



The Retail Advisory Group
c/- Electricity Authority

Submission on Barriers to Retail Competition by Embedment.

Grey Power New Zealand Federation Incorporated is a national non-profit non-political organisation that works for the rights and wellbeing of older persons. The aim is to achieve a reasonable, secure and protected standard of living for all older persons, and to represent and so benefit any who are disadvantaged in any way. The vision of Grey Power is particularly in regard to the respect, value and support that older persons deserve.

The purpose of the Grey Power Retirement Villages National Advisory Group is to protect the interests of residents and intending residents of retirement villages and to endeavour to ensure that the aims and objects of Grey Power are adhered to in that sector.

The unfairness of electricity Embedment for Retirement Villages:

From enquiries and complaints from many Grey Power members of retirement villages, it is obvious that many if not all villages are embedded on the supply of electricity. This is causing both problems and a potential loss of savings in the accounts to residents for the power they are using. This is because these residents are being restricted in their choice of the electricity retailer when they would like to be given the freedom of changing their retailer over to any electrical supply retailer of their choice, particularly with the aim of reducing their energy accounts.

Embedment is taking away the freedom of choice that ALL citizens of this country have earned and must be entitled to, and surely this is effectively an insidious monopolistic situation, regardless of being known by any other name!

If this only happens to retirement villages then it is also a case of discrimination that could - and may have to - be taken to the Human Rights Commission?

There is the case of one village in Auckland that received their electricity supply from a retailer who had carried an embedment on the village, and the village was allowed to change their retailer to another. Despite this change the embedment automatically continued and although each unit has it's own outside meter to measure the intake of electricity and the power account is directly paid by the resident, the resident is unable to decide for themselves to change to another retailer of their own choice. We therefore strongly request that this freedom of choice be returned to these residents, as it is considered to be their right to be able to make their own choice of any suppliers of any product or service and so a "human right".

We therefore recommend that the term of 'embedded' as used by the electricity supply retailers to retirement villages be immediately withdrawn. It is with consumer protection in mind for all elderly persons who are residents of retirement villages that we strongly make this recommendation.

It is requested that we are advised of your findings and decision on this including the reasons for your decision especially if it is against our requested requirements. We would also be grateful to be fully advised of the full meaning of "embedded" in the situation of the supply of electricity so that our Grey Power members who are also residents of retirement villages may be correctly and accurately advised of this, and that we may then decide upon what if any other action may be available to us, please.

This submission is made on behalf of Grey Power Federation New Zealand Incorporated by:

Bill Atkinson
Chairperson
Retirement Villages National Advisory Group
Grey Power New Zealand Federation Incorporated

Telephone: 09 478 8019
Fax: 09 478 9037
Email: bill@atkinsonfamily.co.nz.