



Gas Saves and Winbacks Guidelines

August 2022



Gas Industry Co.



Explanatory note

These Gas Saves and Winbacks Guidelines provide for managing saves and winbacks behaviour by gas market retailers.

Context and scope

These guidelines have been developed by Gas Industry Company Limited in consultation with gas industry participants and are intended to better align the gas industry's processes with equivalent arrangements in the electricity industry.

These guidelines have been developed in response to the Government's objective for the gas industry in the Government Policy Statement on Gas Governance - *"To ensure that gas is delivered to existing and new customers in a safe, efficient, fair, reliable and environmentally sustainable manner"*.

Alignment with these guidelines

Alignment with these guidelines is voluntary.

Gas Industry Co will undertake an assessment of retailers' alignment with these guidelines. The first assessment for gas retailers will take place 12 months after publication of these guidelines.



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Gas Saves and Winbacks Guidelines

Definitions

"customer" means a residential customer or a small business customer.

"Gas" means natural gas.

"Gas Switching Rules" means the Gas (Switching Arrangements) Rules 2008.

"Gaining Retailer" means a Retailer who has entered into an arrangement to supply Gas to a person where, at the time the arrangement is entered into, the person is a customer of another retailer (being a Losing Retailer) (the party known as the "new retailer" under the Gas (Switching Arrangements) Rules immediately prior to the switch).

"Guidelines" means these Saves and Winbacks Guidelines.

"Losing Retailer" is defined as set out in the definition of Gaining Retailer (this party would be the "responsible retailer" under the Gas (Switching Arrangements) Rules immediately prior to the switch)

"registry" has the meaning given in the Gas Switching Rules.

"residential customer" means a person who has entered into a contract with a Retailer for the supply of Gas, other than for resupply, and who is assigned the load shedding category of "DOM" in the registry.

"Retailer" means a "gas retailer" as defined in the Gas Act 1992.

"small business customer" means a person who has entered into a contract with a Retailer for the supply of Gas, other than for resupply, and who is assigned the load shedding category of Band 6 in the registry.

"switch" means the process of a customer of a Losing Retailer changing from receiving the supply of Gas from the Losing Retailer to receiving the supply of Gas from a Gaining Retailer, and the term **"switching"** has a corresponding meaning.

"switch protected period" means the period that:

- (a) starts on the earlier of—
 - (i) the day on which a Losing Retailer receives notice or otherwise becomes aware that a customer is switching to a Gaining Retailer; and
 - (ii) the day on which a Gaining Retailer assumes responsibility for billing a customer of a Losing Retailer for Gas; and

- (b) ends on the earlier of—
 - (i) the date that is 180 days after the relevant date specified in clause (a); and
 - (ii) the date on which the Losing Retailer receives a withdrawal notice from the registry.

1) Purpose

These Guidelines —

- (a) set a period of protection for Gaining Retailers during which a Losing Retailer may not approach a customer to persuade the customer to stay with the Losing Retailer or to switch back to the Losing Retailer;
- (b) impose restrictions on the use of customer information held by a Losing Retailer during a switch protected period; and
- (c) should always be read to favour an outcome that achieves their purpose.

2) Restrictions during switch protected period

- (a) A Losing Retailer must not, by any means, including by using a third party or agent acting on its behalf, contact any customer who is switching from the Losing Retailer to a Gaining Retailer to attempt to persuade the customer to terminate the arrangement with the Gaining Retailer during the switch protected period including by—
 - (i) making a counter-offer to the customer; or
 - (ii) offering an enticement to the customer.

3) Retailer may communicate with customers for certain purposes

- (a) Despite clause 2) above, a Losing Retailer may contact a customer who is switching to a Gaining Retailer for any of the following purposes—
 - (i) contacting a customer to advise the customer of any termination fees that the customer is required to pay as a result of the customer ceasing to buy Gas from the Losing Retailer; or
 - (ii) to contact a customer regarding administrative matters, including—
 - (1) any fees the customer owes the Losing Retailer;
 - (2) the customer's final meter reading;
 - (3) how the Losing Retailer will return any keys it holds on the customer's behalf; or
 - (iii) the effect of the customer ceasing to buy Gas from the Losing Retailer on other contracts between the customer and the Losing Retailer, for example, for the supply of electricity; or
 - (iv) providing a factual response to a question asked by a customer; or
 - (v) to make a counter-offer or offer an enticement to a customer where the customer has:

- (1) contacted the Losing Retailer without the Losing Retailer having first prompted the customer to do so; and
 - (2) invited the Losing Retailer to attempt to persuade the customer not to complete the switch to the Gaining Retailer but to remain with or return to the Losing Retailer instead; or
 - (vi) to offer an enticement to a customer as part of a general marketing campaign; or
 - (vii) to contact the customer to address Gas network fault issues or to follow up a complaint from the customer.
- (b) If a Losing Retailer contacts a customer under clause 3 a) above the Losing Retailer must not communicate with the customer for any other purpose other than a purpose specified in clause 3 a) above.
- (c) Without limiting any of its other obligations, a Retailer (whether a Gaining Retailer or a Losing Retailer) must not harass or coerce a customer.

4) Restrictions on use of customer information by Retailer prior to or during switch protected period

- (a) A Losing Retailer must not use information relating to a customer that it obtained prior to or during the switch protected period, including information that may be used to contact the customer during the switch protected period, to do any of the following:
- (i) contact the customer for any purpose other than a purpose specified in clause 3 a) above:
 - (ii) include the customer in a marketing campaign other than a general marketing campaign:
 - (iii) enable any other Retailer, except the Gaining Retailer, to contact the customer.
- (b) This clause does not limit any other requirement to maintain the confidentiality of any information relating to a customer that is imposed by the contract entered into between the Losing Retailer and the customer or otherwise by law.

5) Gas registry codes – Gas switching withdrawal notice

- a) Losing Retailers shall not use the "CR" reason code for gas switching withdrawal notices for customers that have changed their mind about, or who wish to cancel, a switch, as a consequence of save or winback activity by or on behalf of the Losing Retailer made during the switch protected period for the customer, in breach of the Guidelines.

6) Insolvency

Nothing in these Guidelines shall apply to, or otherwise limit, the transfer of customers to a Gaining Retailer as a result of the insolvency of a Retailer.



Gas Saves and Winbacks Guidelines

Guidance Notes

- 1) These Guidance Notes are designed to support Gas Industry Company's Saves and Winbacks Guidelines, to help Retailers comply with the Saves and Winbacks Guidelines.
- 2) The focus of these Guidance Notes is to help natural gas Retailers understand the context and goals of the Saves and Winbacks Guidelines.
- 3) The following table summarises the scope of the Saves and Winbacks Guidelines:

The Saves and Winbacks Guidelines apply to the following Gas market participants				
Natural Gas Retailer	LPG Retailer (45kg bottles)	LPG retailer (reticulated)	Distributor (Natural Gas)	Distributor (LPG)
✓	✗	✗	✗	✗

The Saves and Winbacks Guidelines apply to the following Gas market customers		
Residential	Small business	Commercial & industrial
✓	✓	✗

- 4) The Saves and Winbacks Guidelines are closely aligned with the Electricity Authority's Code amendments to prohibit saves and winbacks. Like the Electricity Authority's Code amendments, they apply to residential and small business customers.
- 5) The Saves and Winbacks Guidelines should be interpreted with common-sense, giving words their plain English meaning, and having regard to the intent of the Saves and Winbacks Guidelines (to prohibit save and winback approaches by Losing Retailers during a switch protection period, for the long-term benefit of consumers).
- 6) Compliance by Retailers with the Saves and Winbacks Guidelines is voluntary provided that compliance with the Saves and Winbacks Guidelines does not absolve participants of any legal or contractual obligations to natural gas (Gas) customers.
- 7) This non-prescriptive approach is intended to provide a framework within which participants can innovate.
- 8) If Retailers are unsure about anything relating to the Saves and Winbacks Guidelines they can discuss the same with Gas Industry Company.

Alignment timing

- 9) Gas Industry Company will survey Gas Retailers 12 months after publishing the Saves and Winbacks Guidelines, to monitor compliance.
- 10) The following table summarises when a Losing Retailer may or may not contact a customer who is switching to a Gaining Retailer, during the switch protection period for a customer:

Communication made by Losing Retailer during switch protection period	Permitted or not permitted	Comments
Making an unsolicited counter-offer to the customer.	✗	Unsolicited counter-offers may persuade the customer not to complete the switch to the Gaining Retailer, but to remain with or return to the Losing Retailer instead, and are prohibited
Making an unsolicited enticement to the customer.	✗	Unsolicited enticements may persuade the customer not to complete the switch to the Gaining Retailer but to remain with or return to the Losing Retailer instead, and are prohibited
Contacting a customer to advise the customer of any termination fees that the customer is required to pay as a result of the customer ceasing to buy Gas from the Losing Retailer.	✓	The Guidelines do not restrict communications with customers on the contractual effects of the customer switching to another Retailer.
Contacting a customer regarding administrative matters, including— any fees the customer owes the Losing Retailer; the customer's final meter reading; or how the Losing Retailer will return any keys it holds on the customer's behalf.	✓	The Guidelines do not restrict communications with customers on the contractual effects of the customer switching to another Retailer.

Communication made by Losing Retailer during switch protection period	Permitted or not permitted	Comments
<p>Contacting a customer to explain the effect of the customer ceasing to buy Gas from the Losing Retailer on other contracts between the customer and the Losing Retailer, for example, for the supply of electricity.</p>	<p>✓</p>	<p>The Guidelines do not restrict communications with customers on the contractual effects of the customer switching to another Retailer.</p>
<p>Contacting a customer to provide a factual response to a question asked by a customer.</p>	<p>✓</p>	<p>The Guidelines do not restrict how Losing Retailers provide factual answers to switching customer questions.</p>
<p>Making a counter-offer or offer an enticement to a customer where the customer has:</p> <ul style="list-style-type: none"> • contacted the Losing Retailer without the Losing Retailer having first prompted the customer to do so; and • invited the Losing Retailer to attempt to persuade the customer not to complete the switch to the Gaining Retailer but to remain with or return to the Losing Retailer instead. 	<p>✓</p>	<p>The Guidelines do not restrict customers from initiating contact with the Losing Retailer – a customer might contact a Losing Retailer looking for a ‘reason’ to remain with the Losing Retailer. Losing Retailers are entitled to respond to these requests.</p>
<p>Contacting a customer to make an enticement to a customer as part of a general marketing campaign.</p>	<p>✓</p>	<p>The Guidelines relate only to communications directed at a specified switching customer during the switching prohibition period for that customer.</p>
<p>Contacting a customer to address Gas network fault issues or to follow up a complaint from the customer.</p>	<p>✓</p>	<p>The Guidelines do not restrict communications with customers on Gas network issues or customer complaints.</p>

Communication made by Losing Retailer during switch protection period	Permitted or not permitted	Comments
Contacting a customer in an emergency with essential Gas safety or Gas supply information.	✓	The Guidelines do not restrict communications with customers in emergencies on Gas safety or Gas supply issues.

About Gas Industry Co

Gas Industry Co is the gas industry body and co-regulator under the Gas Act. Its role is to:

- Develop arrangements, including regulations where appropriate, which improve:
 - the operation of gas markets;
 - access to infrastructure; and
 - consumer outcomes;
- Develop these arrangements with the principal objective to ensure that gas is delivered to existing and new customers in a safe, efficient, reliable, fair and environmentally sustainable manner; and
- Oversee compliance with, and review such arrangements.

Gas Industry Co is required to have regard to the Government's policy objectives for the gas sector, and to report on the achievement of those objectives and on the state of the New Zealand gas industry.

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