

## **Advanced meters or “smart meters”**

Dear provider,

Utilities Disputes receives a number of complaints about advanced meters (sometimes called “smart meters”). Utilities Disputes wants to share its approach with providers and consumers to assist them to prevent and resolve complaints about advanced meters.

### **Utilities Disputes investigation process**

When investigating an advanced meter complaint Utilities Disputes considers the following:

- The retailer has fulfilled its obligation not to change the status quo by replacing the customer’s meter during the complaint resolution period
- Quality issues with the installation
- Damage to property resulting from the installation
- Any other customer service issues around the installation
- The meter has been certified compliant with NZS 2772.1:1999
- Health issues particular to the complaint
- Privacy issues particular to the complaint
- The meter owner has a resource consent to install the meter, if required by the individual district council
- Notice to install has been given in accordance with Electricity Authority’s minimum terms and conditions
- Adequate notice to install has been given, in accordance with the retailer’s terms and conditions and in the circumstances of the case
- Making arrangement for a specific date of installation
- Warning the customer about turning off appliances.

### **Right to install advanced meters**

A retailer can install an advanced meter, with due notice, at its discretion, if it follows the process spelled out in its terms and conditions for the replacement of meters. If the customer does not want an advanced meter, the customer may have to switch to another retailer.

### **Concerns about privacy with advanced meters**

The Privacy Commissioner has considered concerns about privacy concerns with advanced meters.<sup>1</sup>

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<sup>1</sup> Case note 251185 [2015] NZ PrivCmr 3: *Use of smart meters by utility companies*, Privacy Commissioner, 11/2/2015.

The Privacy Act defines ‘personal information’ as information about an identifiable individual. The Privacy Commissioner believes because advanced meters store no identifying customer data at the meter, raw consumption data at the meter is not personal information. Its transmission, therefore, does not breach privacy.

Once data is associated with a customer, however, the Privacy Commissioner believes it is personal information. Retailers must comply with the Privacy Act in storing and using this data. The Privacy Act requires the data to be “appropriately stored and handled and access to the information is restricted to staff on a ‘need to know’ basis.”

Consumption data may only be used for the purposes for which the retailer collected it. The Privacy Commissioner recommends retailers outline the purpose for collecting the data in their privacy policies. He further recommends strong security standards for sending personal information electronically.

### **Concerns about advanced meter safety and EMF**

When an advanced meter transmits data to the retailer, it emits a short burst of radiofrequency energy or EMF.

The New Zealand Ministry of Health recommends using New Zealand Standard 2772.1:1999 for exposures to radiofrequency fields. The 2008 National Environmental Standards for Telecommunication Facilities issued under the Resource Management Act 1991 requires radiofrequency fields in areas reasonably accessible by the public to comply with the maximum exposure limits specified in NZS 2772.1:1999.

In general, if a given model of advanced meter has been tested and found to comply with NZS 2772.1:1999 Utilities Disputes will not inquire further unless:

- Evidence shows unusual sensitivity on the part of the complainant or other resident of the premises, or
- Evidence shows the individual meter may be malfunctioning such that it may exceed the recommended standard for EMF exposure.

### **Resource consents for advanced meters**

Some district councils require a resource consent before an advanced meter can be installed. Retailers must ensure they or the meter owners with whom they contract have obtained any resource consents required.

### **Notice requirements for advanced meter installation**

Utilities Disputes has received complaints showing confusion among some retailers about the installation process. A retailer must comply with its own terms and conditions when replacing a customer’s existing meter with an advanced meter.

The Electricity Authority's minimum terms and conditions<sup>2</sup> set out the requirements for retailers' terms and conditions giving customers notice of

- Access to property
- Interruption of supply.

The minimum terms and conditions clause 8.3(d)(i) sets out the notice recommendation for access to property:

*(d) that the notice in paragraph (c) must be given:*

*(i) at least 10 working days prior to entry if the Company or third party intends to enter the Consumer's property to undertake construction, upgrade, repair or maintenance work (or any other time agreed by the Company or third party and the Consumer);*

The minimum terms and conditions clause 3.14(a)(i) sets out the recommendation for notice of supply interruption in a Contract of Supply:

*3.14 A Consumer Contract should set out:*

*(a) that the Company will give notice of a planned interruption, which should be no less than 4 working days unless:*

*(i) agreed otherwise with the Consumer;*

The act of replacing a meter will generally involve an interruption of supply. It will also involve access to property unless the meter is not located on the customer's property.

Most, if not all, retailers' terms and conditions contain clauses which demonstrate the retailer's intent to comply with the Electricity Authority's minimum terms and conditions.

To comply with the Electricity Authority's minimum terms and conditions, retailers must give a customer at least ten days written notice of the retailer's intention to replace the customer's meter. The only exception to this rule would occur if the customer's meter was not on the customer's property (perhaps the meter might be on the pole). In the case of this exception, the retailer must give the customer at least four day's notice of its intention to interrupt supply to replace the meter.

Other complaints over the past 18 months show some confusion over the nature and timeliness of reasonable notice for access and interruption. Some retailers have given purported notice months in advance, telling customers their meter would be replaced over the coming months. This does not constitute fair and reasonable notice for the purpose of access or interruption. Notice must be close enough to the event for the customer to know they must act if they object. Notice should also include a warning to customers to turn off electrical equipment on the day of

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<sup>2</sup> Final Principles and Minimum Terms and Conditions for Domestic Contracts for Delivered Electricity (Interposed), Electricity Authority, 14 June 2011.

the proposed meter replacement, to avoid damage to sensitive equipment. Notice should be addressed to the customer, rather than to an unnamed homeowner or resident.

If you would like to discuss this practice statement in further detail, please contact me on 04 914 4523 or [n.moreau@utilitiesdisputes.co.nz](mailto:n.moreau@utilitiesdisputes.co.nz)

Yours sincerely,

A handwritten signature in cursive script that reads "Nanette Moreau".

Nanette Moreau  
Commissioner

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<sup>1</sup> Case Note 251185 [2015] NZ PrivCmr 3 : *Use of smart meters by utility companies*, Privacy Commissioner, 11/2/2015.

