

SWITCHED ON

ISSUE TWO | MAY 2017



|MC:TOC|

Welcome from the Commissioner, Nanette Moreau



Warm greetings to our community stakeholders. The past quarter has been a time of discovery and change.

One of our important goals is to become more well known in the community. We recently conducted a UMR Research survey to measure awareness of our service. We were surprised to find only 6% of people surveyed knew about us. People were unaware of both Utilities Disputes (not surprising for a new name) and our predecessor, the 15-year-old Office of the Electricity and Gas Commissioner.

This fact, combined with findings from the same survey - 22% of those surveyed said they had complaints about electricity and gas - demonstrates Kiwi's do not know about our complaints resolution scheme.

We want consumers to know we are here. People should turn to us to help resolve complaints about all electricity and gas providers in New Zealand.

When people call our office, whether they are just thinking about a complaint or have started the complaint process with their provider, we offer expert advice and guidance. For a new complaint, we take the complaint and get it to the right person in the electricity and gas company. For those complaints that have passed the 20-day mark with the company, we promote dialogue and understanding until a decision is reached. We are expert at what we do. We are free, fair, and independent.

Please pass the word along to your family, friends, and colleagues – they CAN complain about electricity and gas, and Utilities Disputes is the place to go. Call my office - 0800 22 33 40. For more information, you can also listen to my recent [interview](#) on Radio NZ.

Enjoy this issue of *Switched On*.

Best regards,



Nanette Moreau

Congratulations to the Chair of Utilities Disputes

We would like to congratulate Heather Roy, Chair of the Utilities Disputes Board, on winning the 2017 Governance Inspirational Excellence Award.

The award was presented by Women on Boards New Zealand, a division of Governance New Zealand. The awards programme recognises and celebrates innovation, excellence, creativity, and commitment to diversity by both organisations and individuals.

Interview with Sue Chetwin, Chief Executive, Consumer NZ



Sue Chetwin joined Consumer NZ in April 2007 after more than 25 years in print journalism. Sue was formerly the Editor of Sunday News, Sunday Star Times and the Herald on Sunday. Her role is to ensure Consumer remains relevant and an important part of Kiwi lives.

"Electricity and gas are a critical component of our lives," Sue says.

"But a recent Consumer NZ survey showed only 46% of Kiwis were satisfied with their power company. We conduct studies regularly to report on issues in this sector."

Examples of recent findings:

In Consumer NZ's January 2017 cost of living survey, 63% of New Zealanders viewed the cost of electricity and gas as their biggest concern. (In contrast, Statistics NZ's 2015/16 Household Expenditure Survey showed the electricity spend as just 2.9% of average weekly household expenditure).

In the February 2017 Consumer NZ survey on "Traders Kiwis Don't Trust" – 25% rated energy retailers as "untrustworthy."

The July 2016 Consumer NZ survey on "Energy Providers" reported:

Only 12% of respondents felt power companies had customers' best interests at heart

- Less than a quarter agreed companies offered fair contracts (20%) and prices (16%)
- Less than half (44%) said they clearly understood their retailer's terms and conditions
- Over one third (38%) of respondents said their homes weren't as warm as they'd like because they had to restrict power usage.

To help offset concerns about pricing, Consumer NZ offers a free Powerswitch website to help consumers see if they can save money by switching providers.

"The option to switch providers levels the playing field for challenger companies that do not have a large marketing budget, just the best offer for consumers. Newer brands can do really well and it also works for the big brands too. Our Powerswitch application has just been upgraded to include more options. We try to produce the evidence to help people make choices," Sue says. She points out there are now many more electricity retailers across the country. "In the future we'd like to be able to show more attributes so people can use ways other than price to determine their energy provider."

"We are starting to see a rise of dissatisfaction among renters," she notes. "They have less control over the condition of their homes for example, how well insulated they are, so less control over their power bills."

Whether you are a renter or a homeowner, Sue recommends shopping around for the best price. She believes competition among retailers is driving down prices. It's also driving retailers to offer more innovative plans and billing options.

Sue points out that all regions have competing retailers. "If you haven't checked if you're on the cheapest or best plan for a while," says Sue, "visit powerswitch.org.nz"

"And if you have a problem with your energy provider, there is an industry-based disputes resolution service, Utilities Disputes, that can help you resolve it."

Case notes (examples of complaints we have dealt with)

Issue: Supply - surge - appliances

Case number: 62806

Outcome: Recommendation - upheld

A driver crashed into a power pole near Mr T's home, causing electricity lines conveying 11 kV electricity to

Issue: Customer service - provision of information

Case number: 69177

Outcome: Recommendation - upheld

Ms B complained after Company M changed the way it charged her for

contact low voltage lines conveying 400 V electricity.

The incident caused very high voltage electricity to enter Mr T's property causing significant damage to many of Mr T's appliances.

Mr T complained about the incident to Utilities Disputes. Mr T said as the provider of the product that caused the damage, he believed his retailer should be liable for the damage caused.

Mr T said he believed the incident caused damage costing \$14,000. Mr T also said as the owner of the equipment that caused the surge, the lines company in the area, may also be liable.

[Read more](#)

electricity use. Ms B complained:

- She did not know what she was purchasing from Company M
- She did not know the rates she would be charged for electricity use
- The changes introduced by Company M were misleading as she could not calculate her own use to see if the savings promoted by Company M were accurate
- Company M removed the historical data on her account
- Company M changed her account from data to dollar values, so she was unable to reconcile her records
- Company M took readings at different times of the day which impacted on her daily use patterns.

[Read more](#)

Have you checked out our Facebook page?

[@utilitiesdisputesltd](#)

We frequently update this page to keep you up to date with important industry information, new issues, what we are doing, and who we are visiting.

Like us!

Serving the community

Utilities Disputes offers free resources such as brochures, fact sheets, and posters for community groups. We also have speakers available - both in-person and via lively video webinars. Please contact communications@utilitiesdisputes.co.nz to obtain our free resources or to arrange a speaker for your volunteers or community workers.

Here is an update on recent visits:

Consumer Rights Day - March 2017 - Christchurch

- hosted by Ministry of Business, Innovation and Employment (MBIE)

Conciliators from Utilities Disputes enjoy speaking at Consumer Rights Day, a twice-yearly event held in different locations around New Zealand. The event brings together speakers from government, complaints schemes and other socially helpful organisations to talk about solutions to issues faced by Kiwi consumers.

The audience is made up of consumer advocates and representatives from refugee, migrant and deaf communities. They attend to learn how the speakers' organisations can help their many clients.

During the 17 May 2017 presentation, a senior conciliator from Utilities Disputes spoke about the recently updated Consumer Guarantees Act 1993. She described a complaint where a tree fell on some power lines, which caused a surge through the network. She asked the audience who they thought was responsible for damages. After some discussion, the audience was surprised to learn that in this case, responsibility lay with the retailer as the supplier of the electricity.

Another conciliator from Utilities Disputes discussed a complaint where a consumer and distributor could not agree on the best way to connect a new property to the electricity network. In this case, Utilities Disputes arranged for the parties to meet face to face. After walking the property, the parties reached an agreement that reduced costs for the consumer and meant less potential maintenance and a possible increase in revenue for the distributor.

We reminded the audience that rather than waiting to escalate the most complex complaints to our office, it is better to refer any complaint - no problem is too small: if it's about electricity or gas don't hesitate to contact us.

Check out the new [Consumer Rights Day resources](#) page on MBIE's website.



Kapiti College visit

On 12 April, conciliators Steve and Everard visited Year 10 Science students at Kapiti College, where they had been studying electricity. Steve and Everard explained the electricity industry, discussed possible career options, and talked about the role of Utilities Disputes. All classes were very engaged and Steve and Everard really enjoyed the opportunity to share their knowledge.



Steve and Everard, Conciliators, with Kapiti College students

Citizens Advice Bureau presentations

When we speak to groups of Citizens Advice Bureau (CAB) volunteers, we find they are very engaged in helping people find the best solutions for electricity and gas issues. From our perspective, we enjoy the opportunity to share information they may not be able to get anywhere else.

We have lively sessions at the CAB meetings. We get to hear directly what the concerns are about the utilities sector, given its importance in people's lives. We like to share how our process works. People are sometimes surprised to learn we will help even at the start of a problem and we help guide consumers through the entire complaints process.

We are always asked, who is the best provider? We respond that Utilities Disputes is independent, fair, and neutral and can't recommend the "best provider". But we can describe some things to look for – suitable pricing plans, fair contracts, good customer service. We like to turn the question around - what do you want from a provider? Know that first and then shop around.

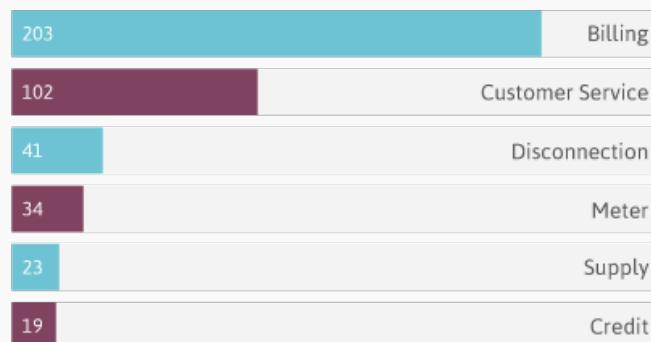
We encourage the CAB volunteers to use our service. We are highly experienced mediators in the electricity and gas sector; we help a complainant deal with their provider and vice versa. It feels great to educate volunteers who are already so committed to helping others.



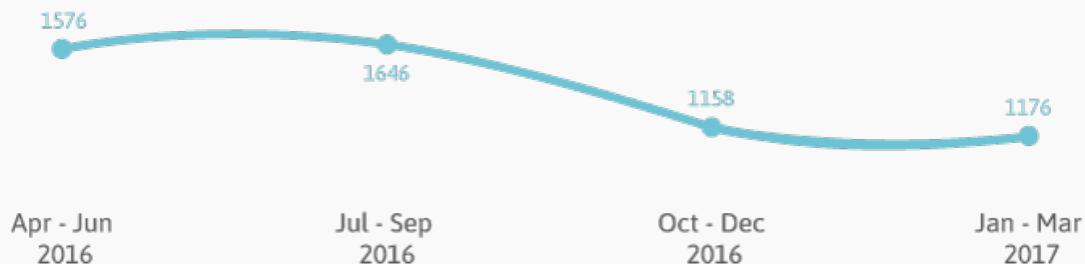
Utilities Disputes speaking at CAB Te Awamutu

Recent complaint statistics

Issues in complaints (1 Jan - 31 March 2017)



Cases by quarter



Please feel free to pass along this newsletter to your colleagues. We welcome your feedback, suggestions and questions. You can contact us at the email below.



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