



12 November 2025

Submissions
Electricity Authority

By email: consumer.mobility@ea.govt.nz

Improving electricity billing in New Zealand

Meridian appreciates the opportunity to provide feedback on the Authority's package of proposed Code changes to improve electricity bills.

Meridian agrees that consumers benefit from electricity bills that are clear, consistent and useful. Meridian always aims to ensure that its bills are informative and easy to understand. Our experience is that customers have widely varying preferences with respect to bills, with most preferring bill simplicity and preferring to access any more detailed information from the app rather than the bill. Highly prescriptive bill standardisation and mandated better plan assessments risk reducing innovation and increasing costs and complexity. Meridian supports principles-based bill improvements with specific mandatory key elements that will increase consumer mobility, deliver long-term benefits to consumers, and avoid unintended consequences.

In summary:

- **Meridian supports key aspects of bill standardisation** that help consumers to better understand their plan and better compare it to other plans using the official comparison and switching service. The extent of standardisation could be narrowed to these elements alongside the proposed general principles that require clear and accessible language and promote customer comprehension. The development of

guidance and model bills could assist retailers to consider further bill changes while reducing implementation costs and mitigating the risk that billing standards stifle innovation.

- **In Meridian's opinion, six-monthly better plan notifications could harm consumers** in the long term because they would:
 - risk being perceived as misleading by consumers, increasing consumer complaints, and dispute resolution costs;
 - have limited use given the reliance on historic consumption data and lack of any ability to forecast future consumer behaviour changes;
 - result in reduced uptake of time-varying pricing plans;
 - be costly to implement and potentially make it more difficult for new retail participants to enter the market;
 - disincentivise innovation and encourage retailers to offer fewer plan options or brands to reduce implementation costs; and
 - risk discouraging switching between retailers.
- Adopting time-of-use pricing may benefit consumers that can change their consumption patterns. To encourage adoption, **Meridian supports allowing consumers who switch to time-of-use pricing to switch back at any time and without any termination fees**. However, any assessment of savings relative to alternatives should not be the responsibility of retailers. Consumers themselves are better placed to assess the pros and cons of any behaviour change they plan to make and to understand the likelihood of any further behaviour changes they might make in future. Consumers should be supported in this task by the official comparison and switching service. Requiring retailers to carry out a three-month assessment of potential savings would create an incentive for retailers to only offer a single plan (a time-varying pricing plan as required under the Code) to avoid the costs of assessing plans relative to alternatives.
- **Meridian supports a prohibition on termination fees for switching between plans of the same retailer.** Meridian already has no termination fees for residential customers.
- **Meridian supports the proposals to encourage consumers to compare plans across all retailers and switch.** Some minor changes to the proposals will significantly reduce implementation costs and mitigate the risk of unintended

consequences, The proposed plan catalogue should, we suggest, apply to each retail brand to avoid retailers having to effectively undermine their own branding which would likely reduce the diversity of offerings in market or, alternatively, incentivise retailers to operate each brand as a separate subsidiary and register that subsidiary as a participant in its own right, imposing significant and unnecessary costs.

- **Meridian supports a limitation on back-billing in circumstances where there is no consumer fault or fraud.** However, in Meridian's opinion a 12-month limitation would have fewer implementation challenges and would be lower cost.

These points are addressed further below. Responses to the Authority's consultation questions are also appended.

Bill standardisation

Meridian supports key aspects of the proposed billing standards. Meridian considers mandating the inclusion of a plan name and product identification code on all bills will enable better plan comparison via the official comparison site under development by the Authority (or indeed other comparison sites). A product identification code should enable comparison and switching tools to better understand any consumer's current plan to benchmark against other offers.

Meridian agrees there is a good case for much broader bill standardisation and notes:

- the review of electricity market performance commissioned from Frontier Economics and the recommendation that the Electricity Authority should implement a programme with retailers to achieve bill consistency, as well as the Government's support for that recommendation;¹
- the letter of expectations for 2025/26 from the Minister for Energy and the Authority's response regarding implementation of a programme with retailers to achieve "bill consistency" including a standardised bill with obligations to include certain information to make it easier to switch providers²; and
- the advocacy of various consumer organisations.

¹ <https://www.mbie.govt.nz/building-and-energy/energy-and-natural-resources/energy-consultations-and-reviews/review-of-electricity-market-performance>

² https://www.ea.govt.nz/documents/7867/LoE_response_only.pdf

Meridian supports such standardisation to the extent it delivers benefits to consumers but cautions against going too far and becoming overly prescriptive in the regulation of electricity bills.

In Meridian's experience, most consumers do not engage with bills in any detail and even for consumers that are highly engaged, electricity pricing is complex. There are aspects of the proposed billing standards that would add additional complexity, making Meridian's bills more difficult for the average consumer to understand. Meridian supports standardisation of those elements of customer bills that will deliver clear benefits to consumers – these include inputs for the official comparison site to enable meaningful comparison and switching such as a mandatory plan name and identifiers to enable comparison. These measures, coupled with a widely promoted comparison and switching service, should mean there is no need for the more complex proposed bill standardisation measures where the hoped-for consumer benefits are harder to discern.

Better plan notifications

Meridian agrees that customers should be encouraged to check that they are on the optimal plan for their individual circumstances and supported to change plans where they choose to do so. The official comparison and switching site and other similar sites should provide that support and we agree that consumers should be regularly prompted by retailers and by public communications channels to use that service. Going further and requiring retailers to attempt to carry out assessments of whether customers are on the optimal plan, given the limited information retailers have as to customer usage intentions, will deliver less benefit to consumers, will create significant costs, and will likely result in unintended consequences.

In Meridian's opinion, six-monthly better plan notifications:

- risk being perceived as misleading by consumers, increasing consumer complaints, and dispute resolution costs;
- have relatively limited use given the reliance on historic consumption data and lack of any ability to forecast future consumer behaviour changes,
- may result in reduced uptake of time-varying pricing plans;
- will be costly to implement and potentially raise barriers to entry for new retail participants;
- disincentivise innovation and may incentivise retailers to offer fewer plan options or brands to reduce implementation costs; and
- may discourage switching between retailers.

These risks are discussed further below.

Risk of being perceived as misleading by consumers

The Authority's proposal would require a retailer to assess whether any other pricing plan offered by the retailer would have resulted in a lower overall financial cost to each customer. The proposed assessment would be based on 12 months of historic consumption data, where available. There are several reasons why the resulting advice to consumers could be perceived as misleading, even if it was accompanied by a clear disclaimer that made it clear the assessment was based on historic consumption.

Consumers' electricity consumption patterns change regularly due to the composition of households, number of occupants, and the electrical appliances in use including step changes due to investments in space heating, electric vehicles, solar panels, hot water heating, cooking, and spa pools (or similar). A "better plan" notification may prove to be exactly the opposite if a consumer's consumption changes. In any situation where a consumer has switched plan based on what they perceive to be a retailer recommendation, and that alternative plan ultimately costs the customer more, confidence in the retailer will be diminished. If many consumers have the same experience this may in turn lead to reduced public trust and social licence for the industry. The loss of trust may be further compounded when those consumers subsequently receive a "better plan" notification, informed by their change in consumption, which recommends the consumer should revert to their old plan. This is especially likely where the initial assessment suggested only minor financial benefits from switching and could lead to assessment outcomes that suggest a customer should flip-flop regularly between two plans (perhaps seasonally, but always too late) in a way that will not help to build consumer trust in the retailer or electricity sector.

For new customers, the first six-monthly assessment would likely be based on six months of consumption data only. Consumption data for summer months will be of limited use in understanding consumption and billing outcomes in winter months and will be an incomplete basis on which to compare and recommend plans.

While the proposed assessments would not assign a dollar figure to a hypothetical saving, the risk remains that it may be perceived as misleading to advise of any saving at all based on a simple assessment of historic consumption.

In order to ensure compliance with the Fair Trading Act and mitigate the risk that customers perceive that they have been misled any “better plan” notifications will need to have clear disclaimers attached to them making clear the limitations in the methodology used for preparing them and stressing that, if customer usage changes, the savings may not be realised and / or that the recommended plan may in fact cost the consumer more. Such caveats may serve only to increase customer mistrust of any notifications / recommendations.

Meridian expects that customer complaints would increase due to plan changes made based on a retailer’s assessment that do not ultimately result in savings. Both retailers and Utilities Disputes would likely incur increased costs as a result.

Assessments based on historic data may discourage time-varying pricing plans

Assessments based on historic consumption data are likely to be of increasingly limited utility given the increasing prevalence of (and regulatory mandate to provide) time-varying pricing plans that reward behavioural changes.

In making an assessment based on historic consumption, it would be difficult for a retailer to assume some level of different consumption pattern in response to price. The behaviour and motivations of individual consumers are likely to be different and unpredictable. This is reflected in the proposed Code drafting that requires any assessment to be backwards looking to assess whether any plan “would have resulted in a materially better outcome for the customer over the *previous* 12-month period”. The assessment would therefore need to assume existing consumption patterns persist. This would make it difficult, if not impossible, for a retailer to ever recommend a plan that would deliver a benefit in the event of a future behaviour change.

Even if the Authority was to change the draft Code requirement to assess the *previous* 12 months to enable a future change in consumption to be considered, recommending a time-varying pricing plan that assumed a behaviour change would be challenging for a retailer. The retailer would need to have the capability to engage in bespoke conversations with its entire residential customer base every six months to collect information about each customer’s ability and willingness to change consumption patterns. That would be necessary to meaningfully advise on time-varying plans that assumed a degree of behavioural change. The cost of such engagement would likely be prohibitive and, in

Meridian's opinion, retailers would be incentivised to avoid those costs by not engaging at that level of detail (or by consolidating plans as discussed further below).

The proposed best plan notifications could therefore steer consumers away from time-varying pricing plans and limit their uptake with potential for negative consumer outcomes and system inefficiencies if fewer consumers are incentivised to respond to price signals.

Implementation costs will be high

Implementation of better plan notifications would be a task of considerable magnitude for retailers. The proposal would require Meridian to develop the capability to meaningfully assess the consumption data of around 300,000 residential customers against the full range of Meridian's available pricing plans every six months. Building the software to enable that undertaking would involve significant upfront cost and would duplicate (in part) the capability of the new official comparison and switching service that is under development.

In addition, Meridian anticipates significantly increased traffic to its contact centre would be a direct result of six-monthly better plan notifications. This would increase retail costs on an ongoing basis. Meridian estimates costs in the order of \$1.4 million per annum based on increased interactions and longer interaction times on top of the time and cost to carry out the regular assessments.

In Australia, implementation of the AER's Better Bills Guideline has been estimated to involve upfront costs to implement the changes in the order of \$2.7 million per retailer with a wide range around that average cost and material ongoing costs in excess of \$500,000 per annum per retailer to implement the best offer requirement alone.³

The proposal would disincentivise innovation

The costs of carrying out a six-monthly better plan assessment may disincentivise retailers from offering a wide variety of different plans and rates. This unintended consequence of the proposal is likely to work to consumers' detriment by limiting choice and innovation in the long term.

³<https://www.energycouncil.com.au/media/3djpxgv5/aec22-better-bills-guideline-final-9-feb-2022.pdf>

The lowest cost implementation pathway would be for a retailer to offer a single plan (a time varying plan for those retailers captured by the obligation to offer such a plan). With only one plan available, that retailer would have no alternatives to compare with, could avoid the exercise entirely, and lower their retail costs to serve and therefore be at a competitive advantage relative to retailers that do incur comparison costs. The magnitude of implementation costs is such that there is a real risk of retailers responding this way.

Even if the number of plans offered by a retailer does not reduce to one, there would be strong incentives to limit the number and variability of pricing plans. The more plans a retailer has, the more difficult and costly comparing them will be. Therefore, requiring a best plan notification would likely drive plan consolidation and chill price-based or tariff structure innovation.

Meridian's retail strategy is focused on positioning Meridian to lead in a dynamic electricity market by delivering smarter, faster and more relevant experiences for customers. This includes a wider range of bespoke plan offerings and innovative products that focus on creating value from the energy system and passing this value back to customers through time-varying pricing or controlled appliance tariffs. If the "better plan" notification proposal proceeds, Meridian will need to reconsider if this is the right strategy or if reducing regulatory costs by having fewer plans will instead be better for our customers.

The better plan notification proposal also does not appear to contemplate the impact on fixed rate plans, which lock in a price for a customer over a set time (up to five years). Customers buy these as they have different risk appetites and understanding of whether prices are likely to increase or decrease. A retailer offering such a plan will attempt to set a price that recovers the expected average costs over the duration of the term plus a margin. However, depending on changes in underlying costs the fixed rate plan may work out to be more or less expensive than variable rates over the same term. Because a retailer will not know in advance how underlying costs will change and if a customer would be better off on a fixed rate plan, the likely outcome from any assessment would be that such plans are never recommended. The better plan notification may therefore encourage retailers to not offer fixed rate plans.

In addition to consolidation of pricing plans, the proposal as drafted would also potentially have the unintended consequence of driving consolidation of retail brands. The proposal as drafted would apply the better plan notification obligation at the retailer level. For a retailer that offers multiple brands (for example Meridian and Powershop) applying the obligation at

the retailer level could require Meridian customers to be advised to switch to a Powershop plan or vice versa. This would undermine two very distinct brands and customer experiences and result in customer confusion. Retailers with multiple brands would therefore be strongly incentivised to either:

- cease trading with multiple brands; or
- incur the additional legal and operational costs of establishing distinct brands as separate subsidiary companies and registering them as separate participants.

If the proposal progresses in its current form, Meridian will need to consider whether to pursue the brand consolidation or re-establishment of separate subsidiaries. In Meridian's opinion the Authority should amend its proposal so the better plan notification obligation (and plan catalogue obligations discussed below) apply to each retail brand or registry identifier code. Without such a change there is a risk that the proposed regulation will end or at least reduce the number of low-cost, innovative, and digital-first offerings currently available under certain brands.

Risk-free adoption of time-of-use pricing

Meridian agrees in principle that residential consumers should be able to trial time-of-use pricing without any risk. Meridian is committed to letting customers choose the plan that suits them best at any time and would support an obligation to allow residential customers to switch away from a time-of-use plan at any time and without any termination fees.

However, the proposed three-month assessment of savings relative to a prior plan would be onerous and costly. Any assessment of savings over time should not be the responsibility of retailers. Consumers are better placed to assess the pros and cons of any behaviour change and understand the likelihood of further behaviour changes in future. This is particularly the case in circumstances where:

- a customer changes to a time-varying plan in anticipation of long-term behaviour changes that may not be immediately realised; or
- savings are small, while the customer effort to change behaviour may be high and retailers have limited (if any) information about the cost to the consumer in terms of time and effort to change behaviour.

Further potential implementation challenges include:

- if a new customer signed up on a time-varying plan there would be no prior plan for comparison;

- if a customer switched to a time varying-pricing plan, a retailer could assess after three months that they had made savings; however, after six months the retailer would need to do another comparison based on 12 months of historic data (six months on the time-varying plan, and six months on the prior plan) and that assessment could then recommend a switch away from the time-varying plan on the assumption that historic consumption would continue rather than the patterns of consumption only from the most recent six months;
- seasonal variations could also mean a customer is worse off for the three-month period assessed but could be better off when consumption patterns change in future due to colder or warmer months;
- it is not clear how savings would be determined through a period in which there was a price change, i.e. would the prior plan for comparison be the pre-price change rates or the new prices for that plan following the price change (Meridian assumes the latter rather than an obligation to switch customers back to rates that are no longer available in market but the Code would need to specify this);
- savings at three months may need to be assessed based on incomplete half-hourly data that includes estimates since it is common for half-hourly data to be missing; assessments could therefore come to the wrong conclusion, which the retailer would only identify once actual data was received; and
- the proposal to require retailers to attempt to contact customers three times within a month based on a simplistic assessment that they had made a “wrong” choice will be onerous for both retailers and consumers who may not want more regular contact from their retailer.

As is the case with better plan notifications, there is also an incentive for retailers to only offer a single plan to avoid the costs of assessing plans relative to alternatives. There seems to be a presumption in the proposal that retailers will have a time-varying pricing option and a non-time-varying pricing option to switch back to. However, the required assessment would not be possible or meaningful if there are no alternatives.

Meridian supports the intent of risk-free plan changes. However, Meridian supports an alternative implementation option that includes:

- an obligation to allow residential customers to switch away from a time-of-use plan at any time and without any termination fees;
- promotion of the official comparison and switching service; and
- development of that service’ capabilities (alongside the development of Consumer Data Rights) to enable it to ingest recent consumption data and based on those

recent behavioural patterns compare a full range of time-varying and non-time-varying plans across both a consumer's current retailer and other retailers.

Prohibition on termination fees for switching between plans of the same retailer

Consistent with the above, Meridian supports a prohibition on termination fees for residential consumers switching between plans of the same retailer. Meridian has no termination fees for residential customers.

Encouraging consumers to compare plans across all retailers

Meridian supports the proposal regarding provision of information about the electricity plan comparison and switching tool. This is the single most effective step the Authority could take to prompt consumers to compare plans and realise savings. The Authority should focus attention here and widely promote the platform and require retailers to do the same. All the other measures proposed are likely to be less effective in delivering consumer benefits.

Inclusion of a prominent message across all billing information, including bills, emails, apps and websites is already part of the requirements in clause 11.30B which require promotion of the electricity plan comparison website as part of any communication personalised to a specific named consumer about billing, payments or terms and conditions for the supply of electricity. If anything, the framing in the consultation paper appears to narrow the situations in which the information must be provided, while adding prescription regarding the format of the promotional information and its location on a bill. However, the text of the proposed Code amendment in Appendix A of the consultation paper does not appear to make any changes to the existing Code obligations. The Authority should clarify whether it intends to mandate the proposed form of promotional text, logo, and live link or if these will be recommended through guidance.

Meridian supports the proposed obligation to require retailers to publish a catalogue of all their currently available plans, including tariffs that apply to given locations. However, this obligation should apply to each retail brand to avoid obliging retailers to either:

- consolidate their brands (effectively reducing the variety of options available to New Zealand consumers, including several low-cost, innovative, and digital-first offerings); or

- incur ongoing legal and operational costs to establish brands as separate subsidiary companies and register them as separate participants, which would then have separate plan catalogues.

Meridian is also supportive of the proposals to expand the annual customer check-in to advise the customer of the existence of the retailer's plan catalogue.

The consultation paper suggests that the proposal also includes an amendment to clause 17 of the Consumer Care Obligations to require retailers to refer customers to their plan catalogue when they enquire about billing (broader than the existing requirement to advise the customer of available product offerings when they enquire about changing their pricing plan). However, the proposed Code change in Appendix A of the consultation paper contains no such drafting. While the Authority's intention is therefore unclear, Meridian would support such an obligation if it could be easily implemented by making customers aware of the plan catalogue on the retailer's website. The obligation should not require a contact centre agent to step a customer through the full range of available options and describe each one verbally on a call. Any obligation that requires such an approach would add considerable retail costs (by Meridian's estimate around \$750,000 per annum) through increased call times.

Limit back-billing

Meridian agrees that back-billing can result in a bad customer experience for those affected, and it may be simpler to require retailers to absorb the costs of underestimates in some situations. Meridian has already made a commitment to Utilities Disputes that it will not back-bill customers for amounts that were due more than 15 months ago (unless the customer is in some way at fault or responsible for the situation). Meridian further committed that when it does back-bill customers, it will always endeavour to agree with the customer the best way to do this e.g. a payment plan over several months or similar. Meridian's billing team believes 15 months is more appropriate limitation on back-billing as this will allow time for the full washup process to be completed and then any washup to be invoiced or paid to the relevant customer.

Meridian would therefore support a prohibition on charging residential and small business consumers; however, the limitation period should be longer. For example, the 15 months already committed to by Meridian or alternatively 12 months. Back billing is typically the result of estimated consumption in situations where meter readings have not been obtained

for some reason. A prohibition on back billing beyond 12 months would better align with the requirements in Schedule 15.2 of the Code, including the requirement that “each reconciliation participant must ensure that, at least once every 12 months, a validated meter reading is obtained for every meter register for non half hour metered ICPs at which the reconciliation participant trades continuously for each 12 month period.”

A prohibition on back billing after six months could increase meter reading costs or incentivise retailers to rely more heavily on obligations for self-reads by customers. If a retailer requires self-reads and a customer does not provide them, then the retailer may still be able to back bill for periods more than six months in the past by relying on the proposed exception where the customer is at fault. It is not clear to Meridian that incentivising greater reliance on self-reads would be in consumers best interests.

Meridian strongly supports the proposed carve out to allow back-billing where the customer is at fault. This appropriately covers situations of fraudulent behaviour where access to a meter has been denied, or a meter has been vandalised. In Meridian’s opinion the proposed transitional obligation to notify all customers who do not have a smart meter of the proposed limitation on back-billing could have the unintended consequence of increasing the prevalence of such issues. Requiring this information to be conveyed on invoices and adding it to contact centre scripts will add costs and will only improve the understanding of consumers residing at a premises at the time of the transition. The Authority should consider other more targeted and enduring means of communicating this information if it considers it to be important. For example, a requirement to provide information on applicable rules at the time any retailer invoices to recover an undercharged amount.

In Meridian’s opinion, the Authority should also consider a carve out to allow back-billing over longer periods in situations of incorrect network pricing where a network is seeking to recover higher costs from retailers for a period more than six month ago. Retailers should not be required to absorb the cost of such network pricing errors, so the Authority should consider either:

- including an exception for back-billing in the proposed Code change to cover network pricing error situations; or
- placing a parallel limitation on networks to prevent them charging retailers for costs that should have been incurred over six months ago.

Next steps

Meridian looks forward to the Authority decision regarding next steps for these proposals (if any). Implementation of Meridian's preferred options would be far simpler than the Authority's preferred timing in four phases.

Meridian agrees that as soon as the new comparison and switching tool is operational, retailers will need to update all reference to Powerswitch as soon as reasonably possible and no later than 3 months from the date the change is notified on the Authority's website, as required under the existing clause 11.30B of the Code. It would be helpful for the Authority to advise retailers as far in advance as possible of the expected timing of this change and the go live date for the new tool. Retailers would also benefit from early information sharing regarding the functionality of the new tool and any work that might be required to integrate with the tool.

To the extent the Authority plans to mandate the promotional text, logo, and hot link, Meridian encourages the Authority to do so to align with the above timing to avoid the need for retailers to change the way they promote the new service twice in quick succession (1 February 2026 and then again on 1 July 2026). A single step change will be far more efficient and should be achievable within the three-month timeframe set out in the existing Code provided the Authority provides advanced warning of the change, web links, and logos well in advance of the change.

In implementing other changes, the Authority should be mindful that some retailers are going through internal change processes including Meridian's transition to a new retail software platform. The Authority should also be mindful of the wider regulatory burden that is being placed on electricity retail businesses within a short space of time, including:

- consumer care obligations;
- retail market monitoring obligations;
- the proposed standardisation of product and consumption data;
- time-varying pricing plan obligations;
- network pricing changes including rebates for supply at peak times;
- a new comparison and switching service;
- the proposed Retail Price Consistency Assessment (RPCA) under the "level playing field" proposal;
- the proposed first step toward multiple trading relationships;
- MBIEs phase out of low user obligations; and

- MBIEs consumer data rights regime.

Implementation of plan identifiers, plan catalogues, Meridian's preferred changes to back-billing, and the prohibition on internal switching penalties (which would also enable risk free adoption of time of use pricing) could all be enabled at the same time. In Meridian's opinion, 1 October 2026 is the very earliest this should occur and only if the Authority simplifies its proposals in line with Meridian's suggestions in this submission. Longer lead times would enable retailers to properly implement and test these extensive changes in a way that avoids consumer impacts, reduces implementation costs, and minimises teething issues. To the extent that the wider proposals proceed, (i.e. this submission is rejected in whole or in part), then Meridian would prefer an implementation date in late 2027. That would mean implementation after the phase out of the low user fixed charge regulations on 1 April 2027 and after a reasonable time to enable retailers to put more innovative and unconstrained plans into the market. Any earlier implementation (in 2026) would be extremely difficult for Meridian to comply with and would risk significant implementation issues and poor consumer experiences. A longer lead time (the Authority's implementation Option 3) would be particularly necessary if the Authority proceeds with obligations on retailers to carry out better plan assessments and/or three-monthly assessments of the benefits of a time-varying pricing plan.

Please contact me if you have any queries regarding this submission.

Nāku noa, nā

Sam Fleming
Manager Regulatory and Government Relations

Appendix: Response to consultation questions

Questions	Comments
Proposal A – Standardise billing information	
Q1. Should minimum billing standards be compulsory or voluntary??	In Meridian's opinion, the compulsory standards should be narrowed to those elements that enable consumers to better compare their plan to others using the official comparison and switching service. See further details in the body of this submission.
Q2. Would the Authority providing a model bill and guidelines reduce your implementation costs and the time needed to implement these changes?	A model bill and guidance are unlikely to reduce implementation costs or the time needed to implement changes.
Q3. Tiered layout – Do you support adopting a two-tiered approach to information on bills? If not, how should critical and important information be distinguished?	Meridian supports better billing principles and minimum obligations to support bill comparison (e.g. plan names and unique identifiers). Meridian sees little, if any, consumer benefit in wider bill standardisation.
Q4. Content requirements – Do you have any additions or removals to the proposed tier one and tier two content lists?	No.
Q5. Implementation – For retailers, how much time would be needed for your organisation to incorporate this content across all billing channels? What challenges or dependencies (e.g. data collection, data standards, IT systems or staff training) need to be factored into timing?	See the “Next steps” section of the body of this submission.
Q6. Future-proofing – What mechanisms would best ensure these standards to evolve with new technologies, plans and AI-enabled billing in future?	An approach based on guidance (with the exception of key bill elements to enable effective comparison) would best avoid stifling innovation through prescriptive standards.

Proposal B – Introduce better plan

<p>Q7. Do you agree with the proposed better plan review mechanism?</p>	<p>No. See Meridian's comments in the body of this submission regarding the potential consumer harm that could result from the proposed better plan mechanism. For example, it could:</p> <ul style="list-style-type: none"> • risk being perceived as misleading by consumers, increasing consumer complaints, and dispute resolution costs; • have limited use given the reliance on historic consumption data and lack of any ability to forecast future consumer behavior changes, resulting in reduced uptake of time-varying pricing plans; • be costly to implement and make it more difficult for new retail participants to enter the market; • disincentivize innovation and encourage retailers to offer fewer plan options or brands to reduce implementation costs; and • discourage switching between retailers.
<p>Q8. Is six months the right frequency for a better plan review?</p>	<p>See above, Meridian does not support a better plan review obligation as currently drafted.</p>
<p>Q9. Is three months an appropriate time frame for time-of-use trials? If not, what period would you suggest?</p>	<p>Meridian support risk-free adoption of time of use pricing and an ability to switch away at any time without termination fees. However, any assessment of savings relative to alternatives should not be the responsibility of retailers. Consumers are better placed to assess the pros and cons of any behaviour change and understand the likelihood of further behaviour changes in future. Consumers should be supported in this task by the official comparison and switching service. See further comments in the body of this submission.</p>
<p>Q10. Do you have any feedback on the risk-free time of use proposal, requirement to inform customers whether they are saving on a time-of-</p>	<p>See above.</p>

use plan and type of guidance given on how to shift consumption?	
Q11. Do you support prohibiting termination fees when switching between plans with the same retailer?	Yes.
Q12. For retailers, what costs do you anticipate in implementing this change and what implementation support would reduce such costs?	None, provided the prohibition on termination fees applies only to residential customers, as is proposed given the inclusion in Part 11A.
Q13. Do you agree with our proposed transitional arrangements? If not, how would you change them?	Meridian is already compliant so would not require any transitional arrangement. Other retailers may be better placed to comment on the adequacy of the proposed transitional arrangement.

Proposal C – Encourage consumers to compare plans across all retailers and switch where it will save them money

Q14. Do you agree with the proposed wording of the prompt?	Yes.
Q15. For retailers, what lead-in period would you need to implement this prompt across all channels?	<p>Clause 11.30B of the Code already requires retailers to promote the new tool as soon as it is operational and no later than 3 months from the date the change is notified on the Authority's website. It would be helpful for the Authority to advise retailers as far in advance as possible of the expected timing of this change and the go live date for the new tool.</p> <p>To the extent the Authority plans to mandate the promotional text, logo, and hot link, Meridian encourages the Authority to do so to align with the above timing to avoid the need for retailers to change the way they promote the new service twice in quick succession. A single step change will be far more efficient and should be achievable within the three-month timeframe set out in the existing Code provided the Authority provides advanced warning, web links, and logos well in advance of the change.</p>
Q16. Do you agree that each retailer should be required to maintain a	Meridian supports the proposed obligation to require retailers to publish a catalogue of

<p>catalogue to allow customers to compare their full range of plans and costs?</p>	<p>all their currently available plans, including tariffs that apply to given locations. However, this obligation should apply to each retail brand separately. See further comments in the body of this submission.</p>
<p>Q17. For retailers, do you already have a catalogue in which you show your current and any prospective customers your generally available plans and tariffs? If not, why not?</p>	<p>Yes, Powershop publishes all available rates.⁴ This is necessary because of Powershop's seasonal pricing which is difficult to reflect simply and briefly in individual customer communications. The Meridian brand does not currently have a catalogue of generally available plans but publishes the broad plan types available.⁵ Pricing is individualised rather than asking customers to attempt to engage with the full list of network regions, meter types, and other tariff variables.</p>
<p>Q18. Do you agree that the annual check-in should also include telling customers about the retailer's channels for comparing and accessing better plans?</p>	<p>The costs of this should be considered given the likelihood of customer confusion driving increased contact centre calls and longer duration calls. See Meridian estimates of cost in the body of this submission.</p>
<p>Q19. Do you agree that retailers should offer information about better plans whenever a customer contacts them about their bill or plan, not only when the customer explicitly asks to change plans?</p>	<p>Meridian would support such an obligation if it could be easily implemented by making customers aware of the plan catalogue on the retailer's website. The obligation should not require a contact centre agent to step a customer through the full range of available options and describe each one verbally on a call. Any obligation that requires such an approach would considerably increase call times and add significant retail costs (around \$750,000 per annum for Meridian alone).</p>

Proposal D – Limit back-billing to protect residential and small business consumers from bill shock

<p>Q20. Do you agree with this proposal to limit back-billing with justifiable exceptions?</p>	<p>Yes. Meridian has already committed to a 15-month limitation.</p>
--	--

⁴ <https://www.powershop.co.nz/our-rates/>

⁵ <https://www.meridianenergy.co.nz/for-home/pricing-rates>

Q21. Is a six-month cap reasonable?	This seems misaligned with existing Code obligations regarding the frequency of meter readings and could result in increased socialisation of costs across all customers (rather than a net consumer benefit).
Q22. Do you agree that customer should be allowed to pay back bills in instalments matching the period of the back bills? If not, what alternative do you propose?	Yes, or other methods as agreed with each customer.
Q23. What additional proactive measures (beyond those listed) would best prevent back bills from accruing?	None that Meridian has identified.
Q24. For retailers, taking into account any operational requirements, is the proposed transition period sufficient to implement these obligations?	The implementation period may be sufficient for this proposal if it were occurring in isolation. However, the timeframe is likely to be challenging in combination with other proposed changes. See further comments in the “Next steps” section of this submission.

Next steps and proposed implementation

Q25. Are these the right outcome measures to track success?	While these are useful outcomes to monitor, the Authority should plan for a post-implementation review to assess whether the anticipated benefits are realised.
Q26. Do you agree with these implementation principles?	They appear broadly reasonable. The Authority should also consider overarching principles to minimise implementation costs and ensure changes are tested and will deliver a high-quality consumer experience (as opposed to a rushed bare-minimum compliance exercise).
Q27. How could we best support smaller retailers during the transition?	Small retailers will be better placed to respond to this question.
Q28. Are there other interdependencies we should factor into the timetable?	Many of the proposals will be simpler to implement following the phase out of the Electricity (Low Fixed Charge Tariff Option

	for Domestic Consumers) Regulations 2004.
Q29. Do you agree with our preferred timing?	No. See the comments in the “Next steps” section of this submission.
Q30. If you prefer option 3, which elements should be delayed to 2027?	The better plan assessment and three-month assessment of time of use savings (to the extent these proposals proceed at all) .
Q31. How much lead time do you need to implement these proposals, should they proceed?	<p>There should not be an assumption that the proposals proceed in their current form. However, to the extent they do:</p> <ul style="list-style-type: none"> • Promotion of the new comparison service and the new billing standards would ideally occur together to avoid multiple changes to bills. The timing will be dependent on the changeover to the new official comparison service. • Any prohibition on termination fees for residential consumers and the prohibition on back-billing could be implemented by October 2026. • Should the proposed better plan assessments and three-month time-of-use savings assessments proceed, these will take far longer to implement. By Meridian’s estimate late 2027 would be a reasonable lead time. That would mean implementation after the phase out of the low user fixed charge regulations on 1 April 2027 and after a reasonable time to enable retailers to put more innovative and unconstrained plans into the market. Any earlier implementation would be extremely difficult for Meridian to comply with and would risk significant implementation issues and poor consumers experiences.

Regulatory statement for the proposed amendment

Q32. Do you agree with the objectives of the proposed amendment?	Residential consumer understanding of bills is a difficult objective to measure and is not a necessary objective given service providers (such as the official comparison
--	---

	<p>service) should be able to cut through the inherent complexity of the industry and recommend the best option for a consumer irrespective of their level of understanding.</p> <p>It is also not clear why partial comparison of plans of one retailer should be an objective when there is also an objective to enable more fulsome comparison between the plans of <i>all</i> retailers.</p> <p>In Meridian's opinion, the ultimate objective should be to make it materially easier for residential consumers to compare plans and providers, and switch to better deals where those are available.</p> <p>The back-billing objective is simply a restatement of the Authority's preferred option.</p>
<p>Q33. Do you agree that the benefits of the proposed Code amendment outweigh its costs?</p>	<p>No. The Authority has only considered sector-level implementation and ongoing costs over time. In Meridian's opinion, considerable detriment to consumers is likely due to the unintended consequences of the proposal. In particular, the better plan assessments and three-month assessment of time-of-use savings could:</p> <ul style="list-style-type: none"> • risk being perceived as misleading consumers, increasing consumer complaints, and dispute resolution costs; • be costly to implement (with those costs ultimately passed on to consumers); • make it harder for new retail participants to enter the market; • disincentivise innovation and encourage retailers to offer fewer plan options or brands to reduce implementation costs; and • discourage switching between retailers and offer less benefits to consumers than efforts to promote switching and comparison across all retailers.
<p>Q34. Do you have any feedback on these criteria for weighing options?</p>	<p>The assessment criteria highlight important considerations, but the Authority should</p>

	ultimately make decisions based on its statutory objectives.
Q35. Do you agree with our assessment of the four options presented?	No. There are many more nuanced alternative options that have not been considered.
Q36. Do you agree with our proposal to introduce mandatory billing improvements, rather than voluntary guidelines?	We agree that some elements should be mandated. However, the proposal is unnecessarily prescriptive and we question the consumer benefits.
Q37. Which elements of standardisation (if any) could remain voluntary without undermining consumer outcomes?	Elements that enable effective plan comparison should be mandated, including plan name and unique identifier. Principles regarding clarity and clear layout could also be Codified. In Meridian's opinion, other elements should be voluntary.
Q38. Do you agree with our proposed approach regarding small businesses?	Yes.
Q39. Do you agree with our assessment on alternatives to proposal B?	Meridian agrees the listed alternatives may be inferior to the proposal. However, as stated elsewhere in this submission, Meridian sees considerable risk of consumer detriment from the better plan notification proposed by the Authority.
Q40. Do you agree with our assessment on alternatives to proposal C?	Yes.
Q41. Do you agree with our assessment on alternatives to proposal D?	No. See the comments in the body of this submission on the benefits of a longer period for any limitation on back-billing. In Meridian's opinion, a longer period would better align with existing Code obligations regarding the frequency of meter reading and would avoid increasing costs.
Q42. Do you agree the proposed amendment is preferable to the other options? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objectives in section 15 of the Electricity Industry Act 2010.	No. Meridian's preferred options and the reasons for those preferences are discussed throughout this submission.

<p>Q43. Do you agree the proposals are overall better than the alternative considered? If you disagree, please explain your preferred option in terms consistent with the Authority's statutory objectives in section 15 of the Electricity Industry Act 2010.</p>	<p>It is not clear what alternative this question refers to.</p>
<p>Proposed Code amendment</p>	
<p>Q44. Do you have any comments on the drafting of the proposed amendment?</p>	<p>Meridian is concerned that the better plan notification and plan catalogue obligations are drafted as retailer obligations and would blur their distinct brands and customer experiences and result in customer confusion. Retailers with multiple brands would therefore be strongly incentivised to either:</p> <ul style="list-style-type: none"> • cease trading with multiple brands; or • needlessly incur legal costs to establish subsidiary companies for any additional brands and register them as separate participants. <p>In Meridian's opinion the drafting should be amended so that any better plan notifications or plan catalogues need only refer to the plans of a retail brand.</p> <p>The consultation paper also suggests that the proposal includes an amendment to clause 17 of the Consumer Care Obligations to require retailers to refer customers to their plan catalogue when they enquire about billing (broader than the existing requirement to advise the customer of available product offerings when they enquire about changing their pricing plan). However, the proposed drafting for the Code change in Appendix A of the consultation paper contains no such drafting.</p> <p>The drafting of the proposed amendment is also unclear in respect of the operation of existing clause 11.30B requiring retailers to refer to the new comparison and switching service as soon as reasonably possible and no later than 3 months from the date</p>

	the change is notified on the Authority's website. Retailers will do this in compliance with the existing Code unless new Code drafting mandate the specific promotional text, logo, and hot link. That appears to be the intent described in the consultation paper, but no Code drafting has been provided.
Q45. Do you have any comments on the transitional provisions?	See the “Next steps” section of this submission and responses to Q25 to Q31 above.
Q46. Do you have any other feedback on this consultation paper or proposed Code amendment?	Not at this time.