

# Your electricity pricing plan



Utilities Disputes is here to help with questions or complaints about electricity, gas, water, or broadband installation on shared property. Our service is free, independent, and fair.

## What is a pricing plan?

A **pricing plan** is what your electricity provider uses to work out your bill.

The pricing plan is part of your contract with the provider. The contract says when the provider must tell you if it wants to change your pricing plan.

Some providers talk about pricing tariffs or rates instead of pricing plans – they mean the same thing.

## How your pricing plan works

How your pricing plan works depends on:

- whether you choose low user or standard pricing
- whether you choose time-based pricing
- how the meter is set up at your place.

### Low user or standard pricing

Electricity providers must offer a low user pricing plan for customers who use electricity below certain levels. You are likely to be better off on a standard pricing plan if you use electricity above these levels.

The levels are 8,000 kWh per year in the North Island and 9,000 kWh in the South Island. When you're on a low user plan, your daily rate is lower, but you pay a higher rate for each unit of electricity you use.

Ask your provider which pricing plan would suit you.

## Time-based pricing

Some providers offer time-based pricing for customers with smart meters. Time-based pricing means different rates for the electricity you use at different times of the day. The price may be higher at peak times, when many people are using electricity, and lower at off-peak times.

If you're not on time-based pricing, the price of the electricity you use remains the same at different times of the day.

## The meter set-up at your place

Three common ways electricity meters are set up are:

- controlled or ripple control
- uncontrolled
- prepay.

Your pricing plan may combine two or three types of meter set-up. Ask your provider what meter set-up you have at your place so you can better understand your bill. If you want to change the meter or the way appliances connect to the meter, you usually have to pay for this.

## Meter set-ups

### 1 Controlled or ripple control

When the meter at your place is controlled or on ripple control, the distributor can turn off the electricity for short periods at peak times. The distributor is the company that runs the local electricity network. Peak times are when everyone uses electricity, for example, in the evening when people are cooking dinner, showering, or watching TV.

The controlled or ripple control supply is usually for the hot water cylinder, which doesn't need a constant supply of electricity to stay hot. Your provider usually charges a cheaper rate for controlled or ripple control electricity.

### 2 Uncontrolled

When the meter at your place is uncontrolled, the distributor cannot turn off the electricity supply at peak times.

### 3 Prepay

When the meter at your place is prepay, you pay for electricity before you use it. Some electricity providers can set up a smart meter as prepay or install a special prepay meter. You need to top up the meter for a continuous supply of electricity.

Some prepay meters:

- link to a device or app to help you see how much electricity you use
- allow you to pay off debt when you top up.



**Get in touch. Our service is free, independent, and fair.**

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**We can** look into almost any complaint about an electricity or gas provider.

**We cannot** look into complaints about the price of electricity. However, we can check the provider has given you good information about the price, and we can check your bills are correct.

Contact us for advice about making a complaint.

**Utilities Disputes resolves complaints about electricity, gas, water, and broadband installation on shared property.**

