

**12 November 2025: SUBMISSION TO ELECTRICITY AUTHORITY REGARDING  
IMPROVED BILLING, CONSUMER PLAN COMPARISON AND SWITCHING****Competition is key to ensuring electricity is affordable  
and needs to benefit ALL consumers**

Entrust supports initiatives designed to make electricity bills easier to understand and that help consumers select the right electricity plan with the right retailer to ensure they aren't paying too much.

**Summary of Entrust's submission**

- A well-functioning and strongly competitive market is needed to make electricity more affordable for Kiwis. It is vital the Authority is successful in promoting a healthy and more competitive electricity market.
- Entrust supports the Authority's "best plan" proposal. Helping Kiwi households and families select the lowest cost electricity plans and retailer is a key initiative for energy affordability. Cheaper electricity can mean less financial difficulties. It can be difficult for Kiwi households and families to know which electricity retailer or pricing plan is best for them.
- Entrust commissioned Insights HQ to survey a representative sample of 1019 Auckland residential consumers. Key findings from the survey include:
  - Only 54% of consumers know what type of electricity plan they are on. The low awareness could mean some households don't fully take up opportunities to save money, e.g. by shifting load to off-peak periods if they are on a Time-of-Use (TOU) plan. The low level of awareness also highlights the benefit of retailers advising consumers about which plan they should be on.
  - 65% of consumers are confident they are on the right plan for their household. Entrust is concerned the low awareness of what plan people are on suggests that this confidence may be misplaced.
  - 73% of consumers consider they have just the right amount of information on their bills and 73% find it easy to understand their bill. Entrust considers that this highlights that the Authority should be judicious about what information it requires to be included on retail bills, so consumers don't end up with more information than they want. It also highlights the benefit of undertaking research to find out what consumers actually want and are concerned about.
- Entrust supports initiatives to make it easier to compare and switch electricity retailers. Consumer awareness of Powerswitch is poor and is something the Authority should address with the replacement scheme. The replacement for Powerswitch also needs to be accessible, easy to use and accurate.
- Entrust supports initiatives aimed at hard to reach, non-switching consumers who tend to be over-represented by low income, elderly and vulnerable consumers. These consumers often pay more than they should for electricity because they haven't

changed to a lower cost retailer. Consumers that can least afford electricity can end up paying the most. The “better plan” regulation won’t help determine whether consumers are paying too much because they are with the wrong retailer.

## **Entrust’s submission**

The Authority’s Energy Competition Task Force work programme, and the earlier wholesale market review, highlight clear evidence of substantial competition problems in both the wholesale and retail markets which are harming Kiwi households and businesses.

This creates risk that consumers pay too much for electricity. Entrust was concerned that the Vector price reductions in 2020 did not seem to be passed on to consumers, but the 2025 changes were passed through much more rapidly. We are also concerned Loss Rental Rebates are now passed onto retailers instead of to consumers, with no surety or requirement for pass-through.

Major reforms are needed to fix the electricity market.

Entrust supports initiatives such as hedge market reform to include mandated provision of super-peak products and adoption of non-discrimination rules. Some of the reforms canvassed in the retail billing consultation are potentially complementary to broader initiatives targeted at promoting a healthy and more competitive electricity market.

## **Consumer surveys are useful for helping identify problems consumers are having with their power bills**

Entrust considers that consumer surveys, interviews or focus groups are helpful to establish what information consumers would like to see on their electricity bills, what aspects of billing/pricing plan comparisons they find complex and the impediments to/reasons for not switching. It is important retail billing regulation results in information consumers want rather than information the regulator thinks they may want.

It is important the Authority’s decisions are strongly evidence-based and don’t unduly or unnecessarily rely on subjective judgements or assumptions.

There are various surveys already in the public domain the Authority can draw on, including its own surveys. These provide mixed results in support and against the concerns the Authority has. For example:

- The UMR survey Entrust commissioned for Auckland consumers in 2018 should be treated with caution given its age, but it found that 27% of consumers thought it was difficult to compare prices (versus 39% who didn’t).<sup>1</sup>
- The Authority’s 2023/24 consumer survey found that 60% of residential consumers agree or strongly agree they have enough information to know which electricity provider is best.<sup>2</sup>

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<sup>1</sup> Entrust commissioned UMR to survey Auckland consumers about electricity retailing issues in 2018, to ensure consumer voices are heard. Refer to Entrust’s Submission on the Electricity Price Review First Report, 24 October 2018, at: <https://www.entrustnz.co.nz/media/a5got50y/submission-on-the-electricity-price-review-first-report-24-october-2018.pdf>.

<sup>2</sup> [https://www.ea.govt.nz/documents/6186/Electricity\\_Authority\\_survey\\_of\\_consumers\\_2023-24.pdf](https://www.ea.govt.nz/documents/6186/Electricity_Authority_survey_of_consumers_2023-24.pdf)

- The Consumer Advocacy Council (CAC) 2024 survey found that 73% of residential respondents were satisfied or very satisfied with the clarity of information on their bills.<sup>3</sup>
- The CAC survey also found that savings not being good enough to bother changing supplier (36%) and other suppliers not offering anything better (33%) had more of an impact on consumers deciding not to switch than difficulty working out whether they would save money (32%).
- The Energy Consumers Australia (ECA) 2025 survey found that many Australian households have low energy literacy, with 37% of Australian households unaware of what type of retail electricity tariff they are on.<sup>4</sup> While this is an Australian survey result, it can be useful to look at overseas experience to help identify potential issues that could also apply in New Zealand.

## **Entrust has commissioned an independent consumer survey**

Entrust considers that consumers need a voice in the Electricity Authority Retail Billing review. Entrust commissioned Insights HQ<sup>5</sup> to survey Auckland residential consumers about electricity retail issues to help improve awareness of consumer views and concerns.<sup>6,7</sup>

There is low awareness amongst Auckland consumers about what type of electricity plan they are on (54%) or how their electricity bills are calculated (43%).

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<sup>3</sup> Varian, Electricity consumer sentiment survey – residential consumers and small businesses, June 2024.

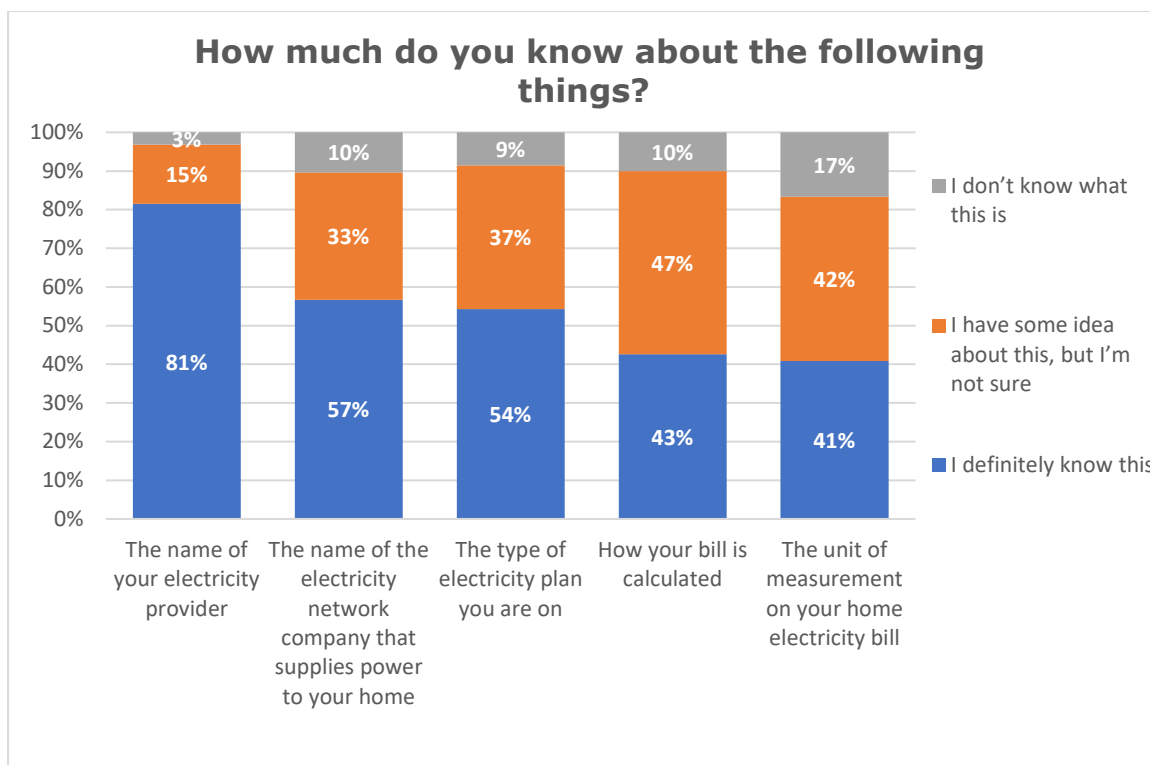
<sup>4</sup> Energy Consumers Australia, Australia Consumer knowledge of electricity pricing and responsiveness to price signals Consumer Energy Report Card, January 2025.

<sup>5</sup> <https://insightshq.co.nz/>

<sup>6</sup> Insights HQ undertook an online survey among a representative sample of 1019 Aucklanders from within the Vector catchment area matched and weighted to census based on age and gender. The margin of error on a sample of 1000 is +/- 3%. Where the survey was split into two streams of 500 the margin of error is +/-4%. Unless otherwise specified the results below are based on a sample of 500 consumers.

The survey was conducted from the 16th October to 2nd November 2025.

<sup>7</sup> We also think that there is opportunity for electricity distributors to use consumer information which they receive under the Default Distribution Agreement for important consumer education purposes which might not fit under the current restrictions on how the information can be used.



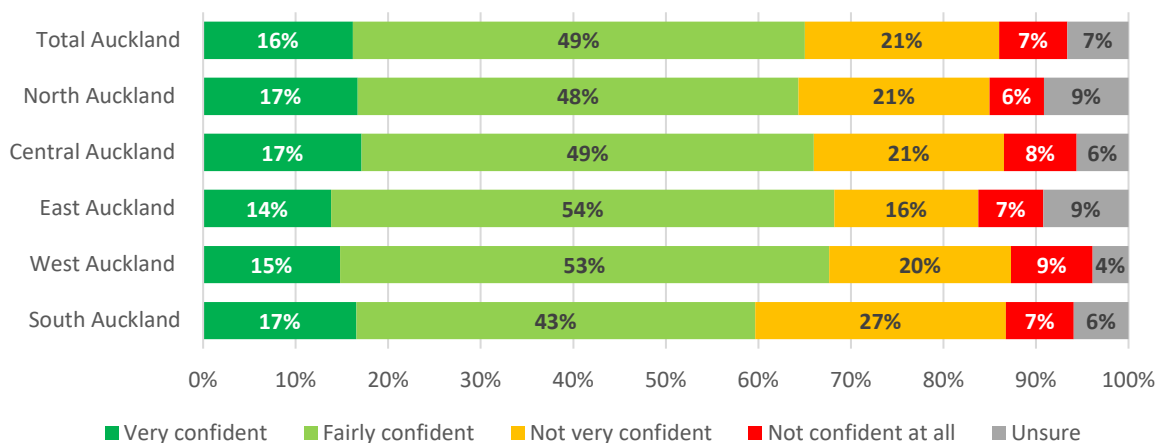
The low level of awareness is problematic. It means consumers are less likely to be able to manage their electricity usage to save money, e.g. if consumers are aware they are on a ToU plan and when the peak/off-peak periods are they will be able to reduce their power bills by shifting load.

The other concern Entrust has is that if consumers don't know what electricity plan they are on they will be much less likely to be on the best (lowest cost) plan for their needs.

Most consumers are confident they are on the right plan for their household, with 65% confident they are on the right plan, and 28% that aren't confident.<sup>8</sup> Based on the evidence in the consultation paper it appears that this confidence may be misplaced and many consumers are missing out on cheaper pricing plans.

<sup>8</sup> These results are based on the full sample of 1019 consumers.

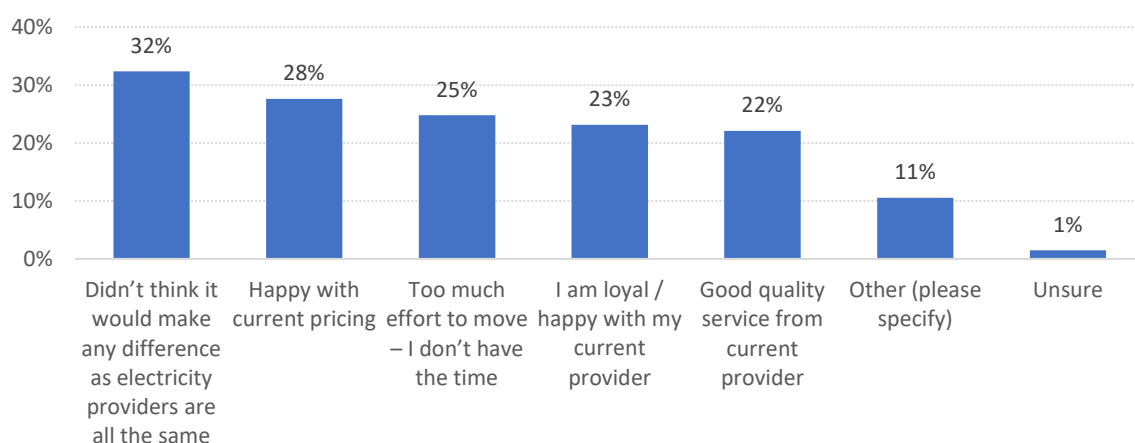
**Thinking about all the possible electricity providers and pricing options, how confident are you that you are on the right electricity plan for your household?**



One thing we also noticed from the survey was that consumer confidence that they were on the right plan varied considerably in different parts of Auckland. Consumer confidence is a lot lower in South Auckland. Just 60% of South Auckland consumers were confident they were on the right plan, and 34% weren't confident.

When we look at the reasons consumers who haven't switched recently give for not switching, it suggests the main reasons aren't associated with billing complexity or difficulty comparing plans, which the Authority has suggested, but may be more related to not realising the potential size of the cost savings from changing retailers.

**Why have you not switched to another electricity provider?**



These survey results highlight the benefits of retailers periodically reviewing what the "best plan" is for their customers. The results also highlight that a focus for the Authority should be on promoting awareness that there can be large cost savings from changing retail and on how this can be done.<sup>9</sup>

<sup>9</sup> See discussion below on Powerswitch.

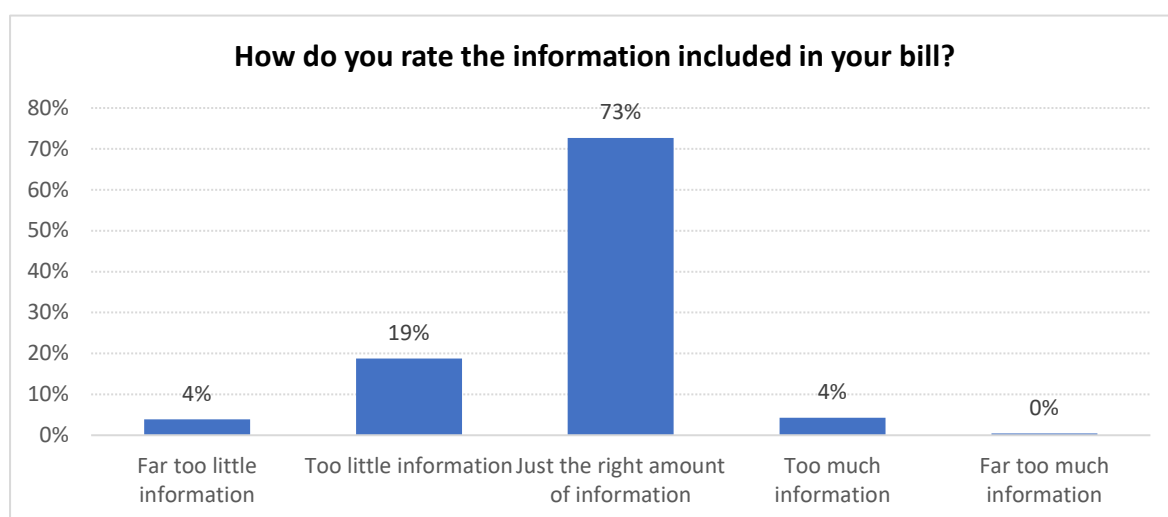
## Electricity bill content

There is a high level of satisfaction with the information included in electricity bills, with 73% of consumers considering they have just the right amount of information, and 23% considering they have too little information.

The main call out for bill changes was a cheaper bill!

*"Do not need changes just need the price to come down."*

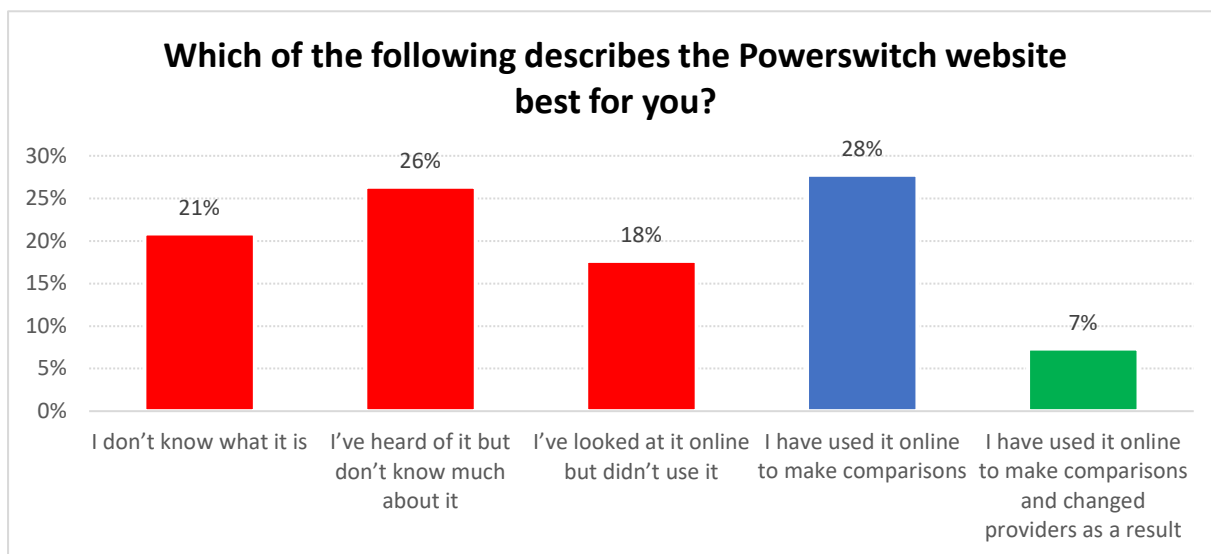
Entrust interprets this as indicating the Authority should be judicious about increasing the amount of information retailers are required to include in electricity bills and should make sure it is information consumers want. One suggestion we received from the survey, which we endorse, is that "in a similar way to Watercare I would like a graph or chart which shows how my usage compares to how many people in a household on average to better understand if my energy usage is high, low, normal etc".



## The replacement for the Powerswitch comparison scheme

Helping ensure consumers are on the lowest cost electricity plans available will help reduce the pressure electricity costs are putting on household budgets. If consumers understand their bills and find it easy to compare retailers and pricing plans it will help give them reassurance they aren't paying more than they should for power.

The graph below shows the extent to which Auckland consumers are aware of Powerswitch based on the Insights HQ survey. The Authority should be concerned that only 7% of consumers use Powerswitch to make comparisons and change providers, while 65% either don't know what Powerswitch is, have heard about it but don't know much about it, or have looked at it online but did not use it.



It will be important to see rapid and substantial improvements in these performance metrics when the replacement scheme is introduced. The risk is that awareness could fall with a change in scheme before it gets better. Entrust recommends the Authority monitors consumer awareness, using the existing Powerswitch scheme as a baseline for comparisons.

It is also important that the replacement comparison scheme is accessible, easy to use and accurate. A comment we got back from the survey was that "The Powerswitch app is overly complicated and not as easy to use as it used to be."

Key improvements for the scheme include ensuring the comparison scheme has comprehensive and up-to-date tariff information and pricing comparisons can be made using individual customer consumption data.<sup>10</sup> It is particularly important the comparison scheme provides correct information about what retailer and what plan would be lowest cost. The Authority should undertake audits of the new scheme to ensure it is accurate.

## **Protecting the most disadvantaged members of society**

Entrust welcomes the Authority's recognition that some consumers are vulnerable due to literacy, disability, age and hardship issues and can need protection. It is important the Authority is focussed on equity issues as well as economic efficiency.

Vulnerable consumers can miss out on the benefits of competition.

Consumers that don't tend to switch end up paying more for electricity than other consumers who try and find the lowest cost retailers and switch supply. The extra electricity charges these consumers are paying is commonly referred to as "loyalty taxes". There are substantial consumer welfare benefits if the Authority can successfully target these consumers; particularly as they are disproportionately members of society that can least afford high electricity bills. One of the findings of the Vector Home Energy Saver assessment scheme<sup>11</sup> was that very few customers ended up switching to their recommended cheaper retailer, some of which we suspect is linked to credit checks these customers can't pass.

<sup>10</sup> These points have been well canvassed by numerous submitters in earlier consultations.

<sup>11</sup> <https://www.vector.co.nz/news/auckland-home-energy-saver-project-set-to-reduce-e>

It can be hard to reach vulnerable consumers, but helping ensure they are on the lowest cost electricity plans is a key initiative for energy affordability and the Authority's new consumer protection objective.

Entrust considers that this is an area that warrants further investigation. We recognise targeting these customers is not easy and see this as something that should be part of an ongoing work programme, with the Authority carefully monitoring progress.

The issue of “loyalty taxes” goes well beyond ensuring consumers are on the right plan and includes the question of whether they are with the right retailer. It can often be the case that changing retailer will offer bigger savings than changing retail plan. The “better plan” regulation won’t help determine whether the consumer is with the right retailer.

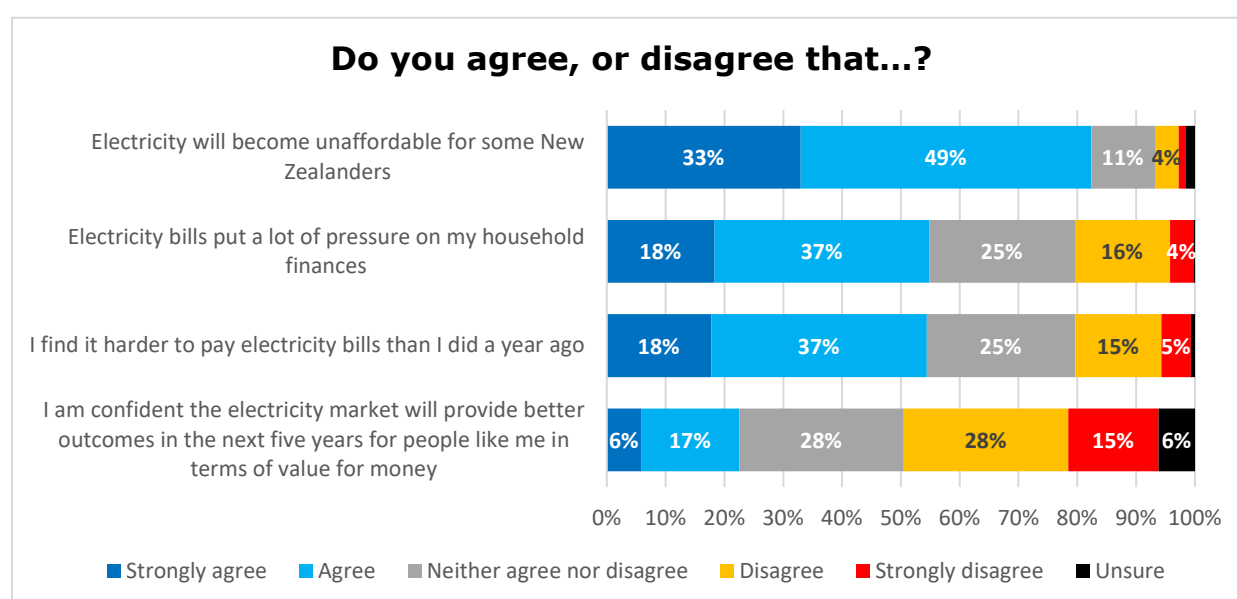
## **Concluding remarks**

Entrust wants to ensure electricity is supplied in an efficient and affordable way to all consumers and its beneficiaries, including the 368,000 households and businesses in its area of central, east and south Auckland.

The Entrust annual dividend helps relieve financial pressures for consumers in the Auckland trust area. This year, Aucklanders received a \$364 boost as part of the Entrust annual dividend payment.<sup>12</sup> Over half of beneficiaries use the dividend to pay for necessities based on the Entrust 2025 post dividend campaign survey.

It is clear that affordability is the biggest electricity issue praying on the minds of Auckland households and families. 79% of survey respondents listed affordability/rising prices as one of the biggest problems in the electricity industry right now, with 86% expecting electricity prices to rise and 56% expecting electricity prices to rise by a lot.<sup>13</sup>

Entrust is concerned that 55% of Auckland consumers find it harder to pay for their electricity than a year ago and electricity bills are putting a lot of pressure on household finances. Only 23% are confident things will get better in the next five years.<sup>14</sup>

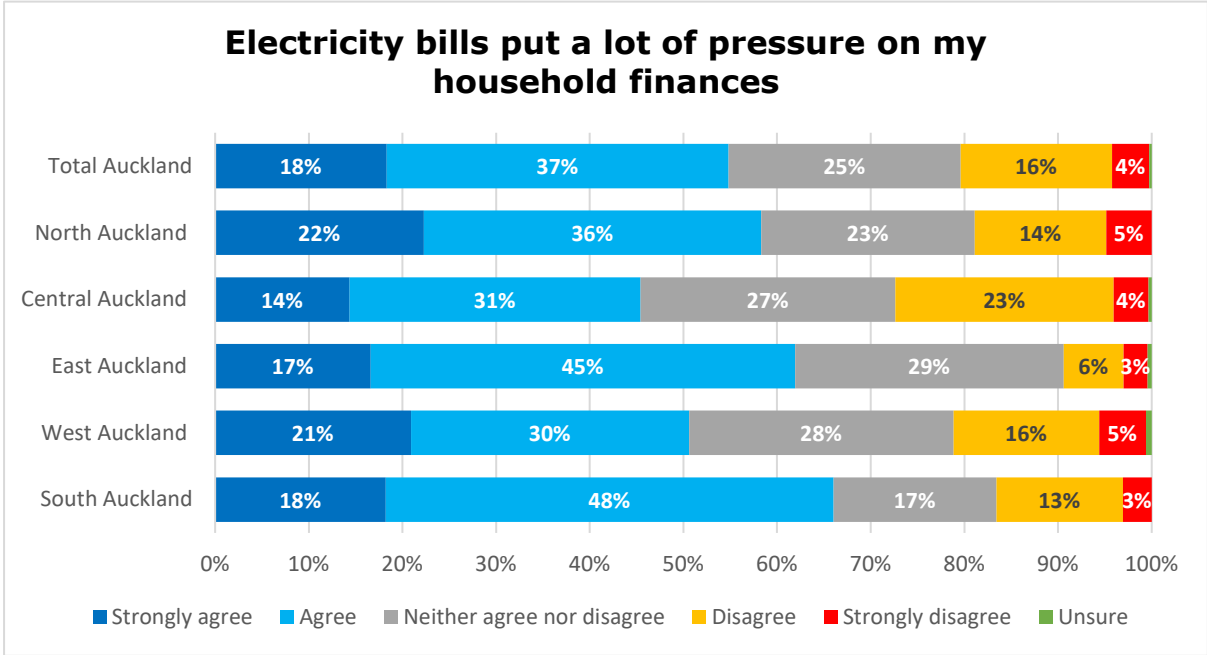


<sup>12</sup> <https://www.entrustnz.co.nz/entrust-dividend/>

<sup>13</sup> These results are based on the full sample of 1019 consumers.

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The survey results are more concerning when you look at different parts of Auckland. For example, while 55% of Aucklanders are concerned about the impact of electricity bills on their household finances, this rises to 66% in South Auckland.



Entrust supports initiatives that promote a healthy, stronger and more competitive electricity market. We also support initiatives aimed at making it easier for consumers to determine whether they are on the right plan and supplied by the right retailer.

We particularly welcome initiatives targeted at hard to reach ‘non-switching’ consumers who tend to be over-represented by low income, elderly and vulnerable consumers. The consumers that can least afford electricity are likely to be paying the most. Cheaper electricity can mean more affordable electricity and less payment problems.

Kind Regards,

  
Alastair Bell  
**Chair of Regulation and Policy Committee**