

**From:** energymarkets@mbie.govt.nz  
**To:** [Energy Markets](#)  
**Subject:** Electricity Price Review submission  
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**Name (full)**

Glimp Limited

**Company (if applicable)**

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**Contact number**

9(2)(a)

**Region**

Wellington

**Category**

Other Industry Groups, Advocates, Service Providers, Technology Companies

**Do you accept these terms & conditions?**

Yes

**A1. Establish a consumer advisory council**

**A2. Ensure regulators listen to consumers**

**B1. Establish a cross-sector energy hardship group**

**B2. Define energy hardship**

**B3. Establish a network of community-level support services to help consumers in energy hardship**

**B4. Set up a fund to help households in energy hardship become more energy efficient**

**B5. Offer extra financial support for households in energy hardship**

**B6. Set mandatory minimum standards to protect vulnerable and medically dependent consumers**

**B7. Prohibit prompt payment discounts but allow reasonable late payment fees**

**B8. Seek bulk deals for social housing and/or Work and Income clients**

**C1. Make it easier for consumers to shop around**

Glimp Limited does not support option C1.

About Glimp

Glimp Limited is a New Zealand owned and registered private company. Glimp Limited owns and operates the Glimp price comparison website ([www.glimp.co.nz](http://www.glimp.co.nz)) and its sister website, CompareBear ([www.comparebear.co.nz](http://www.comparebear.co.nz)). In this submission we refer to these websites as a single website and service.

Our website allows consumers to compare electricity prices offered by various suppliers and find the best deal for them. We also do this for gas, broadband, mobile plans, car insurance, mortgages, personal loans, credit cards and travel insurance. We have plans to expand into other products in the future.

We provide a for-profit service. We receive a conversion fee from the relevant supplier when a consumer signs up for one of the supplier's products through our website, as does Consumer NZ for sign-ups through its Powerswitch website.

Unlike Powerswitch, we do not currently receive any public funding.

Glimp is independent of the suppliers whose products are offered on the website. The algorithms behind our website sort suppliers' offers according to price (best to worst) and present them to consumers in that order. We do not offer "featured power supplier" status based on anything but best price, and we do not sell advertising on our website outside of the core price-comparison functionality.

We started the Glimp website in January 2016 and have offered a power (electricity and gas) price comparison service since June 2016. In 2018, 69,783 unique users came to the Glimp website to compare power prices. Around 5,000 unique users came to the CompareBear website. Our service is rated 4.7 out of 5 from more than 220 reviews on Google.

Glimp supports increased retail competition

Competition at the electricity retailer level is vitally important to ensuring retail electricity prices are fair and affordable. We strongly support initiatives aimed at encouraging retailer competition for all utilities.

We agree with the Panel's support for:

- Including information on electricity bills about how to switch retailers (option C2)
- Making it easier to access electricity usage data (option C3)
- Prohibiting win-backs (option C5)
- Helping non-switching consumers find better deals (option C6).

Glimp does not support option C1

Option C1 is titled "Make it easier for consumers to shop around", but that is not what the option is about. The option is about subsidising Consumer NZ's Powerswitch website with \$2.5m per year of public money on an exclusive basis.

We do not support that proposal for the following reasons:

- Contrary to what the Options Paper says, Powerswitch is not the only power price comparison service. Obviously there is Glimp as well, and in future there may be other new entrants. Option C1 picks Powerswitch as the winner in this emerging market. That will stifle innovation and could make it less likely consumers will find the best deal. Glimp has shown there is room in the market for more than one power price comparison service.
- \$2.5m is far in excess of the \$100k threshold that triggers the requirement for a contestable process under the Government Rules of Sourcing (current and proposed). The Electricity Authority is required to comply with those Rules. We expect the Electricity Authority relies on the unconditional or conditional grant exception in the Rules so that it is not required to run a contestable process for the funding paid to Powerswitch. In our view the Electricity Authority should not continue to rely on those exceptions, especially if the amount of funding is increased. The Electricity Authority should put the over-riding Government

Procurement Principles into practice by being fair to all suppliers, including by giving New Zealand suppliers a full and fair opportunity to compete.

- Option C1 refers to “periodic retendering” but does not say how periodic such retendering might be. In any event, any period of exclusive public funding to the level contemplated will entrench Powerswitch as the market leader, stifle innovation, and make it much harder for other services to compete. There is no reason why the funding should not, and could not, be made contestable immediately.

- If the funding were made contestable Glimp would have the opportunity to present the features and benefits of its service to the Electricity Authority. For example, unlike Powerswitch, we offer an integrated price comparison service for both power and telecommunications (broadband and mobile plans). With increasing bundling of power and telecommunications offerings in New Zealand, this is an important point of difference because the best deal on power may not be the best deal overall for the household. We would not have to use public funds to establish this integrated functionality because we already have it.

In its submission on the Panel’s first report the Electricity Authority referred to concerns about the impartiality of commercially operated price comparison services overseas. The Electricity Authority did not provide any particulars for those concerns so we are unable to fully respond to them. However, we do reiterate what we have said above about the independence of Glimp and the impartiality of its service. The Panel should not foreclose the potential for effective, commercially operated power price comparison services to exist in New Zealand on the basis of an anecdotal observation in a submission.

Comment on option C2

For the same reasons, we would not support any proposal to include information about Powerswitch on electricity bills and not information about other power price comparison services, including ours.

Thank you for the opportunity to comment on the Options Paper. We would be happy to talk to Panel members directly about the matters raised in this submission or answer any follow-up questions the Panel may have.

**C2. Include information on power bills to help consumers switch retailer or resolve billing disputes**

Glimp Limited supports the inclusion of switching information on bills, but not if the information relates to only one switching service (Powerswitch).

See our response to option C1.

**C3. Make it easier to access electricity usage data**

Glimp Limited supports option C3.

**C4. Make distributors offer retailers standard terms for network access**

**C5. Prohibit win-backs**

Glimp Limited supports option C5.

**C6. Help non-switching consumers find better deals**

Glimp Limited supports option C6.

- C7. Introduce retail price caps**
- D1. Toughen rules on disclosing wholesale market information**
- D2. Introduce mandatory market-making obligations**
- D3. Make generator-retailers release information about the profitability of their retailing activities**
- D4. Monitor contract prices and generation costs more closely**
- D5. Prohibit vertically integrated companies**
- E1. Issue a government policy statement on transmission pricing**
- E2. Issue a government policy statement on distribution pricing**
- E3. Regulate distribution cost allocation principles**
- E4. Limit price shocks from distribution price increases**
- E5. Phase out low fixed charge tariff regulations**
- E6. Ensure access to smart meter data on reasonable terms**
- E7. Strengthen the Commerce Commission's powers to regulate distributors' performance**
- E8. Require smaller distributors to amalgamate**
- E9. Lower Transpower and distributors' asset values and rates of return**
- F1. Give the Electricity Authority clearer, more flexible powers to regulate network access for distributed energy services**
- F2. Transfer the Electricity Authority's transmission and distribution-related regulatory functions to the Commerce Commission**
- F3. Give regulators environmental and fairness goals**
- F4. Allow Electricity Authority decisions to be appealed on their merits**
- F5. Update the Electricity Authority's compliance framework and strengthen its information-gathering powers**
- F6. Establish an electricity and gas regulator**
- G1. Set up a fund to encourage more innovation**
- G2. Examine security and resilience of electricity supply**
- G3. Encourage more co-ordination among agencies**
- G4. Improve the energy efficiency of new and existing buildings**