

Submission to the Commerce Select Committee on the Electricity (Disconnection and Low Fixed Charges) Amendment Bill

NCWNZ is an umbrella organisation representing 46 Nationally Organised Societies and National Members. It has 28 Branches throughout the country attended by representatives of those societies and some 150 other societies. It also has three satellite groups and three regional consultation groups. NCWNZ is representative of approximately 350,000 women, via its affiliated bodies. The Council's functions are to serve women, the family and the community at local, national and international levels through research, study, discussion and action. NCWNZ welcomes the opportunity to consider this Bill. The response has been prepared by the Public Issues Standing Committee following circulation of the questions to NCW members and after consultation with the NCWNZ Board and Parliamentary Watch Committee.

General Statement.

The supply and cost of electricity has become part of the policy of NCWNZ as a result of resolutions passed at national meetings over the years.

A 1948 resolution asks that the Government ensures that there is always an adequate supply of electricity as women are the first sufferers of any shortage.

In 1989 the resolution asks that the Government ensures that the generation, transmission and supply of electricity remain in public ownership or control and that electricity is supplied at a standard price to all households regardless of geographic location.

In 1992 the resolution asks that the Government amend the Energy Companies Act 1992 to ensure that all energy plans submitted to the Minister for Energy pursuant to the Act contain adequate provision for

- (i) customer supply of "clean" power
- (ii) fair pricing
- (iii) promotion of energy efficiency
- (iv) community participation in decisions affecting domestic consumers
- (v) public ownership with directors accountable to the public

It is clear from NCWNZ policy on electricity supply and pricing that we believe all customers should have access to electricity and that there should be fair price for all.

Specific Comments.

Clause 4 Low fixed charge tariff option for domestic consumers.

NCWNZ supports this Clause if it means a fairer price for all consumers and also enables low use consumers to conserve energy.

Clause 5, (1) (2) (3) Electricity governance regulations.

With regard to providing domestic consumers with information about overdue accounts, we notice that electricity retailers are now informing domestic consumers about the proposed Electricity Commission Guidelines with a number of suggestions about where to get assistance if they are having difficulty in paying, which is very helpful.

What is of concern, and is not clear in the Bill, is the length to which the electricity retailers should go to before they disconnect, although it is detailed in some of the retailers' guidelines. There should be absolutely clear information given to the consumer, in a form they can understand, before their supply is disconnected. Other responsible members of the household should be taken notice of, if the account signatory is not able to notify the electricity retailer, about the necessity of an uninterrupted supply. Lives should not be put at risk. It is obvious from reading the proposed Guidelines that these were not followed in the recent case in Auckland where a woman died.

Concern was expressed by some members that electricity retailers have agreed to voluntary compliance with the revised guidelines regarding disconnection. Since the issues surrounding disconnection may be particularly serious for consumers, it would be preferable that this section of the guidelines should become part of the regulations so that compliance would be compulsory.

The costs of disconnection and reconnection should be minimal and reflect the actual expense rather than be used as an incentive to maintain payments.

Conclusion

NCWNZ policy is clear that we believe that an assured supply of electricity should be available to all consumers. Our preferred option was that the production and supply of electricity should be in public ownership. As this is no longer the case NCWNZ still believes that the retailers of electricity should be regulated to provide electricity to all consumers at a reasonable price. If a consumer does not pay every effort should be made to help them find a way of doing so, and lives should not be put at risk by disconnection.

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