

23 August 2021

## Utilities Disputes Submission on marketing of alternative services to consumers during copper and PSTN withdrawal

Utilities Disputes Limited (UDL) welcomes the opportunity to submit to the Commerce Commission on the marketing of alternative services to consumers during copper and PSTN withdrawal.

### Our background

UDL is an independent, not-for-profit company that provides fair and independent resolution of disputes about utilities that have not been able to be resolved between the parties. We facilitate a strong relationship of trust between consumers and utility organisations.

We currently operate three dispute resolution schemes: The Government approved Electricity and Gas Complaints and Broadband Shared Property Access Disputes (BSPAD) Schemes, and a voluntary Water Complaints Scheme.

### Submission

UDL works in the utilities sector and has 20 years' experience in dealing with consumers. We support the Commerce Commission's draft outcomes and principles and commend the Commission for taking proactive steps to enhance consumer protection at an early stage in the copper withdrawal process.

We comment further as follows:

#### Electricity Authority consumer care guidelines

UDL has recently worked with the Electricity Authority (EA) on the creation of new voluntary Consumer Care Guidelines which came into being on 1 July 2021. We expect the Commerce Commission is aware that these are being promulgated as voluntary guidelines in the first instance on the understanding that electricity retailers will mirror the terms in their own consumer care internal policies by the end of the year. Industry is working on developing a precedent consumer care policy through the Energy Retailers Association (ERANZ) that retailers can adopt if wished.

A lot of the learnings from that exercise can be replicated in the telecommunications sector and particularly in relation to this issue. In particular the EA's consumer care guidelines are comprehensive and encourage electricity retailers to apply them to all their customers and not distinguish between those who are considered to be vulnerable/disadvantaged and

those that are not. We believe this message could be emphasised in the draft outcomes and principles.

### **Outcomes 1 and 2**

UDL suggests the scope of the supporting conduct principles be extended to more specifically refer to different cultural communities, in particular Māori and Pacifica. From our experience, some residents in these communities are vulnerable and can be more susceptible to pressure from a RSP to change service without fully understanding what they are signing up to.

English is a second language to many in these communities and information printed in English only (if that is the case), in our opinion, is not sufficient. Ideally information in multiple languages would be available including an easily understandable cost matrix of current services costs versus proposed costs and feature sets of the new service and why change is necessary.

### **Outcome 3**

UDL would like principle (f) to be expanded or clarified,

In our experience, some RSPs also provide energy services and when additional services or products such as fibre, wifi extenders etc are added, these new services or products sometimes extend existing contract terms for the whole package making it difficult for consumers to withdraw from the telco part of the package alone if it does not meet their needs.

UDL believes the consumer should be entitled to walk away from the telco offering without penalty, should their telco purchase not meet their expected needs. It may be helpful if RSPs are encouraged to separate the telco additional purchase from the other bundled services as far as a binding contract is concerned.

If the RSP has explained the proposal clearly and set the right expectations, this should not be an issue.

### **Implementing the principles**

We would support the Commission using option 18.2 to implement the principles which promotes self regulation of the industry yet provides industry with a greater ability for enforcement of an RSQ code should that be necessary. This would provide a greater level of consumer protection and certainty than 18.1 alone.

### **Next steps**

We are available to present this submission in person or by video link if required. If we can be of further assistance at this stage, please contact Hamish Clareburt directly at [h.clareburt@utilitiesdisputes.co.nz](mailto:h.clareburt@utilitiesdisputes.co.nz).

Yours sincerely

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke at the end.

**Mary Ollivier**  
CEO  
Utilities Disputes Limited