

4 November 2009

Electricity Commission  
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**SUBMISSION ON PROPOSED CHANGES TO THE GUIDELINES ON ARRANGEMENTS TO ASSIST MEDICALLY DEPENDENT AND VULNERABLE CONSUMERS**

- 1 Orion New Zealand Limited (**Orion**) welcomes the opportunity to comment on the Consultation Paper regarding the 'Guideline on arrangements to assist vulnerable consumers' and the 'Guideline on arrangements to assist medically dependent consumers' (the **paper**) and the proposed revised VC and MDC Guidelines themselves released by the Electricity Commission (the **Commission**) in October 2009.
- 2 As our comments are very brief we have not supplied them in the format described in Appendix 2 of the paper.
- 3 In general Orion supports the new approach. In particular the separate guidelines for VC and MDC consumers help clarify the fundamental differences between these two groups with respect to the actions open to retailers, and specifically that:
  - 3.1 MDCs should not be disconnected for non-payment under any circumstances (provided that they act in good faith)
  - 3.2 VCs may be disconnected for non-payment provided retailers follow an appropriate process
- 4 However, there are several areas where the guidelines are not consistent and where Orion believes that they should be:
  - 4.1 "Advice" to VCs and MDCs: It is not clear why these sections are materially different in the two guidelines. For example the Payment options and prepayment metering sections of the two guidelines should in our view be the same. (If MDCs have "Human Rights" to pre-payment

metering then presumably so do VCs? But surely the key point is that there are real risks and concerns with either group using prepayment metering.) The guidelines should start from the position that these sections should be the same.

- 4.2 A statement that supply is not guaranteed appears in the MDC guideline (para 4) but not the VC guideline. We believe this statement should be in both guidelines. Both guidelines should in Orion's view also include a further statement to the effect that the guidelines do not imply any preferential treatment in restoration of supply for VC and MDC consumers in event of unplanned outages.

### **Comments on the MDC guideline**

- 5 The MDC guideline states that MDCs are a subset of domestic consumers who rely on mains electricity for critical medical support (para 6). To some extent this contradicts para 4, and also para 10(d), both of which note that electricity supply is not guaranteed, and MDCs need to be able to cope with supply interruptions.
- 6 Between para 10(f) and 10(g) there is a heading "HPs". While this is defined in the Glossary, we consider that they should be spelt out in full in the heading.
- 7 A further issue is whether the guidelines are appropriately titled. Much of the form of the documents suggest these are in fact minimum standards, and perhaps they should be so called?
- 8 Whether the two guidelines can and should be re-combined but with clearer delineation is not a matter on which Orion has a strong view, however it would assist in resolving the consistency issues noted above.

### **Concluding remarks**

- 9 Thank you for the opportunity to make this submission. Orion does not consider that any part of this submission is confidential. If you have any questions please contact Dennis Jones (Industry Developments Manager), DDI 03 363 9526, email [dennis.jones@oriongroup.co.nz](mailto:dennis.jones@oriongroup.co.nz).

Yours sincerely



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