

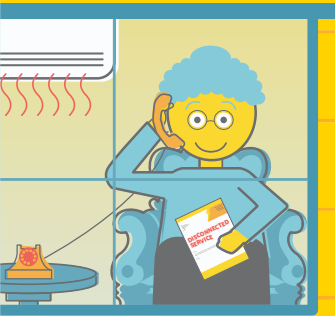


# UTILITIES DISPUTES

TAUTOHETOHE WHAIPAINGA



we're  
here to  
**help**  
kei konei  
mātou ki te  
āwhina



# Annual Report 19/20

## CHAIR'S MESSAGE



Adjusting to rapid change will be one theme of the extraordinary year 2020 has become. Covid-19 shifted priorities and highlighted the importance of access to free and independent services. Together with resolving complaints and responding to enquiries, Utilities Disputes can connect consumers with the right support.

Resolution, prevention, and education initiatives continue to be provided by Utilities Disputes to improve outcomes for consumers and industry. With increased competition in energy markets and more services offered to consumers, providing an accessible way to resolve disputes between consumers and providers is more necessary than ever. Better access can only be achieved with better awareness. We welcomed the Electricity Price Review recommendation that consumer awareness of Utilities Disputes must improve. Thank you to everyone who supported our initial awareness campaign, referred

consumers to our service, and spread the word that *we're here to help*.

Former Utilities Disputes Commissioner, Nanette Moreau, was passionate about access to justice and the benefits of consumer dispute resolution. We wish Nanette well in her retirement, and we will continue to progress the significant gains she made over 18 years. We warmly welcomed Mary Ollivier to the role, and on behalf of the Board, I acknowledge Mary's leadership during recent unexpected challenges.

Thank you to my fellow Board members for their support: Major Campbell Roberts, Mark Gatland, Kyle Christensen, and Dr Brian McCulloch. Thank you to our membership group for your collaboration, and a special thanks to the Utilities Disputes team.

**Hon Heather Roy**  
UTILITIES DISPUTES  
BOARD CHAIR

## COMMISSIONER'S MESSAGE



Most of this report covers work under Nanette Moreau's leadership. I thank Nanette on behalf of staff for her outstanding contribution. I was appointed Commissioner and CEO in February 2020.

Last year, contacts to Utilities Disputes increased to 7,815 (from 7,227 in 2018–19). Electricity and gas issues accounted for 6,968 contacts, followed by broadband installation on shared property (460), and water (269). While complaint numbers decreased by 10%, enquiries increased by 17%. This signals a greater effort by providers, and our early resolution team, to proactively resolve consumer issues before they escalate.

In mid-2019 a significant backlog of cases emerged. A vigorous effort resulted in this being mostly eliminated by the end of 2019.

Dispute resolution schemes must adapt to new technologies and consumer demand. We belong to the Australian and New Zealand Energy & Water Ombudsman Network (ANZEON),

which released research last year about changes needed to remain fit for purpose. This will inform our planning to ensure we remain relevant.

The Covid-19 response demonstrates the strength of collective action. Extra support for consumers experiencing hardship is a widespread industry commitment, and access to our free and independent service is vital. My sincere thanks to our growing membership group for working with us to improve outcomes and create positive change.

Thank you to Hon Heather Roy and our Board members for their strong governance and oversight, and our Advisory Committees for their industry knowledge and guidance. I am extremely well supported by a dedicated and high-performing team. A special thanks to Clive Young, General Manager, for his expertise and assistance.

**Mary Ollivier**  
UTILITIES DISPUTES  
COMMISSIONER AND CEO

# THE YEAR IN NUMBERS

## Total cases (all schemes)



TOTAL 2019/20

**7815**

TOTAL 2018/19

**7227**

● Energy ● BSPAD\*\* ● Water

**5603**  
ENQUIRIES

2018/19: 4775

**2212**  
COMPLAINTS

2018/19: 2452

**311\*** CASES  
ACCEPTED FOR  
CONSIDERATION

2018/19: 313

**359** ACCEPTED  
CASES CLOSED

2018/19: 255

**49** AVERAGE WORKING  
DAYS TO CLOSE

2018/19: 44 days

\* Includes 3 accepted scheme complaints

\*\* Broadband Shared Property Access Disputes

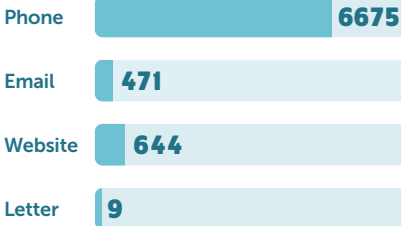
## Outcomes of accepted cases (all schemes)

**178** Settled before decision  
incl. teleconference

**98** Decision issued incl.  
preliminary decision

**46** Withdrawn  
incl. abandoned

## How people contact us



## Total cases by scheme

	ENERGY	BSPAD	WATER	OUTSIDE SCHEMES
2019/20	<b>6968</b> 89.1%	<b>460</b> 5.9%	<b>269</b> 3.4%	<b>122</b> 1.6%
2018/19	<b>6520</b> 90.2%	<b>565</b> 7.8%	<b>27</b> 0.4%	<b>115</b> 1.6%

## COMPLAINTS



**1854**  
ENERGY



**280**  
BSPAD

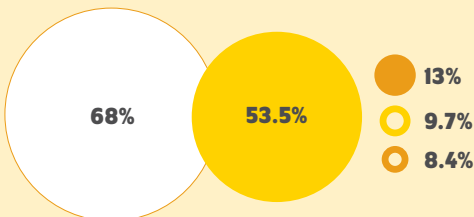


**53**  
WATER

25 complaints received outside schemes.

## ENERGY ISSUES

Complaints about electricity and gas made up **84%** of total complaints. The most common energy complaint issues were about billing, customer service, meters, disconnections, and supply.



- Billing
- Customer service
- Meters
- Disconnections
- Supply

The **Accepted Deadlocked Complaints report** for the Energy Complaints Scheme is available on our website.

## BSPAD ISSUES

**75.7%** Existence of stat. right disputed

**30.1%** Exercising of access right disputed

**5.1%** Ongoing rights of access

## WATER ISSUES

**69.1%** Billing

**54.5%** Customer service

**25.5%** Supply

Cases can have more than one issue.

# COMMUNITY



## Staying connected

Greater awareness can lead to greater access to our free and independent service. Access enables consumers to stay connected and ask for help when they need it. Together with resolving complaints, Utilities Disputes responds to enquiries, clarifies issues, talks through options, and guides consumers to the right place.

## Working together

Working in partnership enables information to be shared among networks to help improve consumer education and outcomes. Utilities Disputes is grateful for the support of community, industry associations, and government agencies, including:

- Age Concern
- Citizen's Advice Bureau (CABs)
- Commerce Commission
- Consumer NZ
- Electricity Authority (EA)
- Electricity Networks Association (ENA)
- Electricity Retailers Association of NZ (ERANZ)
- Federated Farmers of NZ
- FinCap
- Gas Industry Company (GIC)
- MBIE's Consumer Protection team
- Ministry of Social Development
- The Energy Efficiency and Conservation Authority (EECA)

... and more!

## We're here to help

Our **awareness campaign**, which ran from July to September 2019, had a positive response and strong engagement. Thank you to everyone who supported our campaign, shared our videos, followed us on Facebook, displayed our brochures, referred customers, and spread the word that we're here to help. See [havethepower.nz](https://www.havethepower.nz)

## Reaching out

It was a privilege to attend **Fieldsays** in Mystery Creek, Hamilton, in June 2019. The four-day event had 128,747 attendees, mainly from our rural community. It was a unique opportunity for the Utilities Disputes team to meet face to face and spread the word about what we do and how we can help.

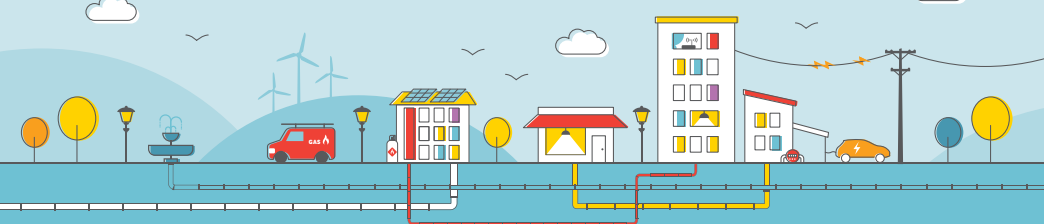
## Recognising excellence

We were proud to sponsor the **2019 Deloitte Energy Excellence Awards**. The awards are an opportunity to acknowledge outstanding contributions to the sector, and recognise the industry commitment to continuous improvement and better customer outcomes.

## Our te reo Māori journey

To enhance accessibility and cultural awareness, we began our te reo Māori journey last year with Kūwaha Ltd, and we are running weekly tikanga Māori sessions with the team. He waka eke noa!

we're  
here to  
help  
kei konei  
mātou ki te  
āwhina



Find us on social media

# MEMBERSHIP

# 357 MEMBERS



**353**  
ENERGY



**3\***  
BSPAD



**2\*\***  
WATER

Full membership list available on our website.

\* Ultrafast Fibre Ltd joined on 11/03/2020 \*\* One water provider is also in the Energy Scheme

## Prevent, Educate, Resolve

Complaint knowledge, data, and insights can help to improve consumer outcomes. The best way to achieve this is alongside industry.



We appreciate working with our membership group on complaint prevention, education, and resolution. Complaint data helps to identify common issues and problems, highlighting what isn't working and what needs to change. We share complaint data and information, and provide training about how to recognise and effectively manage complaints via meetings, presentations, webinars, our membership forum, and induction.



### Webinars

**“It was good to be reminded of core dispute resolution concepts and techniques.”**

**“It had me asking myself why I don't take advantage of the webinars more often. I shall!”**

### Topics

Electricity Network Association update

Switch without a hitch

Levies

Effective complaints management

You have the power to resolve

What we've been up to

Open questions

Pre-deadlock steps for success



### Annual Forum

We held our annual forum in August 2019. It was an excellent chance to get the membership group together.

We were fortunate to have Dr Grant Lester, Consultant Forensic Psychiatrist, present on *'Managing unreasonable client behaviour'*, and Cameron Burrows, CEO, Electricity Retailers Association of NZ (ERANZ) talk about the EnergyMate programme: [energymate.nz](http://energymate.nz)

**“It was a wonderful experience and the entire team was approachable and willing to listen to us. Great forum!”**

**“Dr Grant Lester's presentation will enable us to better understand why people complain and how we can deal with these customers. Great presentation.”**



## ENERGY CASE NOTE

### 81419 – Where is my bill?

BACK BILL AND SWITCHING ERROR

When a salesperson for electricity company ABC\* knocked on Gary's\* door in February 2018, he signed up on the spot. But when Gary phoned ABC in April to ask why he had not received a bill; they told him he was not a customer. Gary was referred to his previous company XYZ\* and was told he was not XYZ's customer either, because of a separate switching error.

Still no bill, until September, when Gary received a bill from XYZ. Gary reminded XYZ he was not their customer and asked again to be switched to ABC. Gary finally received a bill from ABC in November for \$1,219.17, backdated to February. But Gary said he had not had a contract with ABC during this time. ABC offered to reduce the bill to \$609, but Gary wanted it wiped.

**OUTCOME** During a conciliation conference, ABC apologised to Gary and agreed it should have offered a payment plan for the bill. The Commissioner said ABC missed multiple opportunities to identify and fix Gary's issues. However, it was Gary's responsibility to pay for the electricity he had used, and the switch to ABC was backdated to February. It was fair and reasonable for ABC to reduce the bill to \$509 as an acknowledgement of poor customer service. Both parties accepted.



## BSPAD CASE NOTE

### 80742 – Fibre for a block of flats

STATUTORY RIGHT DISPUTED

Paula\*, a tenant in a block of flats, requested fibre installation, and Mike\* (representing the body corporate) objected. He was concerned the installation would damage the driveway and one owner would not contribute to repair costs. The fibre installation company said damage was unlikely, as they use micro-trenching for installations, and a financial dispute in a body corporate was outside the jurisdiction for objections.

**OUTCOME** The Commissioner said the company was entitled to install fibre at the block of flats. Paula's request, with the landlord's permission, was valid, and the company provided adequate information. Mike's objection was not valid as relationship issues were outside jurisdiction. If the body corporate had reinstatement concerns, it could follow up after the installation. The company accepted the preliminary determination but Mike rejected it. Mike could appeal the determination in the district court.



## WATER CASE NOTE

### 85345 – The leaky water meter

NO FURTHER CONSIDERATION

Ben\* complained about a leaky water meter and poor customer service. He said he had reported the leak at least five times and had to repeat the same information. He also said he had read insulting comments in the water company's notes.

**OUTCOME** The Commissioner said she was satisfied the company fixed the leak they were responsible for (at the gate valve on the public side of the meter) and this leak did not affect the bills.

The company informed Ben he was responsible for fixing the leak on his side of the meter, the same leak that affected his bills. Ben's decision to turn off the water for 3 months until he fixed the leak was not the company's responsibility. The Commissioner said the customer service was reasonable. The company responded quickly and visited Ben's property each time he made contact. They informed Ben about his responsibilities and his right to apply for a leak allowance. The comments in an internal note expressed frustration, not poor customer service.

Case notes are available on our website [utilitiesdisputes.co.nz](http://utilitiesdisputes.co.nz)

\*Names have been changed

# ANNUAL REVIEW

## Utilities Disputes performance standards for 2019–20 (all schemes)

Scheme requirement	Performance standard	Performance
<b>Time to close<sup>1</sup></b>	>45% DL <sup>2</sup> cases closed in 30 working days >75% DL cases closed in 90 working days Scheme complaints <sup>3</sup> closed in 60 working days	<b>Met:</b> 52.4% <b>Met:</b> 86.0% <b>Met:</b> 100% closed
<b>Complainant satisfaction</b>	Provisional goal reaching an average over 4	<b>Met</b> (219 respondents) Average across questions 4.22 (out of 5)
<b>Membership satisfaction</b>	Provisional goal reaching an average over 4	<b>Met</b> (11 respondents) Average across questions 4.24 (out of 5)
<b>Awareness and accessibility</b>	20% unprompted recognition in general awareness survey	Not conducted during this reporting period
<b>Compliance</b>	Compliance reporting complete, accurate, and on time	<b>Met</b>
<b>External review of cases</b>	Assess complaint handling as meeting requirements of natural justice and good complaint handling	Not conducted during this reporting period

1. Counted from when the case was assigned to the conciliator.
2. DL = Deadlock: where parties are unable to resolve the dispute themselves. Full definition available on our website.
3. A scheme complaint is a complaint about the operation of a scheme. These are referred to the Board Chair, under delegation from the Board.

## BSPAD SCHEME

Three members: **Chorus NZ Ltd**, **Enable Networks Ltd**, and **Ultrafast Fibre Ltd\*\***

<b>Received</b>
179 enquiries
280 disputes
83 accepted for consideration
<b>Closed</b>
285 disputes
84 accepted for consideration
<b>Outcomes of accepted disputes</b>
35 determinations
1 preliminary determination
31 settled before decision
9 right withdrawn (by company)
4 withdrawn
1 no further investigation
3 not in jurisdiction

The purpose of the BSPAD Scheme is to resolve disputes about access to shared property for broadband installation, and help achieve the desired outcomes of the legislation. Any party to an installation may refer a dispute to the scheme. Disputes must be as a result of exercising statutory rights of access under the Telecommunications Act. The process is independent, and free for consumers.

### Target service levels

- Decisions about jurisdiction within 5 working days from date the dispute is referred to us **71 out of 142 cases met the target**
- Facilitating resolution within 10 working days from date the dispute is accepted **6 out of 31 cases met the target**
- Issuing determination within 32 working days from the date the dispute becomes an accepted dispute **16 out of 35 cases met the target**

\*\* Joined March 2020.

# FINANCIAL SUMMARY

For the year ended 31 March                      2019–20                      2018–19                      2017–18

<b>ALL SCHEMES</b>			
Annual levy	4,307,050	3,905,607	3,821,773
Other income	58,613	50,934	49,152
<b>Total income</b>	<b>4,365,663</b>	<b>3,956,541</b>	<b>3,870,925</b>
Staff related costs	2,730,788	2,502,964	2,421,434
Other costs	1,325,602	1,168,992	1,003,109
Depreciation	123,237	107,847	118,281
<b>Total expenditure</b>	<b>4,179,627</b>	<b>3,779,803</b>	<b>3,542,824</b>
<b>Operating surplus before tax</b>	<b>186,036</b>	<b>176,738</b>	<b>328,101</b>
<b>Total cases</b>	<b>7,815</b>	<b>7,227</b>	<b>5,471</b>
<b>Budget</b>	<b>4,301,743</b>	<b>3,730,897</b>	<b>3,838,357</b>
<b>ENERGY</b>			
Annual levy	3,939,954	3,703,889	3,674,503
Other income	54,229	48,282	49,152
<b>Total income</b>	<b>3,994,183</b>	<b>3,752,171</b>	<b>3,723,655</b>
Staff related costs	2,526,557	2,372,632	2,330,151
Other costs	1,208,058	1,112,384	965,293
Depreciation	114,020	102,232	113,823
<b>Total expenditure</b>	<b>3,848,635</b>	<b>3,587,248</b>	<b>3,409,267</b>
<b>Operating surplus before tax</b>	<b>145,548</b>	<b>164,923</b>	<b>314,388</b>
<b>Total cases</b>	<b>6,968</b>	<b>6,520</b>	<b>5,232</b>
<b>Budget</b>	<b>3,980,022</b>	<b>3,534,451</b>	<b>3,838,357</b>
<b>BSPAD</b>			
Annual levy	330,000	171,000	142,065
Other income	3,897	2,254	
<b>Total income</b>	<b>333,897</b>	<b>173,254</b>	<b>142,065</b>
Staff related costs	181,539	110,781	88,057
Other costs	104,839	47,856	36,479
Depreciation	8,193	4,773	4,301
<b>Total expenditure</b>	<b>294,571</b>	<b>163,410</b>	<b>128,837</b>
<b>Operating surplus before tax</b>	<b>39,326</b>	<b>9,844</b>	<b>13,228</b>
<b>Total cases</b>	<b>460</b>	<b>565</b>	<b>236</b>
<b>Budget</b>	<b>285,974</b>	<b>166,989</b>	
<b>WATER</b>			
Annual levy	37,096	30,718	5,205
Other income	487	398	
<b>Total income</b>	<b>37,583</b>	<b>31,116</b>	<b>5,205</b>
Staff related costs	22,692	19,551	3,226
Other costs	12,705	8,752	1,337
Depreciation	1,024	842	157
<b>Total expenditure</b>	<b>36,421</b>	<b>29,145</b>	<b>4,720</b>
<b>Operating surplus before tax</b>	<b>1,162</b>	<b>1,971</b>	<b>485</b>
<b>Total cases</b>	<b>269</b>	<b>27</b>	<b>3</b>
<b>Budget</b>	<b>35,747</b>	<b>29,457</b>	

Our full financial report is available on our website.

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