



Economic regulation and consumer protection for three waters services in New Zealand

THREE WATERS REGIME – HAVE YOUR SAY ON ECONOMIC AND CONSUMER PROTECTION REGULATION

It's important that the future three waters system protects and promotes consumer interests and ensures infrastructure is delivered in a way that is efficient, effective and innovative.

To ensure this is the case, the government is asking for feedback on what economic and consumer protection regulation may be needed in the future system.

WHAT ECONOMIC REGULATION IS BEING CONSIDERED?

Economic regulation helps to protect consumers from problems that can occur when businesses have a lot of market power. This may include requiring businesses to disclose certain information so that consumers and other interested parties have accurate information on how their supplier is performing. It could also include directly regulating the price and quality of services, to ensure that consumers receive three waters services that reflect their needs.

The Government wants to hear from New Zealanders about whether economic regulation is needed for the future three waters system, and if so, how this should look. This includes questions such as whether economic regulation should apply to all three waters, which suppliers the regulation should apply to, and how this regulation could be designed.

WHAT KIND OF CONSUMER PROTECTION REGULATION IS BEING CONSIDERED?

The voices of consumers and communities should be incorporated throughout the design of the three waters regulatory system, to ensure it is responsive and accountable.

For example, consumers should be able to expect a certain level of service when they contact a water supplier with a query or complaint. Consumers should also expect clear communication about planned or unplanned network outages, and transparency from their supplier about how water services are billed.

The Government wants to hear from New Zealand consumers, communities, and advocacy groups about what protections may be needed.

WHAT SPECIFIC PROPOSALS ARE BEING CONSIDERED?

Key areas for consideration include to:

- › Introduce information disclosure regulation so consumers are able to assess how the performance of their Water Service Entity compares to others;
- › Introduce economic regulation to control price and quality of services in the long term interest of consumers;

- › Require economic regulator to set a strong efficiency challenge to ensure that water services are as affordable as possible, and incentivise high quality consumer engagement; and
- › Enable a consumer protection regulator to set minimum service level and provide protections for vulnerable consumers
- › Establish a dedicated three waters consumer dispute resolution scheme.

HOW WILL MY FEEDBACK BE USED?

The feedback received during this consultation will help the Government to consider what regulation may be needed for the future three waters system, and what it should look like.

HOW CAN I GET MORE INFORMATION AND PROVIDE MY FEEDBACK?

For more details on the proposed regulation, you can read the discussion document on the Ministry of Business, Innovation and Employment's website [here](#).

A submissions template is also available on this page, along with details about how to have your say.

You can get in touch with the MBIE team on economicregulation@mbie.govt.nz with any questions.

