

28 April 2023

Energy Hardship Expert Panel c/- Energy Use team, Ministry of Business, Innovation and Employment 15 Stout Street Wellington 6140

Via email EnergyHardshipMBIE@mbie.govt.nz

Tēnā koutou,

Energy affordability, reliability and sustainability in a low carbon future

Electricity and gas distribution is part of the energy cost faced by consumers. Powerco is one of Aotearoa's largest gas and electricity distributors, supplying around 340,000 (electricity) and 112,000 (gas) urban and rural homes and businesses in the North Island. These energy networks provide essential services and will be core to Aotearoa achieving a net-zero economy in 2050.

The energy hardship discussion paper is more focused on electricity, which is therefore the focus of our response. In identifying the challenges and way forward with energy hardship, it is important to consider energy broadly. For example, potential pathways for Aotearoa's gas transition, the differences between electricity and gas distribution, and consumer decisions in energy options, will all impact energy affordability in different ways. We have responded on the Energy Affordability Kete in the attached submission form. Our summary views on the Energy Affordability kete are:

Energy Affordability

- A national approach will avoid energy access or equity issues linked to the geographical or market boundaries of energy businesses (including EDBs)
- Household support should be targeted for a household's energy circumstances.

We appreciate the engagement by the Energy Hardship Panel prior to finalising the strategy. We also note our support for the ENA submission, representing all electricity distributors. If you have any questions regarding this submission or would like to talk further on the points raised, please contact me Privacy of natural persons.

Nāku noa, nā,

Andrew Kerr

Head of Policy, Regulation, and Markets

POWERCO

Submission Form

Submission information

(Please note we require responses to all questions marked with an *)

Pers	onal details and privacy
Q1.	I have read and understand the Privacy Statement above. Please tick Yes if you wish to continue*
	[To check the boxes above: Double click on box, then select 'checked']
	□ No
Q2.	What is your name?*
Ì	Andrew Kerr
Q3.	Do you consent to your name being published with your submission?*
ųs.	
	⊠ Yes
	□No
Q4.	What is your email address? Please note this will not be published with your submission.*
	Privacy of natural persons
Q5.	Are you submitting as an individual or on behalf of an organisation?*
QJ.	
	Individual (skip to Q8)
	□ Organisation
Q6.	If on behalf of an organisation, we require confirmation you are authorised to
	make a submission on behalf of this organisation.
	Xes, I am authorised to make a submission on behalf of my organisation
	<u>, </u>
Q7.	If you are submitting on behalf of an organisation, what is your organisation's
	name? Please note this will be published with your submission.
	Powerco
Q8.	If you are submitting on behalf of an organisation, which of these best describes
	your organisation? Please tick one.
	☐ lwi, hapū or Māori organisation
	☐ Energy retailer
	Energy regulator

1

	Energy distributor
	Registered charity
	Non-governmental organisation
	Local Government
	Central Government
	Academic/Research
	Other. Please describe:
Q9.	I would like my submission or parts of my submission to be kept confidential.*
	Yes
Q10.	No If you answered yes to Q9 above, please provide your reasons and grounds under section 9 of the Official Information Act that you believe apply, for consideration by MBIE.
Q11.	If you answered yes to Q9 above, please confirm you will provide publishable versions of your submission in both Word and in PDF by emailing them to the MBIE secretariat at energyhardshipMBIE@mbie.govt.nz - clearly labelling both "for publication"
	Yes
	□No

Responses to questions

The Energy Hardship Expert Panel welcomes your feedback on as many sections as you wish to respond to, please note you do not need to answer every question.

	ease tick those sections which you wish to provide feedback on:
<u></u> НЕА	ALTH OF THE HOME KETE
☐ KNO	DWLEDGE NAVIGATION KETE
ENE	RGY ACCESSIBILITY AND CHOICE KETE
ENE	ERGY AFFORDABILITY KETE
	NSUMER PROTECTION KETE
HEAL	TH OF THE HOME KETE
Impro	ving individual, house and whānau energy wellbeing through healthier homes
	enge: A significant number of New Zealand homes require retrofit to bring them to a
healti	ny standard of energy performance
Strate	gy HH2: Strengthen and expand Warmer Kiwi Homes (WKH) programme (measures,
reach	and funding) so more low-income New Zealanders are supported into energy wellbeing
Q13.	Do you broadly support the proposed strategy HH1?
	- 7 1 1
	Yes
	☐ Yes
	☐ Yes
	☐ Yes ☐ Somewhat
014	☐ Yes ☐ Somewhat ☐ No ☐ Don't know/Not sure
Q14.	☐ Yes ☐ Somewhat ☐ No
Q14.	 Yes Somewhat No Don't know/Not sure Please share your comments on the proposed strategy HH1. For example, you
Q14.	 Yes Somewhat No Don't know/Not sure Please share your comments on the proposed strategy HH1. For example, you could include your thoughts on any benefits, costs, risks or limitations associated
Q14. Q15.	 Yes Somewhat No Don't know/Not sure Please share your comments on the proposed strategy HH1. For example, you could include your thoughts on any benefits, costs, risks or limitations associated with this strategy. Do you have any alternative suggestions on how to address the challenge
Ì	 Yes Somewhat No Don't know/Not sure Please share your comments on the proposed strategy HH1. For example, you could include your thoughts on any benefits, costs, risks or limitations associated with this strategy.
Ì	 Yes Somewhat No Don't know/Not sure Please share your comments on the proposed strategy HH1. For example, you could include your thoughts on any benefits, costs, risks or limitations associated with this strategy. Do you have any alternative suggestions on how to address the challenge

	inge: The full benefits of energy efficiency improvements cannot be accessed unless a is weathertight and reasonable quality
	gy HH2: Fund broader building repair and improvement work to support home retrofit ammes
Q16.	Do you broadly support the proposed strategy HH2?
	Yes
	Somewhat
	No
	☐ Don't know/Not sure
Q17.	Please share your comments on the proposed strategy HH2. For example, you could include your thoughts on any benefits, costs, risks or limitations associated with this strategy.
Q18.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.
	enge: Tenants are four to five times more likely to experience energy hardship than -occupiers
Strate Stand	gy HH3: Strengthen the monitoring, compliance and enforcement of the Healthy Homes ards
Q19.	Do you broadly support the proposed strategy HH3?
	Yes
	Somewhat
	□ No
	☐ Don't know/Not sure
Q20.	Please share your comments on the proposed strategy HH3. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.

Challe occup	nge: Tenants are four to five times more likely to experience energy hardship than owner- iers
Strate	gy HH4: Strengthen advocacy and support services for tenants
Q21.	Do you broadly support the proposed strategy HH4?
	Yes
	Somewhat
	□No
	☐ Don't know/Not sure
Q22.	Please share your comments on the proposed strategy HH4. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.
Q23.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.
	enge: Energy efficient household appliances (e.g. whiteware, lighting, cooking) offer tant long-run cost savings but the higher purchase price often puts them out of reach
	gy HH5: Expand all energy-related MSD purchase assistance programmes for household inces to offer energy efficient choices
Q24.	Do you broadly support the proposed strategy HH5?
	Yes
	Somewhat
	□No
	☐ Don't know/Not sure
Q25.	Please share your comments on the proposed strategy HH5. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.

Q26.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.
FINAL	QUESTION FOR HEALTH OF THE HOME:
Q27.	Are there any other key challenges and/or corresponding solutions relating to the
	HEALTH OF THE HOME KETE that we have missed? If so, please outline these below.

KNOWLEDGE AND NAVITATION KETE Supporting and empowering whence the control desirions
Supporting and empowering whānau energy decisions
Challenge: Stronger coordination and collaboration across providers of energy hardship programmes and support services is needed to improve effectiveness and coverage
Strategy KN1: Establish and fund a nation-wide "energy wellbeing sector network" to facilitate
and support enhanced service integration and collaboration between local organisations and
establish co-networks for Māori and Pacific practitioners
Q28. Do you broadly support the proposed strategy KN1?
Yes
Somewhat
□ No
☐ Don't know/Not sure
Q29. Please share your comments on the proposed strategy KN1. For example, you could include your thoughts on any benefits, costs, risks or limitations associated with this strategy.
Q30. Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.
Challenge: There is a lack of widespread, easy access to trusted and informed community-based energy advisers, home assessors and service navigators
Strategy KN2: Strengthen and deliver energy wellbeing 'navigator' training (such as Home

_	mance Advisor), including Māori and Pacific energy wellbeing training nga/programmes that are grounded in Te Ao Māori and Pacific worldviews
Q31.	Do you broadly support the proposed strategy KN2?
	Yes
	Somewhat
	□No
	☐ Don't know/Not sure
Q32.	Please share your comments on the proposed strategy KN2. For example, you could include your thoughts on any benefits, costs, risks or limitations associated with this strategy.
energ	enge: There is a lack of widespread, easy access to trusted and informed community-based y advisers, home assessors and service navigators ogy KN3: Strengthen and extend MBIE's Support for Energy Education in Communities (SEEC)
	amme, and ensure funding targeting and programme design recognise those groups over-
тергез	sented in energy hardship such as Māori, Pacific peoples and tenants
Q33.	Do you broadly support the proposed strategy KN3?
	Do you broadly support the proposed strategy KN3?
	Do you broadly support the proposed strategy KN3? Yes
	Do you broadly support the proposed strategy KN3? Yes Somewhat
	Do you broadly support the proposed strategy KN3? Yes Somewhat No
Q33.	Do you broadly support the proposed strategy KN3? Yes Somewhat No Don't know/Not sure Please share your comments on the proposed strategy KN3. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this
Q33.	Do you broadly support the proposed strategy KN3? Yes Somewhat No Don't know/Not sure Please share your comments on the proposed strategy KN3. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this
Q33.	Do you broadly support the proposed strategy KN3? Yes Somewhat No Don't know/Not sure Please share your comments on the proposed strategy KN3. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy. Do you have any alternative suggestions on how to address the challenge explained
Q33. Q34.	Do you broadly support the proposed strategy KN3? Yes Somewhat No Don't know/Not sure Please share your comments on the proposed strategy KN3. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy. Do you have any alternative suggestions on how to address the challenge explained

on en	egy KN4: Develop and deliver an Energy Wellbeing Education Strategy for targeted education ergy-saving practices, consumer protection rights, and how to access authoritative nation (including targeting for specific groups over-represented in energy hardship)
Q36.	Do you broadly support the proposed strategy KN4?
	Yes
	☐ Somewhat
	□No
	☐ Don't know/Not sure
Q37.	Please share your comments on the proposed strategy KN4. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.
home	enge: Increased support is needed to boost energy literacy among tenants, landlords and owners
to-da	egy KN5: Develop and maintain a comprehensive online portal as a "go-to" for accurate, up- te and complete information for tenants, landlords and homeowners to support improved y wellbeing, good energy choices, efficient energy use in the home and consumer protection
Q38.	Do you broadly support the proposed strategy KN5?
	Yes
	☐ Somewhat
	□No
	☐ Don't know/Not sure
Q39.	Please share your comments on the proposed strategy KN5. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.
Q40.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.

	enge: Households can face challenges in accessing and understanding bill and pricing nation and options
	egy KN6: Simplify energy bills and information access, improve comparability across icity tariff structures, and improve price comparison services
Q41.	Do you broadly support the proposed strategy KN6?
	Yes
	☐ Somewhat
	□No
	☐ Don't know/Not sure
Q42.	Please share your comments on the proposed strategy KN6. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.
	Strategy.
Q43.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.
FINAL	QUESTION FOR KNOWLEDGE AND NAVITATION KETE:
Q44.	Are there any other key challenges and/or corresponding solutions relating to the KNOWLEDGE AND NAVIGATION KETE that we have missed? If so, please outline these below.
	RGY ACCESSIBILITY AND CHOICE KETE ving individual, house and whānau energy wellbeing through healthier homes
тірго	The maintain in the management of the management
	enge: Credit issues can prevent individuals, households and whānau from having choice in an icity supplier or switching suppliers
	egy AC1: Develop mechanism(s) to ensure all residential consumers can obtain a post-pay icity supply despite "adverse credit"
Q45.	Do you broadly support the proposed strategy AC1?
	Yes
	□ Somewhat

	□No
	☐ Don't know/Not sure
Q46.	Please share your comments on the proposed strategy AC1. For example, you could include your thoughts on any benefits, costs, risks or limitations associated with this strategy.
Q47.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.
Challe	enge: Households struggling to pay their bills face disconnection
non-p	egy AC2: Develop mandatory rules for electricity retailers to follow before disconnecting for ayment so that disconnection becomes the last resort, including penalties e.g. for wrongful annection
Q48.	Do you broadly support the proposed strategy AC2?
	Yes
	☐ Somewhat
	□No
	☐ Don't know/Not sure
Q49.	Please share your comments on the proposed strategy AC2. For example, you could include your thoughts on any benefits, costs, risks or limitations associated with this strategy.
Q50.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.
Challe choice	enge: Metering technology may constrain a household's access to energy supply and tariff
	egy AC3: Identify and address the barriers to completing smart meter roll-out, prioritising of low coverage, and requests from households in energy hardship
Q51.	Do you broadly support the proposed strategy AC3?

	Yes
	Somewhat
	□No
	☐ Don't know/Not sure
Q52.	Please share your comments on the proposed strategy AC3. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.
Q53.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.
	nge: Rural and off-grid households or communities, and those living on communal or tral land, need additional support to build their energy access, resilience and sovereignty
ances	
Strate capab comm	gy AC4: Provide increased funding and support for community energy schemes and ility-building in rural communities to ensure rural and off-grid households and those on unal or ancestral lands (including Papakāinga) in energy hardship can access secure energy , linking with other energy programmes such as WKH and SEEC
Strate capab comm	ility-building in rural communities to ensure rural and off-grid households and those on unal or ancestral lands (including Papakāinga) in energy hardship can access secure energy
Strate capab comm supply	ility-building in rural communities to ensure rural and off-grid households and those on unal or ancestral lands (including Papakāinga) in energy hardship can access secure energy , linking with other energy programmes such as WKH and SEEC
Strate capab comm supply	ility-building in rural communities to ensure rural and off-grid households and those on unal or ancestral lands (including Papakāinga) in energy hardship can access secure energy r, linking with other energy programmes such as WKH and SEEC Do you broadly support the proposed strategy AC4?
Strate capab comm supply	ility-building in rural communities to ensure rural and off-grid households and those on unal or ancestral lands (including Papakāinga) in energy hardship can access secure energy r, linking with other energy programmes such as WKH and SEEC Do you broadly support the proposed strategy AC4? Yes
Strate capab comm supply	ility-building in rural communities to ensure rural and off-grid households and those on unal or ancestral lands (including Papakāinga) in energy hardship can access secure energy r, linking with other energy programmes such as WKH and SEEC Do you broadly support the proposed strategy AC4? Yes Somewhat
Strate capab comm supply	ility-building in rural communities to ensure rural and off-grid households and those on unal or ancestral lands (including Papakāinga) in energy hardship can access secure energy r, linking with other energy programmes such as WKH and SEEC Do you broadly support the proposed strategy AC4? Yes Somewhat No
Strate capab comm supply Q54.	ility-building in rural communities to ensure rural and off-grid households and those on unal or ancestral lands (including Papakāinga) in energy hardship can access secure energy to linking with other energy programmes such as WKH and SEEC Do you broadly support the proposed strategy AC4? Yes Somewhat No Don't know/Not sure Please share your comments on the proposed strategy AC4. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this
Strate capab comm supply Q54.	ility-building in rural communities to ensure rural and off-grid households and those on unal or ancestral lands (including Papakāinga) in energy hardship can access secure energy in linking with other energy programmes such as WKH and SEEC Do you broadly support the proposed strategy AC4? Yes Somewhat No Don't know/Not sure Please share your comments on the proposed strategy AC4. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.

Challenge: Individuals, households and whānau in energy hardship often have limited options in choosing, and engaging with, an energy retailer			
Strategy AC5: Explore ways to facilitate and support social retailing which can provide post-pay supply to those in energy hardship with low credit scores, deliver targeted wrap-around services, and provide tailored pricing and payment plans. Options may include one or more of:			
a. Provide support for accredited social retailers eg through an industry fund, social generation hedge obligations or government funding			
b. Gov	ernment contracts one or more retailer(s) to act as a social retailer		
c. Gov	ernment support for community/regional integrated social generator-retailers		
d. Gov	ernment support for a nationwide integrated social generator-retailer		
Q57.	Do you broadly support the proposed strategy AC5?		
	Yes		
	Somewhat		
	□No		
	☐ Don't know/Not sure		
Q58.	Please share your comments on the proposed strategy AC5. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.		
Q59.	Please share your comments on each of the social retailing options listed above. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with these options.		
Q60.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.		
Challenge: The energy transition presents new opportunities but risks leaving lower-socio- economic whānau behind			
Strategy AC6: Ensure those in energy hardship can access the benefits of, and do not face undue costs from, the transition to low emissions energy, including explicitly reflecting energy wellbeing requirements in Government's Equitable Transition Strategy, Energy Strategy and Gas Transition			

Plan

Q61.	Do you broadly support the proposed strategy AC6?	
	Yes	
	Somewhat	
	□No	
	☐ Don't know/Not sure	
Q62.	Please share your comments on the proposed strategy AC6. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.	
Q63.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.	
FINAL	QUESTION FOR ENERGY ACCESSIBILITY AND CHOICE KETE:	
Q64.	Are there any other key challenges and/or corresponding solutions relating to the	
Ì	ENERGY ACCESSIBILITY AND CHOICE KETE that we have missed? If so, please outline	
	these below.	
ENIE	RGY AFFORDABILITY KETE	
	ding the energy whānau need for their wellbeing	
Challenge: Low income is a major barrier for many whānau to afford the energy they need for wellbeing in their home		
Strategy AF1: Prioritise lack of energy access as an emergency issue and implement nationally consistent processes and timeframes for responding to requests for assistance from customers in energy hardship/their advocate/retailer, and establish clear and direct lines of communications between MSD and those customers/their retailer/advocate		
Q65.	Do you broadly support the proposed strategy AF1?	
Q65.	Do you broadly support the proposed strategy AF1? Yes	
Q65.	_	
Q65.	∑ Yes	

Q66. Please share your comments on the proposed strategy AF1. For example, you could include your thoughts on any benefits, costs, risks or limitations associated with this strategy. A national approach is appropriate given the circumstances affecting the lack of access will not overlap equally with the market shares or geographical footprints of energy businesses it will avoid distorting competitive retail offerings to these customers in the future Challenge: Low income is a major barrier for many whānau to afford the energy they need for wellbeing in their home Strategy AF2: Provide extra Government financial support, needs-based and targeted at households in energy hardship, including those outside the existing beneficiary group. Possible mechanisms include better targeting of the Winter Energy Payment (WEP) eligibility criteria/funding levels, an energy-related income supplement, an energy bill rebate, and making a portion of energy-related grants non-recoverable Q67. Do you broadly support the proposed strategy AF2? X Yes Somewhat No Don't know/Not sure Q68. Please share your comments on the proposed strategy AF2. For example, you could include your thoughts on any benefits, costs, risks or limitations associated with this strategy. To be sustainable, this strategy will benefit from being targeted and sized at those households with low income. It would be assisted by a direct or implicit assessment of the degree of financial support needed given a household's living cost pressures. For example, the WEP doesn't scale for the number of household occupants, location, or housing quality (all which can affect energy requirements). Challenge: Low income is a major barrier for many whānau to afford the energy they need for wellbeing in their home Strategy AF3: Ensure all fees and costs charged to energy consumers are cost-reflective and reasonable (including pre-pay, disconnections, reconnections, top-ups, bonds, metering) Do you broadly support the proposed strategy AF3? Q69.

X Yes

Q70.	□ No □ Don't know/Not sure Please share your comments on the proposed strategy AF3. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy. Effective implementation of the energy affordability strategies should support this outcome	
Q70.	Please share your comments on the proposed strategy AF3. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.	
Q70.	include your thoughts on any benefits, costs, risks, limitations associated with this strategy.	
	because financial support may involve paying some of these costs.	
Q71.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.	
Challenge: Pre-pay accounts often impose significantly higher costs on those most in need and self-disconnection is hidden		
Strategy AF4: Review and monitor the use and pricing of pre-pay accounts to ensure they do not create or exacerbate disadvantage, including tracking and publishing self-disconnection (how many, how often, for how long) and reviewing pre-pay terms and conditions, fees, wraparound support		
Q72.	Do you broadly support the proposed strategy AF4?	
	∑ Yes	
	Somewhat	
	□ No	
	Don't know/Not sure	
Q72.	Please share your comments on the proposed strategy AF4. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.	
	Understanding the link between disconnection data, behaviour, and cost will ensure any policy initiatives are targeted at the right situation.	
Q74.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.	
Q72.	include your thoughts on any benefits, costs, risks, limitations associated with this strategy. Understanding the link between disconnection data, behaviour, and cost will ensure any	

Challenge: Payment options may impact affordability and choice		
Strategy AF5: Require retailers to include payment options that recognise the difficulty those in energy hardship face, e.g. cash payment, smooth pay, weekly or fortnightly billing/payment		
Q75.	Do you broadly support the proposed strategy AF5?	
	Yes	
	Somewhat	
	□ No	
	☐ Don't know/Not sure	
Q76.	Please share your comments on the proposed strategy AF5. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.	
	Possibly better to address via the implementation of AF3.	
Q77.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.	
Challe	nge: Distribution pricing methodologies can impact affordability	
Strate	gy AF6: Investigate and address the implications of network pricing methodologies for	
	y hardship, particularly in high cost-to-serve areas	
5 I		
Q78.	Do you broadly support the proposed strategy AF6?	
	⊠ Yes	
	Somewhat	
	□No	
	☐ Don't know/Not sure	
Q79.	Please share your comments on the proposed strategy AF6. For example, you could	
	include your thoughts on any benefits, costs, risks, limitations associated with this strategy.	
	Network costs (distribution and transmission) are a substantial component of a household's	
	Network costs (distribution and transmission) are a substantial component of a household's energy bill. Our response to AF2 noted that the circumstances affecting households with low	
	Network costs (distribution and transmission) are a substantial component of a household's	

We support a response funded at a national level (AF3) rather than being addressed by individual EDBs. At an EDB level, costs not paid by some customers will be implicitly paid for by other customers and businesses on that footprint, potentially exacerbating affordability for some other customers.

An understanding at a national level of how network and wholesale pricing affects affordability could be useful for implementing strategy AF3 (targeted support). For example, if wholesale and network prices are higher in region A vs region B, this could inform the nature and scale of support needed in the two regions.

Q80. Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.

We suggest differentiating between "capital contribution" policies and pricing methodologies. Both are required to be published under Commerce Commission disclosure requirements, yet they relate to different aspects of the cost to a consumer. For example, for a customer looking to connect a new building (eg marae) a significant distance from the existing network, a distributor's capital contribution policy will inform how the costs for the connection works will be recovered. The pricing methodology will inform the annual delivery charges.

We welcome the opportunity to explain how Powerco's latest <u>pricing methodology</u> and <u>capital contribution guide</u> work in practice.

FINAL QUESTION FOR THE ENERGY AFFORDABILITY KETE:

Q81. Are there any other key challenges and/or corresponding solutions relating to the ENERGY AFFORDABILITY KETE that we have missed? If so, please outline these below.

CONSUMER PROTECTION KETE

Protecting energy consumers in their relationships with providers

Challenge: The Electricity Authority's Consumer Care Guidelines (CCG) are voluntary and there is no regulatory penalty for not complying

Strategy CP1: Review and strengthen the Consumer Care Guidelines including expanding to include mandatory consumer care obligations on all electricity retailers

Q82.	Do you broadly support the proposed strategy CP1?
	Yes
	Somewhat
	□No

	☐ Don't know/Not sure	
Q83.	Please share your comments on the proposed strategy CP1. For example, you could include your thoughts on any benefits, costs, risks or limitations associated with this strategy.	
Challenge: The Electricity Authority's Consumer Care Guidelines (CCG) are voluntary and there is no regulatory penalty for not complying		
Strategy CP2: Strengthen monitoring, compliance and enforcement of the Consumer Care Guidelines, including a penalty and reporting regime for non-compliance		
Q84.	Do you broadly support the proposed strategy CP2?	
	Yes	
	Somewhat	
	□No	
	☐ Don't know/Not sure	
Q85.	Please share your comments on the proposed strategy CP2. For example, you could include your thoughts on any benefits, costs, risks or limitations associated with this strategy.	
Q86.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.	
Challenge: There is a lack of reporting and monitoring of key energy hardship information from electricity retailers		
Strategy CP3: Require electricity retailers to report key energy hardship indicators to the Electricity Authority for it to monitor and publish (e.g. number of customers refused supply, disconnection numbers/durations/reasons, customer debt levels, bonds, pre-pay, referrals to Income Support, retailers' alignment with Consumer Care Guidelines		
Q87.	Do you broadly support the proposed strategy CP3?	
	Yes	
	Somewhat	
	□No	

	☐ Don't know/Not sure	
Q88.	Please share your comments on the proposed strategy CP3. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.	
Q89.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.	
Challenge: Other consumer protection regimes and dispute resolution schemes may be too narrow as new technologies and business models emerge		
Strategy CP4: Expand consumer protection and existing dispute resolution schemes to cover other forms of energy provider relationships taking an energy hardship lens e.g. solar power providers		
Q90.	Do you broadly support the proposed strategy CP4?	
	Yes	
	Somewhat	
	□No	
	☐ Don't know/Not sure	
Q91.	Please share your comments on the proposed strategy CP4. For example, you could include your thoughts on any benefits, costs, risks, limitations associated with this strategy.	
Q92.	Do you have any alternative suggestions on how to address the challenge explained above? If so, please share these below.	
	QUESTION FOR THE CONSUMER PROTECTION KETE:	
Q93.	Are there any other key challenges and/or corresponding solutions relating to the CONSUMER PROTECTION KETE that we have missed? If so, please outline these below.	

SUPPORTING ENVIRONMENT AND ANY FURTHER COMMENTS

The Panel has identified a number of supporting or enabling elements it considers are important for the landscape surrounding energy hardship initiatives, to ensure the proposed strategies can be implemented effectively and in a long-term sustainable manner.

These include:

- Data and insights
- Learning environment
- Leadership and coordination
- Participatory approach
- Collaborative service models
- Durable funding environment
- Targeting of solutions

Please see the Supporting Environment section of the Discussion Paper for more information.

Q95. Do you have any comments on the Supporting Environment section? Please share these below.

Q96. Do you have any other thoughts or comments you would like to make on the Expert Panel's Discussion Paper? If so, please share these below.

Thank you

We appreciate you sharing your thoughts with us. Please find all instructions for how to return this form to us on the first page.

We will consider your submission as we work towards developing final recommendations for the government by 30 June 2023.