

One NZ submission on the 111 Contact Code review

16 June 2023

Introduction

1. We welcome the opportunity to comment on the Commerce Commission's (**the Commission**) review of the 111 Contact Code (**the Code**). Our submission is based on anecdotal feedback we've observed from our engagement with vulnerable customers and on One NZ's experience with compliance with this Code.

Feedback from our customers

2. In most cases, our engagement with customers for the purpose of the registration for and provision of alternative means for contacting 111 emergency services is transactional and we get limited feedback in relation to how useful or effective the provided solution is to the customer.
3. The feedback that we have received is mostly positive, with customers happy with the additional support provided to them. One particular customer informed us that the battery we had provided to them worked as intended in a power cut and they were able to call 111. This customer lives in the Far North, where power outages are frequent, and they feel safer having this back-up. Another customer with a battery told us they had a similar positive experience during the Auckland floods at the start of the year.
4. On the other end of the scale, we've faced instances where we had sent a technician to a vulnerable customer's home to replace the battery and had found that the battery was gone, with the customer not able to recall what had happened to it. We subsequently installed a new battery at the customer's home, but were unable to locate the one that had gone missing. In other several cases, our technicians found customers had plugged in multiple appliances to their battery despite our guidelines noting the risk that this could drain the battery and it may therefore not work as intended during a power outage. These real-world

examples demonstrate that in some cases, vulnerable consumers may not be able to use the back-up device provided to them in a power outage due to reasons that are outside of their Retail Service Provider's (RSP) control, for example by using up the battery for other means so that it doesn't operate as intended in a power cut or if the battery goes missing.

5. We have also observed that some customers complete the application form to be registered as vulnerable, but they don't actually want an alternative means for contacting 111 to be provided to them – in most cases because they already have a medical alarm. We are currently working with the TCF on developing a Vulnerable End User Code which will establish minimum standards of practice for RSPs around registering vulnerable customers of fixed line services for the purpose of providing additional support to them if and when required. This Code will help ensure that adequate support is provided to those consumers who are simply seeking to have their vulnerable customer status recorded with their RSP.
6. We haven't seen any evidence to suggest that our customers are not sufficiently informed about the limitations of their landline service in a power outage or the different options available to vulnerable consumers under the Code. One NZ informs its customers about the support we provide to vulnerable customers who rely on their landline service for contacting 111 emergency services via a range of different channels. However, we cannot guarantee that this information is absorbed by all customers, particularly given the scale of other information we are required to provide. As a general principle, any incremental piece of communications results in an overall reduction in customer engagement with individual communications. Indeed, we receive feedback from customers that they would prefer to receive less information from One NZ – and some customers have characterised the volume of information that they receive as a negative service issue. We would therefore caution against any proposals to expand the communications requirements under this Code to avoid adding to the information overload.

Role of medical alarms

7. As noted above, we regularly receive applications from our customers wishing to register as a vulnerable customer but not wanting the mobile phone or the battery back-up to be provided to them. Anecdotal evidence shows that our customers who already have a monitored medical alarm don't feel like they need an additional alternative means to contact 111 emergency services in a power outage, as their medical alarm meets this purpose – the reason for their application with us is to simply register their vulnerability status. We have also received similar feedback from some of our existing vulnerable customers during the process of annual check-ins that are aimed at ensuring that the device we have provided to them remained operational and the customer was still happy with the solution. Some of the

customers told us that they could not understand why they needed to have the mobile phone or the battery when they already had a medical alarm – the application for the alternative means had often been completed by their relatives, but it was not something the vulnerable customer themselves expressed a need for. For these customers, mandatory communications required by the Commission’s Code create confusion and uncertainty.

8. Medical alarms are often more suitable as vulnerable consumers can wear them or have easy access to them (such as on the walls in retirement villages), making them a much more useful tool for the purpose of getting support in an emergency. In addition, having two sets of redundancy, when a mobile phone or battery is provided in addition to an existing medical alarm, can create confusion and unnecessary complexity for some of the vulnerable customers who may struggle with using multiple different devices.
9. We propose that the Code is amended to include existent medical alarms as a means for contacting emergency services, provided that the medical alarm i) can operate for the minimum period in the event of a power failure; and ii) can be used by vulnerable consumers to contact 111 emergency services or other emergency support related to their vulnerability. This would mean that consumers with medical devices would not be eligible for the ‘alternative means’ under the Code as they would already be classed as having a sufficient means for getting support during a power outage. This would be in line with the definition of a vulnerable consumer under the Telecommunications Act (**the Act**): *‘vulnerable consumer means a consumer of a specified telecommunications service who - (a) is at particular risk of requiring the 111 emergency service (for example, due to a known medical condition); and (b) does not have a means for contacting the 111 emergency service that can be operated for the minimum period in the event of a power failure.’*
10. As there already exists an established framework for consumers to get medical alarms (either by purchasing them privately or through government funding to enable purchase), RSPs should not be required to provide medical alarms to their customers.

¹ Telecommunications Act 2001 section 238(5)

Scope of the Code

11. The Commission's Request for Views Paper (**the Paper**) notes that recent weather events have highlighted the dependency of telecommunications services on power supply, including for the equipment in consumers' homes and the telecommunications networks to function. The Paper rightly notes that the Code deals with a particular aspect of resilience for a specified group of vulnerable consumers and it is not intended to deal with wider resilience issues.
12. We support this position. It's not for the Commission in the context of review of the Code to propose solutions to complex resilience issues that, at their heart, arise from interdependencies between different categories of infrastructure and they cannot be solved through action by RSPs alone. Measures to address resilience challenges require wider consideration beyond the scope of this exercise. Accordingly, we would caution against any proposals to extend the scope of this Code to address broader resilience issues, such as by expanding the category of vulnerable consumers who should qualify for alternative means to contact 111 emergency services or by extending the life of the battery back-up device beyond the minimum continuous eight-hour period currently required under the Code.
13. As the Commission will recall, industry faced significant challenges procuring a battery device that met the Commission's requirements when the Code first came into place. At the time, there were no devices in the world that could meet the set requirements. While solutions have been found, the supply of such battery devices remains extremely limited. This raises a risk that if any of the current suppliers decided to withdraw their product from market, as was the case with the initial supplier that RSPs relied on, industry would face challenges procuring a new suitable device. Reducing the battery requirement to a continuous four-hour period under the Code would help mitigate this risk as the pool of suppliers that offer such products is much broader, as well as enabling RSPs to provide consumers with devices that are more suitable for being installed in their homes (i.e. smaller and lighter batteries). This change would maintain the Code in line with the Act, as it provides the Commission with the discretion to specify the minimum period.

Future funding

14. We note that as copper and PSTN withdrawal continues to accelerate, an increasing number of consumers will be moved to fixed voice services that rely on power to operate, such as voice over fibre and fixed wireless. Chorus has recently announced that they plan to retire their entire copper network in the next 10 years, meaning all consumers in New Zealand will need to adopt new landline technologies. In light of this, it would be appropriate for the costs of providing qualifying vulnerable consumers with alternative means to contact 111

emergency services to be shared with Chorus, the party driving copper withdrawal. In cases where a vulnerable consumer's fixed voice service runs over fibre that is owned by Chorus, they should cover the costs for providing alternative means to the customer. RSPs would continue to cover the costs for providing alternative means to customers whose fixed voice services run over their network (e.g. fixed wireless).

15. Consideration also needs to be given to whether the Government should play a role in supporting vulnerable consumers who have an increased need to contact 111 emergency services in a power outage to ensure long-term viability of the scheme, potentially as an extension to the existing Ministry of Social Development (MSD) scheme for monitored medical alarms to mobile phones and/or battery back-up devices. This is particularly relevant as the number of qualifying vulnerable consumers under the Code increases as the copper network is retired.

Evidence of vulnerability

16. Under the Code, consumers are required to provide 'sufficient evidence to support that the consumer is (or will become) at particular risk of requiring the 111 emergency services' and this can be provided by a health practitioner in cases that relate to health or disability. 'A letter from a health practitioner' is listed as a sufficient form of evidence. One challenge that we have faced is health practitioners sharing their patient's medical history without explicitly stating that the consumer should qualify for the provision of alternative means due to their medical condition. This leaves our customer care teams having to go through the customer's medical records in an attempt to determine whether the customer should indeed qualify for support under the Code. It is not appropriate or feasible for our staff to be playing this role. The Code should be amended to clarify that a letter from a health practitioner must state that the consumer who has filed an application is of an increased need to contact 111 emergency services due to their medical condition or disability and should therefore qualify for the alternative means under the Code.

Summary of proposals

17. We propose that the Code is amended to:
 - a. Clarify that consumers with existing medical alarms are not eligible for an alternative means, provided that their medical alarm i) can operate for the minimum period in the event of a power failure; and ii) can be used by vulnerable consumers to contact 111 emergency services or other emergency support related to their vulnerability.

- b. Clarify that a letter from a health practitioner must state that the consumer is of an increased need to contact 111 emergency services due to their medical condition in order for this to be an accepted form of evidence.
 - c. Include battery devices that can be operated for a continuous four-hour minimum period in a power outage as a qualifying 'alternative means' under the Code.
18. The Commission should explore alternative funding mechanisms for the provision of alternative means to contact 111 emergency services to ensure long-term viability of the scheme. The future costs of the providing and installing devices should be shared by Chorus who are driving copper withdrawal, particularly as the scale of costs of the current scheme will increase markedly as Chorus elects to expand the areas in which copper will be withdrawn and pursues its ambition to entirely close this network in the future.
19. Please contact the following regarding any aspect of this submission.

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