

Northpower Electric Power Trust

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Submission to the Electricity Price Review Options Paper

Via EnergyMarkets@mbie.govt.nz

Introduction

The Northpower Electric Power Trust works closely with the Board of Directors of Northpower Ltd to ensure that Northpower provide a secure, efficient and cost effective electricity supply to consumers in their supply area in the best current and long term interests of the consumers.

Therefore our Trust supports the submission by Northpower Ltd on the Electricity Price Review Options Paper.

Our short submission therefore outlines our concerns we have with some of the detail as Trustees which hopefully will assist in identifying issues for the review panel.

Response to Electricity Price Review Options Paper

A: STRENGTHENING THE CONSUMER VOICE

A1 Establish a consumer Advisory Board

The Trust is concerned that there will be costs involved that will inevitably flow through to consumers. More work is required to identify the costs and the benefits of this proposal before it is implemented, or its purpose may be defeated.

A2 Ensure regulators listen to consumers

As above in A1 plus providing adequate funding will be a pivotal issue and ensuring that such funding does not create a risk of capture.

In general there is a clear lack of understanding by most industry participants of the legal responsibility of Energy Trustees, which vary accordingly to the individual Trust Deeds. Frequently there is misunderstanding demonstrated between a Trustee responsibility to the Trust beneficiaries and the responsibility to the electricity consumers.

C5 Prohibit win-backs

While we support the prohibition of win-backs as described, we are aware of cases where an electricity consumer has been confused by the sales pitch of a retailer, and later regrets agreeing to a change. An example is where a retailer quotes a price exclusive of GST to win the customer over when the incumbent retail account shows the electricity cost GST inclusive.

Electricity consumers should still retain the protection of the cooling off period provided under the Fair Trading Act which provides for a person to cancel a contract within 5 days of receiving a written copy of the contract, or at any time if there is no written contract provided.

It would be unfair to electricity consumers to have this protection removed from them.

**C6 Help non-switching consumers find better deals -
SUPPORT OPT IN ONLY**

The opt in proposal could result in additional costs as in A2. Consideration needs to be given to both the direct costs, as well as the inevitable secondary costs of additional monitoring and compliance.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Erc Angelo', with a large, stylized initial 'E'.

Erc Angelo
Chairman
Northpower Electric Power Trust