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Submitted via: [wai@comcom.govt.nz](mailto:wai@comcom.govt.nz)

Finance and Expenditure Committee  
Parliament Buildings  
Wellington

**Re: Economic Regulation of Water Services – Information Disclosure Draft Decision**

All in Aotearoa should have ongoing full access to safe, affordable and reliable drinking water. For some whānau, no matter what the price is, any charge for this essential service will be unaffordable. This should not mean these whānau do not have ongoing full access to water services. Explicitly requiring water entities to provide consistent and helpful assistance to whānau who are having difficulty paying could make this a reality.

FinCap welcomes the opportunity to comment on the Commerce Commission's Economic Regulation of Water Services – Information Disclosure Draft Decision. We generally support information disclosure that will provide transparency around the cost of essential water services.

However, **we strongly recommend the Commerce Commission includes more information disclosure requirements to monitor how suppliers are, or are not, effectively assisting whānau to maintain access to essential water services when they are having difficulty paying.** As more households start being directly billed for water, it is inevitable that regulation will be needed for there to be consistent and effective support for those experiencing payment difficulty or family violence.<sup>1</sup> Our recommendation can inform effective regulation making.

FinCap notes that the Commerce Commission has the ability to require disclosure under s57ZA of the Commerce Act 1986 and has included some requirements around the amount of infringement fees charged at 6.5 in the draft Water Services Information Disclosure Determination (**draft Disclosure Determination**). However, this will not give sufficient insight as to what supports are in place for when whānau anticipate missing, or miss, a payment.

Likewise, we have seen that the draft Disclosure Determination includes requirements to share processes for complaints informing operations. However, this will not reveal enough around the nature of complaints received and what action they prompted.

Disclosure relating to affordability modelling at 6.30 of the draft Disclosure Determination discusses cost as a proportion of median household income. This is a very blunt measure and limited as to what it would reveal about all whānau being able to maintain access to the water services they need.

**We recommend that Commerce Commission begin by adapting relevant measures from the Electricity Authority's Retail market monitoring notice for electricity<sup>2</sup> into water information disclosure** to achieve our first recommendation. While there may not be an equivalent to an "installation control point" (ICP) with the current water infrastructure in most regions, disclosure

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<sup>1</sup> For more context, please see our recommended features of hardship and family violence in these previous submissions: <https://www.fincap.org.nz/images/files/230203-SUB-Water-Services-Economic-Efficiency-and-Consumer-Protection-Bill.pdf>

<sup>2</sup> See: [https://www.ea.govt.nz/documents/6728/Retail\\_market\\_monitoring\\_notice.pdf](https://www.ea.govt.nz/documents/6728/Retail_market_monitoring_notice.pdf)

requirements could be in aggregate as necessary. There could also be a reasonable threshold around billing taking place before such information disclosure requirements apply to suppliers.

FinCap's priorities for adapting from the Retail market monitoring notices requirements are:

- The number of customers on payment support plans;
- Late payment penalty data;
- Fees for disconnection or reconnection after non-payment (in this context water restriction for non-payment); and
- Disconnection (in this context water restriction for non-payment) data.

We also note that while our submissions acknowledge physical restriction of essential water services might occur where someone is unable to pay may occur, we are fundamentally opposed to water suppliers having this available as a debt collection tool. No one should lose full access to the water services they need for their health, wellbeing and social participation because they are unable to pay.

### **About FinCap**

FinCap (the National Building Financial Capability Charitable Trust) is a registered charity and the umbrella organisation supporting the 177 local, free financial mentoring services across Aotearoa. These services supported almost 62,000 whānau facing financial hardship in 2024. We lead the sector in the training and development of financial mentors, the collection and analysis of client data and encourage collaboration between services. We advocate on issues affecting whānau to influence system-level change to reduce the causes of financial hardship.

Please contact Senior Policy Advisor Jake Lilley on [jake@fincap.org.nz](mailto:jake@fincap.org.nz) or 027 278 2672 to discuss any aspect of this submission further.

Ngā mihi,



Fleur Howard  
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