

Independent / fair / free

SWITCHED  
ON

ISSUE THREE | SEPTEMBER 2017



\*|MC:TOC|\*

## Welcome from the Commissioner, Nanette Moreau



Kia ora tātou,

We are pleased to present the third edition of our newsletter, *Switched On*. Since our last publication, we've added a new Scheme - Broadband Shared Property Access Disputes Scheme (BSPAD Scheme) - to our dispute resolution coverage.

Resolving complaints about electricity and gas providers remains a core part of our work, as is our commitment to be free, fair and independent.

In this newsletter you will find helpful tips on understanding your electricity bill, sample case notes, an interview with Jenny Cameron, Chief Executive of the Electricity Retailers' Association of New Zealand (ERANZ), stories collected from the field as we visit and meet with many community organisations, and more...

If you have any questions, or simply want to understand more about how to make a complaint, please call my office - 0800 22 33 40. I hope you enjoy this issue of *Switched On*.

Nāku noa,

Nanette Moreau

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## Serving the community

Utilities Disputes recently launched a new programme to meet face to face with community organisations. We started in the Wellington region and plan to

**extend to new regions soon.**

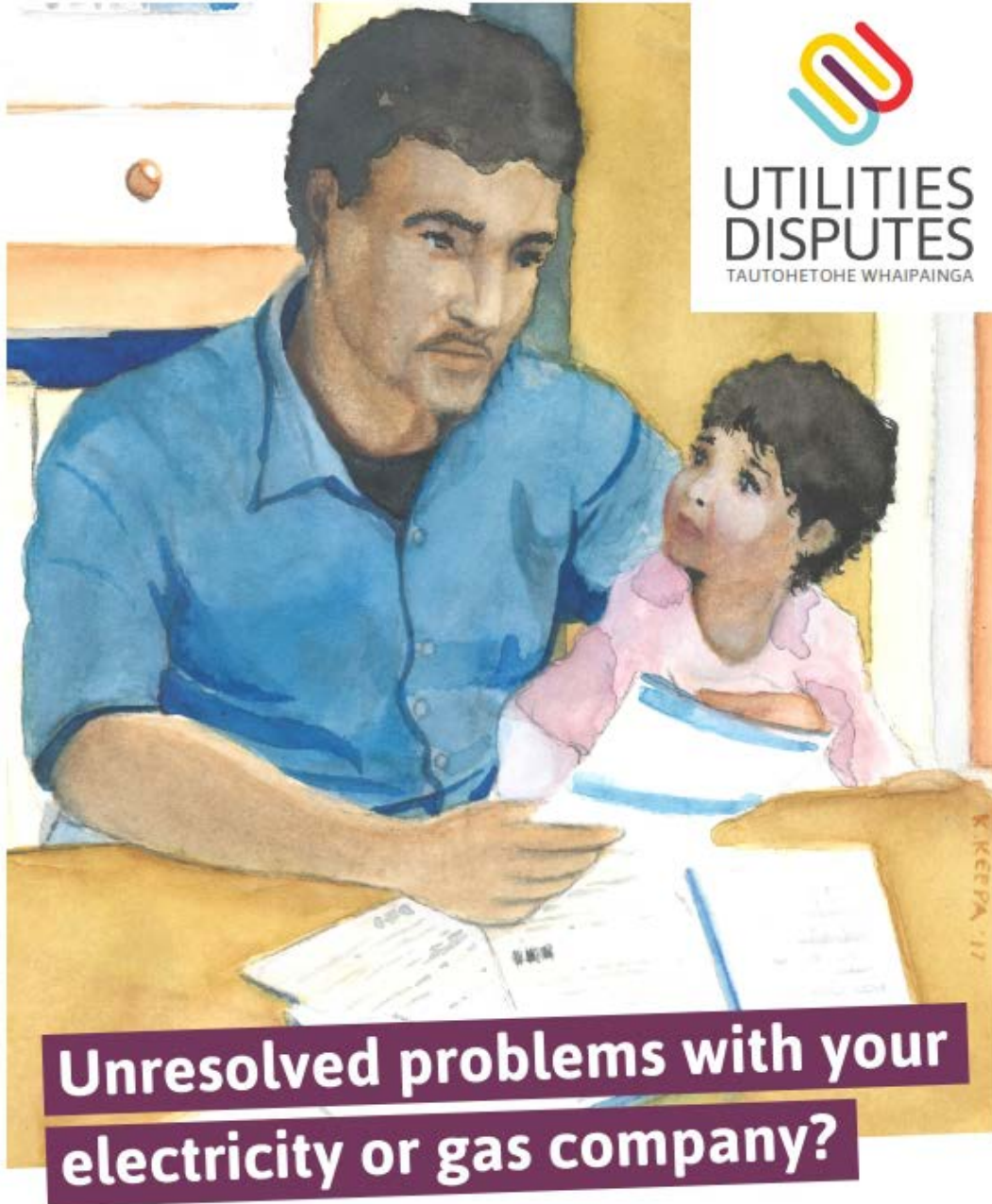
**Utilities Disputes offers free resources such as brochures, fact sheets, and posters for community groups. We also have speakers available - both in-person and via lively video webinars. Please contact [communications@utilitiesdisputes.co.nz](mailto:communications@utilitiesdisputes.co.nz) to obtain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

**Here is an update on recent visits:**

Marie and Jo visited a number of community organisations in the Hutt Valley. The goal was to increase awareness of our services by describing what we do. We found that many organisations work with people who have issues they cannot resolve with their energy provider. We were asked to return and speak to more staff members. We left behind brochures to hand out to their clients.

Ben and Marion visited Wellington's CBD and eastern suburbs as part of our community outreach programme. They visited a number of community groups and explained how people can best talk to their provider when they have a problem, and how Utilities Disputes can assist when they can't sort out a problem with their provider.

**Here is our new poster, by local artist Kathy Keepa. We hope you like it! :)**



**UTILITIES  
DISPUTES**  
TAUTOHETOHE WHAIPAINGA

**Unresolved problems with your  
electricity or gas company?**

**Call us on 0800 22 33 40**

FREE | FAIR | INDEPENDENT

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## **Easy Read brochure and fact sheets**

We now have Easy Read resources for electricity and gas available on our website:



[Check out more](#)

## Case notes (examples of complaints we have dealt with)



**Case number:** 64054  
**Issues:** Billing - high - disputed;  
Billing - high - incorrect pricing plan;  
Customer service - complaints process - delay  
**Outcome:** Recommendation - upheld



**Case number:** 67871  
**Issues:** Billing - pricing plan - incorrect pricing plan  
**Outcome:** Recommendation - upheld  
**Complaint:**  
Ms X was a customer of Retailer F

### Complaint:

Business C connected gas to a property it was developing. The property had 16 commercial units. Business C could not confirm the load the property required because the tenants for the property were not finalised. The distributor estimated the load required at the property and put the property on category 4. This category was for properties requiring a meter capacity of more than 200 scm/h.<sup>1</sup> Because the property was on the highest capacity, the retailer charged Business C about \$50 a day for gas.

Business C complained to the retailer about high bills. Business C wanted the property to be downgraded to category 2. Category 2 was for properties requiring a meter capacity between 10 scm/h and 40 scm/h. This would have reduced the daily charge to \$3.50 a day.

Business C also complained the retailer failed to respond to the complaint in a timely manner which resulted in a high bill.

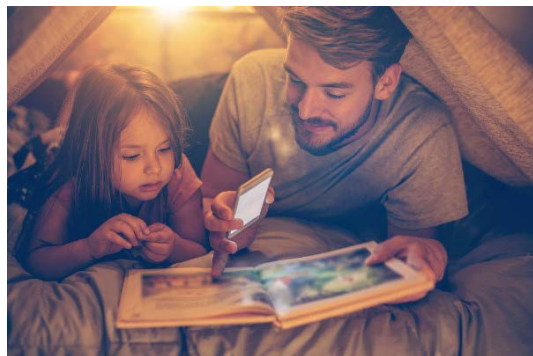
[Read more](#)

from 2007 to 2010. At the time, Ms X was on a standard user tariff. Ms X then switched to a different retailer. She returned to Retailer F in 2011 and was placed on a low user tariff.

Retailer F said its low user tariffs were for customers using less electricity than the average consumer. It explained a low user would have a lower fixed/daily charge, and a higher variable/unit charge. Retailer F said it sent information to Ms X each year with information explaining the low user tariff.

Retailer F confirmed Ms X was not on the most beneficial tariff based on her electricity consumption.

[Read more](#)



## Our new Scheme (Broadband Shared Property Access Disputes Scheme - BSPAD Scheme)

Utilities Disputes is pleased to announce it is now the provider of the approved Broadband Shared Property Access Disputes Scheme (BSPAD Scheme). The

Scheme is approved by the Minister for Communications, and deals with disputes arising from the statutory right of access some network operators have to install broadband equipment on shared property.

Utilities Disputes is pleased to take on this new role. Resolving disputes about access to shared property for broadband draws on our existing expertise with land access disputes for electricity and gas.

Network operators can now decide whether to join the BSPAD Scheme and gain the advantage of the access rights, or to forgo the access rights and not join the Scheme. On 21 August Chorus Ltd became the first member of the BSPAD Scheme.

We look forward to working with consumers and BSPAD Scheme members.

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## Interview with Jenny Cameron, CE, Electricity Retailers' Association New Zealand (ERANZ)



Jenny Cameron is Chief Executive of the Electricity Retailers' Association of New Zealand (ERANZ). Established in 2015, ERANZ represents companies that sell electricity to New Zealand customers and businesses. ERANZ's role is to promote and enhance a sustainable and competitive retail electricity market that delivers value to New Zealand electricity customers.

### 1) How does the work of ERANZ affect consumers?

We are here to promote and enhance an open and competitive energy market that delivers value to customers. An open and competitive market benefits consumers because it creates innovation. Retailers compete in three ways: either through price, products or service. The more competition there is, the more retailers will be driven to deliver value to customers on those measures.

ERANZ seeks to ensure that rules for the sector allow a level playing field on which to compete and that regulations are fit for purpose. A fit for purpose regulatory environment benefits consumers because it means the regulation delivers market settings that will allow innovation and competition to thrive to the benefit of the customers.

ERANZ operates in the pre-competitive space – this means the issues that are common to all in the sector that establish the ground on which to compete. Areas that are naturally pre-competitive are such issues as managing vulnerable customers, or addressing sector reputation. ERANZ also works to highlight the strengths of the New Zealand electricity system – its renewability (over 80%), its

reliability (99.97%) and its overall affordability (11th cheapest in the OECD).

[Continue reading](#)

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## What do electricity retailers do?

Electricity Retailers' Association of New Zealand (ERANZ) have produced a helpful infographic: [Behind the light switch: how retailers simplify NZ's complex electricity system for customers.](#)

[Check this out](#)

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## Understanding your electricity bill

Your electricity bill tells you how much electricity you have used and how much you have to pay by when. Every electricity provider sets out bills differently but most of the terms they use are the same:

Term	Explanation
Actual	Actual means your electricity provider read the meter to find out your electricity use. A meter reader viewed your meter or, if you have a smart meter, the meter sent a reading to your electricity provider.
Billing period	The billing period is the number of days the bill is for.
EA levy	The Electricity Authority (EA) regulates the electricity market in New Zealand. The levy helps pay for this regulation. What you pay depends on how much electricity you use.
Estimate	Estimate means your provider has not read the meter to find out your electricity use. Instead your electricity provider estimated your use based on previous bills.
Fixed or daily charge	The fixed or daily charge is what you pay for each day you use electricity.
GST	GST stands for goods and services tax. This is a government tax you pay when you buy electricity and other products.
ICP	ICP stands for installation control point. Your ICP has an individual number identifying where your property connects to the electricity network.

Meter	A meter measures the electricity that you use. Each meter has a unique serial number. Some properties have more than one meter. Some meters have more than one register to record energy from different groups of appliances.
Pricing plan	A pricing plan is what your retailer uses to calculate your bill. Your pricing plan depends on how the meter is set up at your place and what plan you choose.
Prompt payment discount	Many providers offer a prompt payment discount. This discount is applied if you pay your bill in full by the due date on the bill.
Unit or variable charge	The unit or variable charge is the rate you pay for electricity multiplied by the number of kilowatt hours you use.
Units or kilowatt hours	Units or kilowatt-hours (usually written as kWh) are the measuring units for electricity, like centimetres are for length and kilograms are for weight. Kilowatt-hours are calculated by multiplying power (measured in kW) by time (measured in hours). So if you use a 1 kW heater for one hour, or a 2 kW heater for half an hour, you use one kilowatt-hour of electricity.

## Recent case statistics



## Have you checked out our Facebook page?

[@utilitiesdisputesLtd](https://www.facebook.com/utilitiesdisputesLtd)

We frequently update our page with important industry information, new issues, what we are doing, and who we are visiting.

Please LIKE us and SHARE anything useful with your audience :)

## New fact sheets for consumers





Tom, our talented Designer/Reporting Analyst/Communications Support/Man of Many Skills, is currently refreshing our consumer fact sheets. Keep an eye on our Facebook page or website for when the new versions are released.

If it weren't for electricity, we'd all be watching television by candlelight.

- George Gobel

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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Please call or email us to be added to (or removed from) our mailing list.