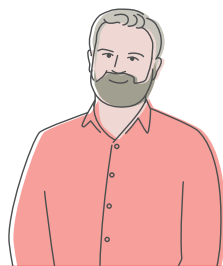


Systemic Insights 2025



UTILITIES
DISPUTES
TAUTOHETOHE
WHAIPAINGA

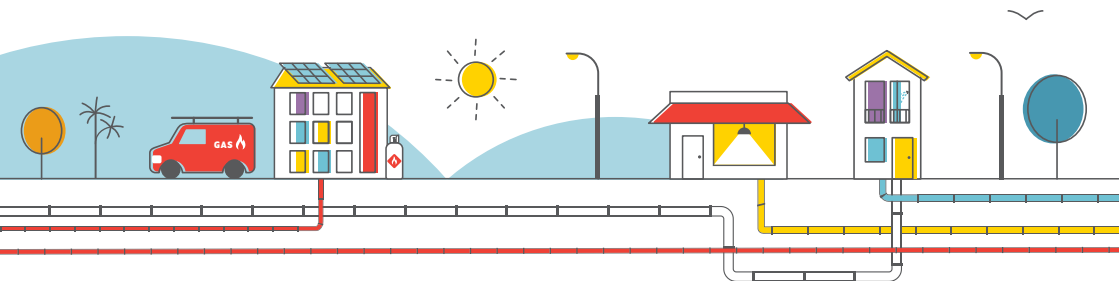
Introduction from the Commissioner



It is my pleasure to introduce the 2025 Systemic Insights Report.

Utilities Disputes helps consumers and their utility providers resolve complaints they have not been able to sort out on their own. In doing this work, we look for patterns. Sometimes this can come from a single complaint, sometimes it can come from many complaints. They are patterns that can point to a wider problem – something that could be affecting many consumers or providers, beyond the person who has raised it. We call these **systemic issues**.

Systemic issues are important because they highlight gaps, risks, or inefficiencies in how services are delivered to consumers. When we identify a systemic issue, we work with utility providers, regulators, and consumers to understand what is causing the problem so solutions can be found. Our goal is to use our position to support practical, lasting improvements that address the problem and improve utility services for everyone.



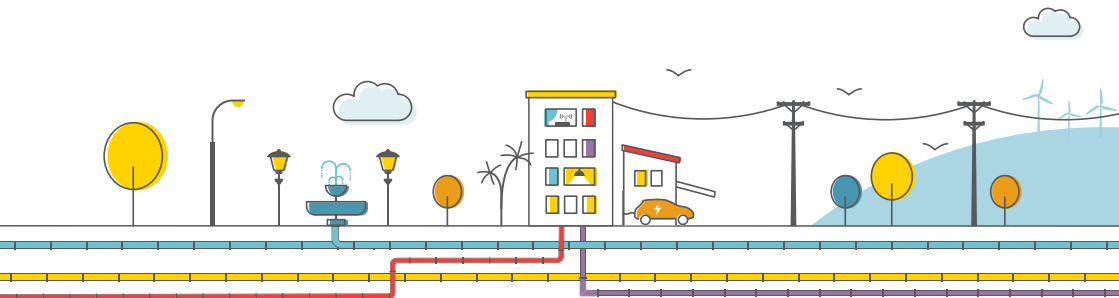
This report shares some of the things we have learned over the past year. It sets out a few of the systemic issues we have identified, what we have done to try and address them, and the positive changes that are happening as a result.

Our commitment is simple: we use what we learn from complaints to help create a fairer, more resilient, and consumer-focused utilities sector.

I invite you to explore the findings in this report and join us in continuing to raise the quality of services for the benefit of all New Zealanders.

Neil Mallon

Commissioner | Toihau



Understanding the key phrases used in this booklet.



What is a systemic issue and why is it important to capture it?

A systemic issue is an issue that may negatively impact a number of consumers.

It may be identified by a single complaint or it may be identified because a number of consumers have complained about the same issue whether from one company or a number of companies.

Systemic issues can often be process-driven, as this means it could impact a high number of consumers.

It's important to capture these issues and work with the companies and consumers to fix the issue and improve the system for everyone.



What is a Provider?

In this booklet we have used the term 'Provider' when referring to a utility company. This includes companies that provide electricity, gas, water and telco services to consumers.



What do we do about systemic issues?

Utilities Disputes identifies systemic issues through complaints – either by receiving the same type of complaint several times, or during the investigation of a complex complaint.

Once we identify a systemic issue, we first talk with the provider. We may also pass on anonymised details to the relevant regulatory body/bodies, so they can consider if further steps are required to stop this issue across the industry.



What is a Commissioner's Decision?

A Commissioner's Decision is a written decision issued by Utilities Disputes' Commissioner. A decision confirms what is a fair and reasonable outcome based on the facts of the complaint. If a complainant accepts a decision, it is binding on the provider.

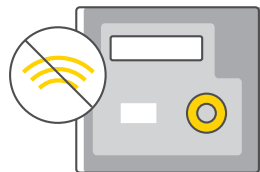


What is a catch-up bill?

A catch-up bill (also known as a back bill) is for energy used but not included on past bills. In this booklet we use the term catch-up bill.

A SYSTEMIC ISSUE AFFECTING

Electricity



Non-communicating electricity meters and large catch-up bills.



What's the systemic issue?

Modern electricity meters are incredibly accurate at recording electricity usage. However, they can sometimes have communication issues. On rare occasions a meter can also be incorrectly identified.

When this happens usage data is still stored on the meter, it's just not communicated to the provider for the relevant account. As a result, electricity providers will estimate a customer's usage and issue bills based on estimates.

As providers will sometimes under-estimate usage, this can result in the customer receiving a large catch-up bill when their actual usage is obtained from the meter – sometimes in a single direct debit. This increases the risk customers will suffer financial hardship and face potential disconnection. The risk of this systemic issue occurring can be reduced if providers take proactive steps to address non-communicating or incorrectly identified meters. It can also be reduced if providers make it clear when a bill is based on an estimate so the customer can provide their own meter reading to the provider.

The impact on the customer can also be reduced if providers have processes in place to identify large catch-up bills and allow customers to pay them back over time, rather than deducting them in a single transaction.

2

What happened?

A business customer took over a factory where it opened up a gym. Unfortunately, the gym's electricity meter was not communicating electricity usage to the provider.

The provider billed the gym on the basis of estimates for an extended period without sending a meter reader to obtain an actual read. The provider had also been underestimating the gym's electricity use as it was relying on usage during lockdown.

When actual usage was eventually obtained, the provider issued a catch-up bill of more than \$76,000 and tried to deduct this from the gym's bank account. The customer disputed the usage and the total outstanding balance reached \$93,000.

The customer believed some of the usage was related to the factory's previous owner and raised concerns about the provider's efforts to obtain meter readings.

3

What did we consider?

We looked at whether the catch-up bill reflected the customer's actual electricity usage during the relevant period. We also looked at whether the provider had made all reasonable efforts to obtain meter readings and to explain the risks of ongoing estimated billing.

Finally, we also considered whether it was appropriate to try attempt to deduct such a large bill by direct debit without warning the customer or offering them time to pay.

What was the outcome?

The Commissioner was satisfied the catch-up bill broadly reflected the customer's electricity usage. He was also satisfied the provider had made genuine attempts to obtain meter readings and actual usage. However, the Commissioner reached the view the provider should not have attempted to debit such a large amount from the customer's bank account without any warning or communication. The amount was many, many times more than the customer's average bill and caused the customer significant hardship.

The provider offered to discount the customer's bill by 30% and offered a repayment plan so it could be paid off over time. The Commissioner decided this was a fair and reasonable outcome.

The Commissioner also took steps to ensure this systemic issue was addressed, copying his decision (and others like it) to the Electricity Authority and the Commerce Commission together with data highlighting the extent of the issue and restrictions in place to limit catch-up billing in the UK and Australia.

This has led to the Electricity Authority consulting on similar restrictions in Aotearoa | New Zealand, and deciding to restrict catch-up bills to six months from 30 October 2026.

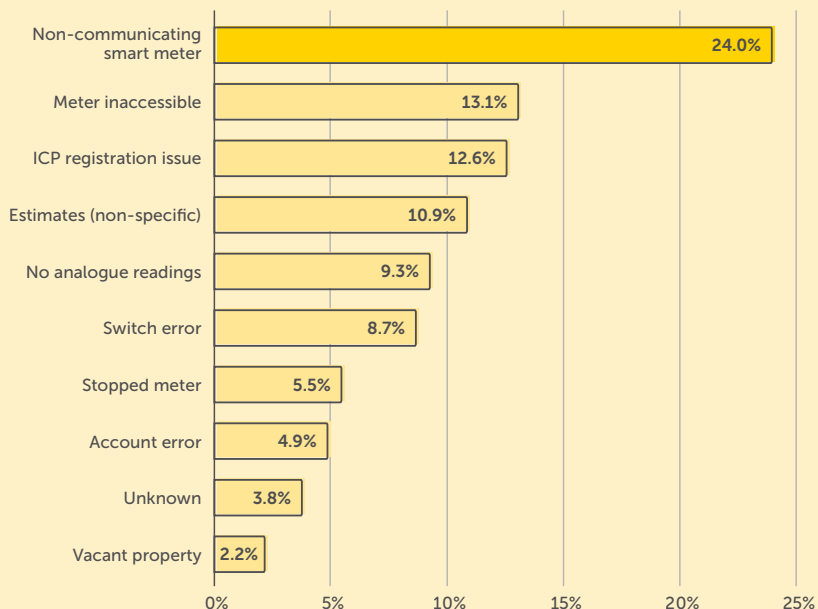


What insights can we share?

- If there are extended periods of estimated billing, providers should have systems that identify the issue and address the cause.
- Providers have obligations to obtain manual readings from electricity meters and should follow those obligations to reduce the timeframe for relying on estimates.
- Providers in New Zealand should be required to adhere to standard timeframes for catch-up bills to improve the efficiency of their billing systems and reduce catch-up bill complaints.
- Providers should have controls to identify unusually large direct debits and need to proactively contact customers before attempting to direct debit.

Top 10 reasons for catch-up bills

% of catch-up bill complaints



A SYSTEMIC ISSUE AFFECTING

Electricity



High catch-up bills after long estimation periods on legacy metering.



What was the systemic issue?

When meters stop communicating and customers are billed on estimates for long periods, the eventual catch-up bill can be large and disputed. This is particularly challenging if the meter type is unusual and cannot be fully checked without specialist equipment. The systemic issue relates to how providers investigate, explain, and resolve high bill issues when certainty about the underlying data reduces over time.



What happened?

A customer at a mixed residential and small business site received two unusually high bills over time. These followed extended periods of estimated billing after a legacy meter stopped providing remote readings.

A later meter replacement produced a final reading and a 'wash-up' of previously underestimated usage. The customer disputed the bills and believed the provider had not properly investigated whether there was a meter fault or estimation error. The situation was further complicated when a third-party credit provider paid the disputed bills and then sought repayment from the customer.

3

What did we consider?

We considered jurisdiction and timeliness, the most likely explanation for the high bills given the prolonged use of estimates and the later meter replacement. We also looked at what investigation steps were realistically available several years after the events, and whether the provider's discount offers were a fair way to address both uncertainty and service concerns.

4

What was the outcome?

The Commissioner accepted that the high bills most likely reflected accumulated usage following long periods of estimation. However, it was also recognised that extended delays and system limitations reduced the level of evidential certainty.

The Commissioner found the offered discounts were fair and reasonable to resolve the dispute considering all circumstances including the impact of the time passed on what could now be verified.

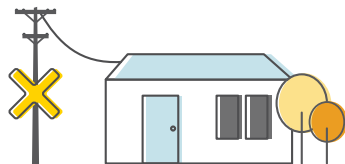


What insights can we share?

- Extended periods of estimated billing should be actively managed to reduce the risk of 'shock' catch-up bills.
- Legacy or unusual meters require clearer explanations about what can, and cannot, be verified.
- Early engagement and clear investigation records make later dispute resolution more effective.

A SYSTEMIC ISSUE AFFECTING

Electricity



Decommissioning the electricity supply without the appropriate consent.



What's the systemic issue?

Property owners and electricity network owners will sometimes agree to decommission the electricity supply to a property. This is often because significant demolition or renovations are to occur. It can also be because there are retired or unused electricity lines on a property.

Unlike disconnecting the electricity supply, decommissioning the supply has long-term consequences for the property owner and the network owner. It will mean future requests to reconnect the electricity supply will be treated as new connections and attract considerably higher costs than would be the case if the supply was disconnected.

For this reason, the landowner's written consent must be obtained before an agreed decommission can occur. Utilities Disputes has identified systemic issues in the process both electricity network operators and providers have followed when obtaining the landowner's consent and decommissioning the electricity supply.

This includes failures to obtain the landowner's consent, or incorrectly relying on others to provide this authorisation.

2

What happened?

A rural landowner discovered that the electricity supply to a water pump on his property had been decommissioned several years earlier without his authorisation. The network owner had relied on the consent of the person who was leasing the property at the time. The landowner was never advised and had not consented to the decommissioning.

Some years later, the distributor removed overhead network infrastructure from the property without giving prior notice. When the landowner raised concerns, the network owner initially said supply could be reinstated. However, after confirming the earlier decommissioning, it advised that reconnection would not proceed and instead offered a generator. The estimated cost to reconnect was around \$130,000, which is a significant amount, and the landowner sought compensation.

3

What did we consider?

We looked at the regulations and obligations in the Electricity Industry Act 2010 to confirm the steps the network owner was required to take before the decommissioning the supply to the water pump. We didn't believe the network owner had acted reasonably when relying on the lessee and failing to obtain the landowner's consent.

What was the outcome?

The Commissioner said the electricity supply should not have been decommissioned without the landowner's consent. The Commissioner recommended the network owner pay \$50,000 in compensation to the landowner, the maximum he could award without the network owner's agreement to extend his financial jurisdiction.

The Commissioner also referred the decision to the Commerce Commission, Electricity Authority, Ministry of Business, Innovation & Employment, and Electricity Networks Aotearoa as there appeared to be systemic issues in the way electricity providers and network owners were managing the decommission process.

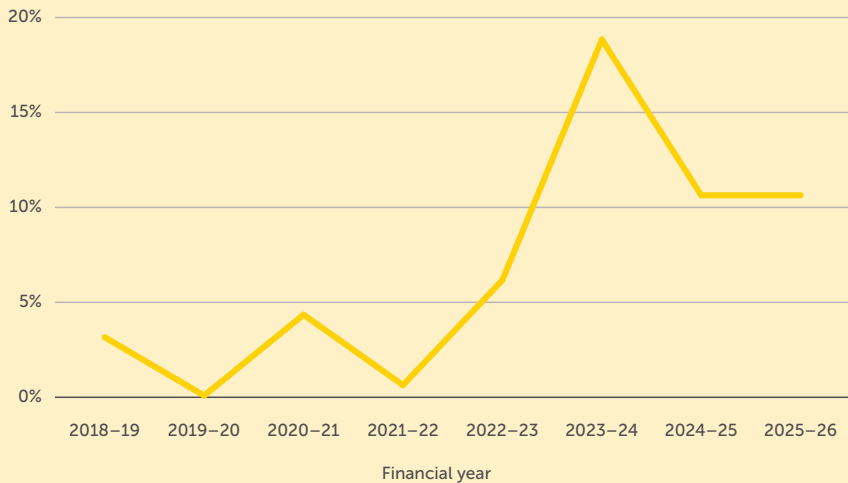


What insights can we share?

- Electricity network owners must obtain a landowner's consent before decommissioning their electricity supply. The provisions in the Electricity Act 2010 do not include any right to pass this obligation on to an electricity provider.
- Information provided to customers should clearly identify the difference between disconnecting the supply and decommissioning it and the implications for the landowner.
- Where errors result in loss of supply, solutions should focus on restoring the landowner's position in a meaningful way, rather than temporary solutions. This is particularly important given the costs of reconnecting the supply.

Complaints around decommissions

% of connection complaints



A SYSTEMIC ISSUE AFFECTING

Electricity



Excavation near underground cables.



What was the systemic issue?

Utilities Disputes has dealt with a number of complaints where the central issue was damage to underground electricity cables. The complaint revealed some systemic problems when insufficient planning was undertaken, where there are incomplete records or where there are communication issues which can lead to misunderstandings between private land owners and electricity network owners.

These systemic issues can be critical where the risk to safety is paramount, and lead to significant damage to electricity networks and costs to those who are responsible for the damage.

2

What happened?

A business planned to undertake some excavation works on its premises to install a culvert. The business contacted the local electricity network owner to help locate any underground electricity cables. It was confirmed there was an 11kV electricity cable in the area.

A representative from the electricity network attended the site and marked the approximate route of the cable. The business and electricity network disagreed what instructions and safety information was provided, and no photos or record was kept in relation to the site meeting.

The business went ahead with the excavation and struck the cable. The electricity network had to repair the damage and it issued an invoice to the business for approximately \$9,000. The business disputed the invoice, saying the electricity network provided inaccurate information in relation to the depth of the cable, and claimed it had not been properly warned about required safety precautions for the excavation processes.

3

What did we consider?

We looked at the business and the excavator's general responsibilities when excavating near electricity cables. We also looked at the available guidance which included the established 'beforeUdig' guidance around safe excavation practices, and the information published on the electricity network operator's own website. We also considered what responsibility the network operator may have to provide clear and accurate information when it is asked to provide guidance about excavating near cables. This included what records it should retain in relation to the guidance provided or site visits.

What was the outcome?

The Commissioner was satisfied the business and its excavator were primarily responsible for the excavation and damage that had occurred. However, the Commissioner was concerned the electricity network appeared to have gaps in its guidance and record keeping which was of concern for such safety-critical situations. The information gap also appeared to have contributed to the dispute. The Commissioner recommended a modest discount to the repair invoice to recognise these failures.

The Commissioner also recommended the network operator improve its processes and provided a copy of his decision to Electricity Networks Aotearoa, the Electricity Authority and WorkSafe NZ to highlight those concerns.

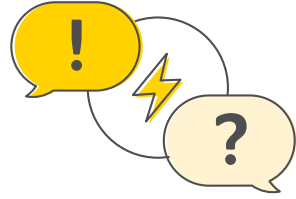


What insights can we share?

- Land owners and excavators should follow established 'beforeUdig' guidance and consult with the local network operator before undertaking any excavations near electricity cables.
- Where distributors provide specific guidance, they should provide and retain copies of any written information as well as copies of any photographs to reduce the risk of a dispute and allow them to undertake a post event review of any critical events so they can properly manage the safety risks involved.
- Safety controls such as permits, potholing, and close-approach rules are essential and cannot be treated as optional in high-voltage environments.

A SYSTEMIC ISSUE AFFECTING

Electricity



Uncertainty over the ownership of electricity assets and who pays when an issues occurs.



What was the systemic issue?

When ownership records, in relation to electricity assets are unclear, customers and companies can get entangled in lengthy disputes about liability for maintenance, upgrades, and quality issues.



What happened?

A property owner wanted their electricity supply to be upgraded and had concerns about the quality of electricity flowing through a transformer that was supplying electricity to the property. They believed it was responsible for voltage spikes, outages, and damage to electrical appliances. There were no clear records of who owned the transformer and whether it was the electricity network operator or the property owner.

The parties disagreed about previous upgrade work and who was responsible for the current state of the transformer.

The electricity network owner performed some testing and mitigation work, including adjustments to the transformer. There were some records of signage on the transformer which suggested the transformer was owned by the property owner, however it was confirmed the network owner had subsequently incorporated the transformer into its network.

The network operator made an offer of compensation to the property owner which was rejected.



What did we consider?

Utilities Disputes looked at the standards of electricity supply and voltage the property owner should expect to receive from the transformer. We also looked into the ownership records for the transformer and how this affected liability for its maintenance and performance. When it was confirmed the electricity network owner was responsible for the transformer, we considered whether the offer of compensation was sufficient to address the issues raised by the complaint.



What was the outcome?

The Commissioner accepted that voltage fluctuation and outages can occur within acceptable limits. However, in the present case these issues had been escalated due to the prolonged dispute about ownership and gaps in official records. The network owner's eventual acceptance of responsibility for the transformer, additional work on it, and compensation offer was sufficient to address those issues and resolve the complaint.

The decision was provided to the Electricity Authority, Electricity Networks Aotearoa and the Commerce Commission to highlight the issues raised.



What insights can we share?

- Where there is uncertainty around the ownership of a transformer or other important electricity assets, electricity networks should have clear processes to investigate ownership, confirm and record the correct status and inform any private individual of their responsibilities in relation to its maintenance and repair.
- Customers should be given clear information about realistic voltage expectations and protective measures, such as surge protection, in sensitive installations.

A SYSTEMIC ISSUE AFFECTING

Electricity



Fees, charges, and customer consent.

1

What was the systemic issue?

New Electricity Authority obligations require all electricity provider fees to be reasonable and appropriate and to have a maximum limit. The customer should also be made aware of the fee amounts. Complaints to Utilities Disputes have shown some providers appear to be failing to adhere to these obligations, with customers being charged escalating costs with no apparent cap and charges where they have not been informed in advance.

2

What happened?

A customer contacted his electricity provider to enquire about the cause of an outage. The cause of the outage was unknown and the provider arranged for the local electricity operator to send a field technician to the property to investigate. By the time the technician reached the customer's property the electricity supply had been restored so the customer sent the technician away.

The customer received a \$95 meter call-out charge from the provider. The customer disputed the charge and the provider applied a daily arrears fee for each day the charge remained unpaid. The customer challenged both the original fee and the fairness of the accumulating arrears charges.



What did we consider?

We looked at the Electricity Authority's Consumer Care Obligations in relation to the fees and charges, the provider's contract and website, as well as its phone records to see what information was provided to the customer in relation to the charges. We also considered whether it was reasonable for the provider to continue applying daily arrears fees while the underlying charge was disputed, and how consumer care principles apply when fees grow well beyond the original amount.



What was the outcome?

The Commissioner had significant concerns about whether the customer had given informed consent to the call-out fee. The records appeared to confirm the customer was not informed about the charges in advance and that there was no appropriate methodology for capping or properly calculating the arrears charges that had been applied.

The process followed by the provider appeared to confirm systemic failings in relation to the way it applied charges and fees. The provider waived all charges and made a customer service payment to address its failings.

The Commissioner provided a copy of the decision to the Electricity Authority to share the concerns identified when resolving the complaints and the potential breach of the Consumer Care Obligations.



What insights can we share?

- If a provider intends to charge for a test or call-out, the customer should be informed about those charges before they agree to the work.
- Arrears fees should be calculated in a manner that complies with the provider's obligations and not allowed to escalate when the underlying amount is genuinely in dispute.
- Electricity network operators and providers should have aligned processes so customers understand when and why charges are being passed through.

A SYSTEMIC ISSUE AFFECTING

Electricity



Solar contracts, returns and exit costs.



What's the systemic issue?

Solar subscription contracts can come with long term commitments, significant costs and termination fees if customers seek to terminate the arrangement in advance.

Customers are often unsure whether they are 'realising' the promised returns through their solar equipment and there can also be confusion about who is their provider for the electricity from solar and the electricity grid.



What happened?

A customer entered into a solar and battery subscription agreement with a solar provider for an extended period of time.

As part of that agreement the customer essentially had two electricity providers:

1. the solar provider for the solar generated from his solar equipment
2. another traditional electricity provider for usage from the electricity grid when insufficient solar was being generated by his solar system.

After the solar system was installed, the customer became concerned their electricity bills had actually increased and asked the solar provider to remove the solar equipment.

The solar provider was prepared to let the customer exit the agreement but said he would have to pay installation and removal costs of approximately \$9,000.

The customer didn't believe the high exit costs were legitimate, and raised issues in relation to the potential impact the solar equipment had on his property's roof, which he said had not been fully explained when he signed the agreement.



What did we consider?

Utilities Disputes reviewed the customer's electricity usage and confirmed the promised returns were being delivered by the solar system that had been installed. While it was correct the customer's electricity bills had increased that was due to higher overall usage and the customer's decision to sign up with a new electricity provider for the electricity used from the grid. This shift in electricity provider meant he was not following the savings model set out in the contract with their solar provider.

We also considered whether the solar provider met its contractual obligations, both in terms of law and industry guidelines and standards. Specifically, we looked at the savings guarantees under the agreement, and whether the termination provisions of the contract and implications of the agreement were presented clearly and reasonably.

What was the outcome?

The Commissioner had real concerns that the solar provider had failed to take sufficient steps to inform the customer about the termination costs and consequences of terminating the agreement when industry standards were considered.

However, he was satisfied the solar provider had met basic contractual principles when the contract was agreed and it was not reasonable for the customer to assume there would not be cost implications from changing their mind, particularly where the solar system was providing the promised benefits. The solar provider would incur significant installation and removal costs which were foreseeable when the contract was signed. It was reasonable for them to recover those if the customer took the decision to end the agreement early.

The Commissioner was concerned, however, that the scope and presentation of the contract and termination provisions raised broader concerns about contract transparency and fairness.

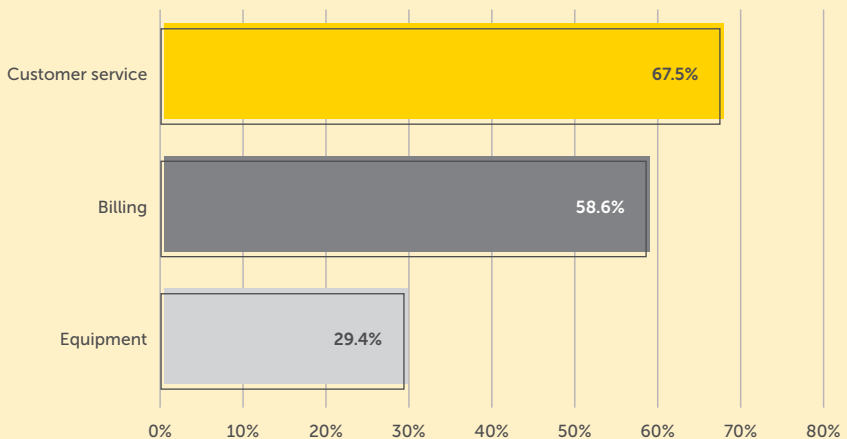
There was also a lack of information about the effect solar installation would have on any roof warranty. The matter was referred to the Electricity Authority and Commerce Commission for further consideration of consumer protection issues.



What insights can we share?

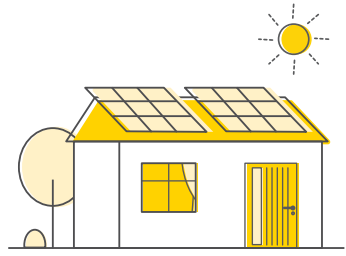
- Where savings depend on staying with a particular electricity provider, that should be made clear to the customer.
- Termination and removal costs should be explained to the customer before the contract is entered into.
- Solar installations can have secondary impacts, such as effects on warranties or roof condition, which consumers should also be advised about.
- Some electricity providers will also insist on a specific electricity configuration which may limit the customer's access to certain energy plans. The customer should be advised whether this is an industry requirement or particular to the provider so they can look into metering configuration options if required.

Top 3 solar complaint issues over the past 12 months



A SYSTEMIC ISSUE AFFECTING

Electricity



Billing and system performance issues for solar.

1

What was the systemic issue?

Solar subscription products can produce billing outcomes that are not always easy for customers to understand. Factors such as how much energy is exported, how a battery is configured, and household usage patterns can all affect savings. Where customers believe the system is not delivering the expected benefit, termination fees and removal costs can quickly become the focus and need to be clearly and prominently explained.

2

What happened?

A customer signed up to a solar subscription package with discounted monthly fees and was supplied electricity through a partnered provider. After installation and activation, the customer complained that most of the generated energy appeared to be exported and that their electricity bills had increased.

Over several months, the customer and provider exchanged correspondence about how the system operated. The provider ultimately advised that the system was functioning as designed. It also explained that if the customer chose to terminate the contract, removal and cost recovery fees of around about \$7,000 would apply. During the investigation period, the provider waived several months of subscription fees.



What did we consider?

We considered whether the provider's explanations and engagement were adequate, whether the system's performance was consistent with expected system behaviour, and whether the termination and removal costs were clearly communicated in the contract and during discussions about exiting the arrangement.



What was the outcome?

The Commissioner was satisfied the provider met its contractual obligations and reasonably engaged with the customer's concerns, including waiving fees while the issues were assessed.

However, the case highlighted the importance of ensuring customers clearly understand how solar systems are likely to affect billing, and that termination consequences are presented in clear, plain language at sign-up.

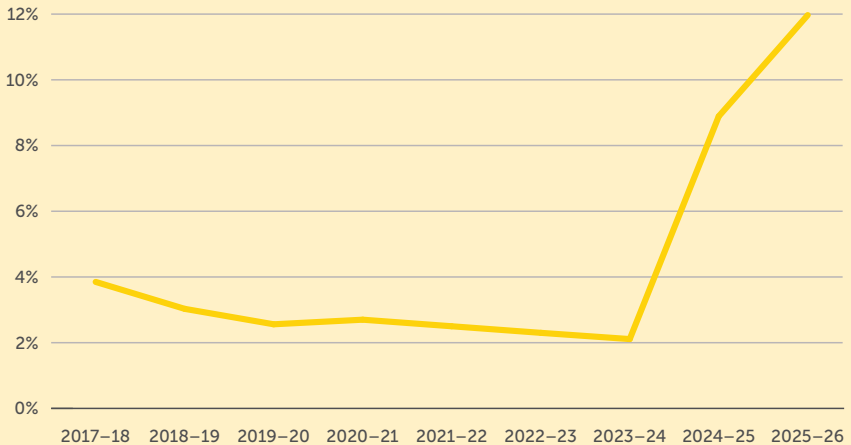


What insights can we share?

- Solar subscription products require clear 'how it works' explanations to align expectations with likely billing outcomes.
- Providers should clearly explain export versus self-consumption, battery settings, and usage patterns during onboarding.
- Termination and removal costs should be disclosed in a way customers cannot miss, particularly where the amounts are significant.

Solar complaints about unclear bills

% of solar billing complaints



A SYSTEMIC ISSUE AFFECTING

Water



Impersonation scams and refunds.

1

What was the systemic issue?

Impersonation scams are common and are becoming a systemic issue as scammers also target utility customers. Companies can reduce the risk to their customers by issuing regular reminders and warnings as well as adding controls around payments.

2

What happened?

A customer was contacted by a scammer who claimed to represent a well know price comparison service and was offered a promotion. The 'promotion' required the customer to pay \$350 to the comparison service and the customer could gain a \$500 credit into their water services account. The scammer then arranged for a \$500 payment to be made into the customer's water account from a fraudulent credit card.

The customer contacted their water services provider to check that the \$500 payment was in their account, but did not provide the full details of the conversation with the scammer. The customer then transferred \$350 to the account provided by the scammer.

The water services provider subsequently identified the \$500 payment was fraudulent, and reversed the payment. The provider advised the customer to pursue the scammer through their bank, but it was too late to recover the \$350.

The provider also introduced stronger customer-facing scam warnings.



What did we consider?

We looked at whether the water services provider had sufficient information to warn customers about the potential scam. We then considered the circumstances of the complaint and how the provider engaged with its customers.



What was the outcome?

The Commissioner found the provider acted appropriately. Based on the information available at the time, it was not reasonable to expect the provider would identify the scam before the customer made the \$350 payment. The provider correctly identified the fraudulent \$500 payment and provided appropriate guidance once the scam was identified.

The provider also introduced additional preventative warnings to its customers.

Utilities Disputes also contacted the legitimate price comparison service and our members to let them know about the scam so they could warn customers and share information. We added an information page on our website information and a notification in our newsletter at that time.

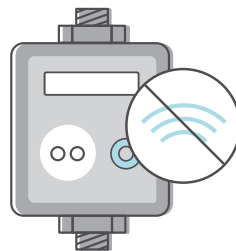


What insights can we share?

- Providers should be proactive if they become aware of specific scams targeting their customers and provide warnings and key information, making it clear they should contact the provider directly through established channels when unsure.
- Refund-to-origin controls are an important safeguard and help limit fraud pathways. A 'refund-to-original payment method' means that when you return an item or cancel a service, the money is returned via the same method used to make the initial purchase.

A SYSTEMIC ISSUE AFFECTING

Water



Meter reading failures, prolonged estimates, and catch-up bills.



What was the systemic issue?

Much the same as electricity meters, water meters may have issues with communicating. Utilities Disputes receives complaints about meters being incorrectly read. This complaint relates to incorrect readings of water meters and systemic issues with a water company's bills.

A meter reader had taken some incorrect readings from a customer's water meter. The water company had relied on the incorrect reads to estimate the customer's water bills for an extended period. This resulted in a large catch-up bill being issued to the customer when correct readings were eventually obtained.

The process adopted by the company and design of its bills further complicated the issues.

2

What happened?

The customer was on a shared water meter with other properties. The customer received inaccurate bills based on a misread of the meter by a contracted meter reader. For around nine months, no actual readings were taken and the water company continued to estimate usage based on the incorrect reading. The bills issued did not specify that they were based on estimates during this time.

When an actual reading was eventually obtained, the water company issued a catch-up bill for the customer's share of the usage. The company offered a goodwill credit and a payment arrangement, but the customer disputed the accuracy of the bill and sought a larger discount given the provider's role in the problem.

3

What did we consider?

We looked at whether the water bill was accurate and consistent with historic usage. We also looked into the actions of the water company in relation to meter readings, how it managed its estimated billing process and whether any failure in this regard had contributed to both the accumulated debt and the customer's distress.

What was the outcome?

The Commissioner found the amount the customer had been billed was accurate and supported by historic consumption. However, the provider's bill format needed to be improved so customers would be informed when their usage was estimated and that they could provide their own reading. The Commissioner also said the reliance on estimates and delay in correcting the error materially contributed to the customer's accumulation of debt and distress.

The Commissioner compared the situation to similar cases in the energy sector in New Zealand and water sector in Australia. The Commissioner recommended an increased discount and an extended repayment arrangement, and that proposal was accepted by both parties.



What insights can we share?

- Meter reading anomalies should trigger early investigation and correction, so underlying issues can be addressed, and usage is only estimated for a short period.
- Extended periods of estimated billing require proactive communication about likely catch-up bills and steps customers can take to reduce the impact, such as providing their own manual readings.
- Where a company's failures materially contribute to accumulated debt, discounts and staged repayment arrangements are appropriate mitigations.





UTILITIES
DISPUTES
TAUOHETOHE
WHAIPAINGA

© March 2026