION CONSULTATION PAPER

The Electricity Retailers' Association of New Zealand ('ERANZ') welcomes the opportunity to provide feedback on the Electricity Authority's consultation paper 'Proposed Electricity Information Exchange Protocol – EIEP4A: Medically Dependent Consumer Information' from December 2024.

ERANZ is the industry association representing companies that sell electricity to Kiwi households and businesses. Collectively, our members supply almost 90 per cent of New Zealand's electricity. We work for a competitive, fair, and sustainable electricity market that benefits consumers.

General comments

ERANZ supports the Authority's efforts to protect medically dependent customers from the potential harm of outages, including through requiring electricity retailers to provide information about these customers to electricity distributors.

However, our experience is that retailers are, in most cases, already providing this information both regularly and proactively to distributors. While making this a requirement may increase the standardisation of the data provided, it will not materially enhance the protection of medically dependent customers.

ERANZ strongly recommends that the Authority allocates greater resources to working together with retailers, distributors and Health New Zealand Te Whatu Ora to establish a central database of medically dependent customers that any medical professional, electricity retailer or distributor can access. Such a database would mean that medically dependent customers do not need to initiate and document their medically dependent status every time they switch providers, reducing the burden on customers, retailers and distributors, and improving the safety of medically dependent customers.

This idea has been proposed many times but no action appears to have been taken. ERANZ believes progressing this central database is the most effective thing the Authority and Te Whatu Ora can progress to enhance the protections for medically dependent customers.

Consultation comments

Q1: Do you agree that introducing a regulated EIEP4A will address the issues with EIEP4 described above in 2.6?

ERANZ agrees that regulating and standardising the provision of electricity customers' medically dependent status through EIP4A is an improvement on the existing EIEP4 standard. Making it clear to all retailers that they are expected to share this data with distributors, and standardising the manner in which they do so will help ensure the data sharing is robust and protects customer privacy.

However, ERANZ believes the Authority needs to go further and work with Te Whatu Ora to establish a central database of medically dependent customers that any medical professional, electricity retailer or distributor can access.

Q2: If you are a retailer or distributor, does limiting the data provided in the proposed EIEP4A to only medically dependent status at the ICP level meet your operational needs? If not, what additional data would you suggest?

ERANZ agrees with the Authority's principle of minimising the personal information retailers share with distributors, protecting consumers' privacy while still achieving the objective of protecting medically dependent customers.

However, ERANZ does not support using the ICP as the main medically dependent status identifier. In retailer systems, medically dependent customer status is typically tagged to the customer rather than an address/ICP, which makes sense given it is the customer not the property that is medically dependent. Requiring ICPs alone as the identifier of medically dependent customers would potentially require costly changes to retailers' systems and procedures, and is illogical.

Additionally, if distributors only have the ICP numbers of medically dependent customers, their ability to quickly contact such customers in an emergency would be restricted. This poses a serious safety concern.

A better approach would be for retailers to provide ICP numbers (to identify the property), retailer customer numbers (to identify the customer) as well as customer names and customer phone numbers. This would make it easier for distributors to get in touch with medically dependent customers at short notice about issues which may impact their supply of electricity.

As we argue in our answer Question Nine, ERANZ believes the ultimate solution is to have a dedicated database administered by the health sector for medically dependent consumers.

Q3: Should the use of the EIEP transfer hub be mandatory?

ERANZ believes the Authority should work towards making the use of the EIEP transfer hub mandatory. Using a dedicated hub and avoiding methods such as email is the best way to mitigate the privacy concerns associated with sharing customers' personal information.

It is important to note that the information lost in data breaches does not need to be particularly sensitive for it to cause problems. In one example where a British water provider was hacked, the leak of a customer's "vulnerable" status made her the target of multiple scam attempts as hackers decided to target her because of her age and vulnerable status.

Industry participants should be surveyed to ensure there are no barriers to using the transfer hub, after which time alternative data provision methods such as email should be phased out.

Q4: Do you agree with the objective of the proposed [EIEP4A] form? If not, why not?

ERANZ agrees with the identified objective of EIEP4A to ensure the consistent, reliable and timely exchange of information about medically dependent customers.

However, as discussed in our submission, we believe a centralised database is the best way to achieve this objective, rather than relying on medically dependent customers themselves to self-identify every time they switch power companies.

Q5: Have we identified all the main costs and benefits? If not, what are we missing?

ERANZ agrees with the costs and benefits that the Authority has set out in its consultation paper.

Another benefit worth stating is the potential benefit to medically dependent consumers directly of having their retailers and distributors fully aware of their status and able to act on this with improved outage communication and service prioritisation. This benefit could be fully realised by implementing a centralised database of medically dependent customers as ERANZ has recommended.

Q6: Do you agree the benefits of the proposed amendment outweigh its costs?

ERANZ agrees the benefits of the proposed amendment outweighs its costs.

Q7: Does the proposal adequately address privacy concerns? If not, what additional safeguards should be included?

ERANZ believes the proposal adequately addresses the privacy concerns associated with sharing data to identify medically dependent customers.

ERANZ would support the Authority eventually mandating that retailers and distributors use the EIEP transfer hub to share data on medically dependent customers, once the Authority is comfortable all system participants have ready access to the transfer hub. This would avoid less secure methods such as email, and further strengthen the proposal's privacy protections.

The ultimate solution to address workability, privacy and safety concerns is to have a dedicated database administered by the health sector for medically dependent consumers, as ERANZ argues in our answer to Question Nine.

Q8: Do you foresee any practical or technical challenges with implementing ICP-only data exchanges? If so, what mitigations would you propose?

As stated in answer to Question Two, ERANZ does not support using the ICP as the main identifier of a customer's medically dependent status. This is because an ICP is indicative of a property, whereas retailer systems typically assign medically dependent status to a customer via their customer number. Medically dependent status then moves with the customer if they were to move property/ICP. Altering this approach would require potentially costly changes to retailer systems and procedures and would be illogical.

The ultimate solution, as explained in our answer to Question Nine, is to have a dedicated database administered by the health sector for medically dependent consumers.

Q9: Do you agree the proposed amendment is preferable to the other options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objective in section 15 of the Electricity Industry Act 2010.

ERANZ agrees that the Authority's proposed EIEP4A is preferable to the status quo.

However, we believe a centralised database of medically dependent customers, administered by health professionals and accessible by electricity retailers and distributors, would better protect the interests of domestic consumers.

Right now, a medically dependent customer must complete a multi-page form every time they change electricity providers. Frequently, this involves a customer contacting their GP and requesting a letter endorsing their medically dependent status to their electricity company. This is an unnecessarily onerous process to do once, let alone having to do it every time a customer wishes to change their power company.

One negative flow on effect of this is that medically dependent customers are disincentivised from changing power companies to secure the best deal on their electricity, due to the the administrative cost to them of seeking a letter from their doctor, and the health risk that their medically dependent status may not transfer correctly. The Authority's proposal with EIEP4A does not address these core issues which have the potential to materially affect the protection of medically dependent electricity consumers.

ERANZ recommends that the Authority work together with retailers, distributors and Health New Zealand Te Whatu Ora to establish such a centralised database. This would allow medically dependent customers to switch power companies with ease and without fear of losing their status. It would also enhance the robustness and reliability of the system as a whole by relying on a centralised database rather than on data sharing arrangements between system participants.

Conclusion

ERANZ would like to thank the Authority for considering our submission.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K. Clark', with a long horizontal flourish extending to the right.

Kenny Clark
Policy Consultant