

25 November 2021

Submitted via www.gasindustry.co.nz

Gas Industry Company Ltd
95 Customhouse Quay
Wellington 6011

RE: Extending the Electricity Price Review's Final Recommendations to the Gas Market – Final Gas Market Guidelines November 2021

Where the appliances at a residential property already utilise gas then gas is an essential service that is necessary for the health, wellbeing and social participation of the whānau in that property. It is extremely important that appropriate protections to access gas fairly are in place.

FinCap welcomes the opportunity to comment on the Gas Industry Company's (**GIC**) Extending the Electricity Price Review's Final Recommendations to the Gas Market – Final Gas Market Guidelines for: (1) Dealing With Vulnerable Consumers; (2) Raising Consumer awareness of Utilities Disputes and Powerswitch; and (3) Saves and Winbacks Consultation Document (**Proposed Guidelines**).

FinCap strongly recommends that at a minimum the protections for access to gas for whānau match the protections for electricity. Consistency will mean financial mentors and the whānau they support have better chances of realising good outcomes where facing issues with any essential energy supply. We resubmit the recommendations we made in an earlier submission¹ and welcome where the GIC has accepted those recommendations while reiterating our concerns where the Proposed Guidelines still fall short of alignment with equivalent protections for electricity services. Those recommendations are at **appendix one** at the bottom of this submission on page four.

About FinCap

FinCap (the National Building Financial Capability Charitable Trust) is a registered charity and the umbrella organisation supporting the 200+ local, free financial mentoring services across Aotearoa. These services support more than 70,000 people in financial hardship annually. 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.

FinCap response to the proposed final guidelines

Financial mentors often must assist whānau with a multitude of complex issues. Businesses that supply essential gas services will almost always have better knowledge of the most effective use of such services, it is their industry and their job. These businesses are often also supplying electricity services for a whānau and discussions between the two can cover both services within the same sentence. Consistency in implementation time frames and expectations that apply to the essential

¹ <https://www.fincap.org.nz/submission-on-extending-recommendations-to-the-gas-market/>

energy services simply makes sense for whānau and financial mentors. To free up time to work through other issues per their expertise and strengths, financial mentors and the whānau they support should be able to rely on expert essential service providers to work towards maintaining effective access for a whānau having difficulty paying.

We thank the GIC for considering our previous submission's recommendations and request that those not adopted are reconsidered. While our recommendations may include some significant work for those providing gas services, they are best placed to make sure whānau have fair access to gas services or other energy services where appropriate. Putting some issues in the 'too hard basket' where they are contributing to or risking substantial hardship is not in the spirit of the Electricity Price Review findings and recommendations. As stated above we resubmit our previous submission's recommendations.

FinCap also strongly support's the GIC's disagreement with Nova Energy's argument that gas services should be able to be disconnected on the basis that payments for different services are outstanding.² This is not appropriate for an essential service and financial mentors regularly raise concerns about the bundling of different services by utility providers which makes it near impossible for a whānau to realise savings by switching to different plans or dropping non-essential services that are bundled (such as online TV subscriptions or due to break fees related to the cost of an electronic appliance used as a sales incentive).

Responses to consultation document questions

Do you agree with the changes made to the Gas Consumer Care Guidelines to address persons medically dependent on gas?

FinCap strongly supports the changes made that make protections for people medically dependent on gas consistent with their protections for electricity supply. Such protections can prevent avoidable death that can cause significant harm to communities. Preventing harm in the first place is the best way to address the avoidable hardship which financial mentors support people through every day.

Do you support the development of new Gas Information Exchange Protocols, adopting relevant provisions from the corresponding information exchange protocols in the electricity market, addressing the exchange of MDC information?

We support development of exchange protocols that ensure a medically dependent consumer remains protected where a customer changes providers or where multiple entities ensure supply but only one has a relationship with the end user. Whenever a supplier is in doubt, protections should apply until a point where whether or not there is a medically dependent consumer is clearly known. This will help avoid an unacceptable tragedy where a medically dependent consumer is put in an avoidable life-threatening situation.

There has been extensive work in Australia on life support protections that reach across multiple businesses who are ensuring stable supply. To get a head start on what considerations may be

² See page 9 of Proposed Guidelines consultation document

relevant here we encourage the GIC to discuss this work with the Essential Service Commission, Australian Energy Market Commission and Australian Energy Regulator. We also support the calls of many stakeholders for the Ministry of Health to become more involved in facilitating a robust system for protecting people medically dependent on energy supply.

Please contact Jake Lilley, senior policy advisor at FinCap on 027 278 2672 or at jake@fincap.org.nz to discuss any aspect of this submission.

Ngā mihi



Ruth Smithers
Chief Executive
FinCap

Appendix one

Recommendations from [FinCap submission on 12 July 2021](#)

Recommendation: The Gas Consumer Care Guidelines prompt retailers to include discussions around options for disconnecting from gas or changing the use of energy appliances in discussions around the best pricing plans or approaches to energy efficiency.

Recommendation: The Gas Consumer Care Guidelines better match the Electricity Authority's Consumer Care Guidelines, particularly in relation to situations where whānau have missed a payment, face disconnection or seek reconnection.

Recommendation: The Gas Consumer Care Guidelines are mandatory requirements and gas suppliers are expected to prove alignment by 31 December 2021.

Recommendation: More work is done to ensure whānau can know they are paying fair prices for gas and identify if it is in their best interests to change providers or plans.

Recommendation: Utilities Disputes Limited is promoted to all whānau with gas supply as consistent with the requirements on electricity providers.

Recommendation: Mandatory prohibitions on saves and winbacks that mirror the prohibition for electricity providers are implemented.