



Back bill (or catch-up bill)

Most electricity and gas companies send monthly bills for energy use. A company may send a back bill (or catch-up bill) if you have not received a bill for a long time, or where monthly bills were too low for some reason. A back bill may also be caused by billing errors, such as an unbilled meter, billing on the wrong meter, or a mistake in calculating the bill. It is important to find out what caused the back bill and to make sure it is accurate.

Contact the company first

If you get a back bill you should contact your energy company and ask for an explanation of why it was sent. If you are not satisfied with the explanation, you can tell the company you want to make a complaint. Tell the company what you believe would be a fair and reasonable outcome for your complaint, and why. Often people can resolve back bill complaints directly with the company.

The energy company's contract with you

Energy companies supply energy to you under a contract (generally called terms and conditions). Each company has its own contract. You should check what your contract says.

The Electricity Authority has guidelines for domestic electricity contracts which set out minimum terms and conditions. The guidelines say companies may bill for underpayments, but only to the extent reasonable. The company must consider what led to the back bill, and whether it or the consumer caused or knew about any problems.

The Gas Industry Company has benchmarks for retail gas contracts. The benchmarks say a gas retailer's contract must allow for the retailer to correct errors in charging. This may mean refunding the consumer for overpayment or billing for underpayment. The contract must set out limits on situations where the retailer can try and recover underpayment.

For more information call us or refer to:

www.ea.govt.nz/our-work/programmes/market-consumer-rights-policy/domestic-electricity-retail-contracts

www.gasindustry.co.nz/work-programme/retail-contracts/retail-gas-contracts

Ask the Electricity and Gas Complaints Commissioner (EGCC) to look into your complaint

If you are not happy with the way the company responds to your complaint, you can ask the EGCC to look into it. The EGCC can consider complaints where the amount in dispute is up to \$50,000, or up to \$100,000 if the company agrees.

If the EGCC looks into your complaint, we will first facilitate discussions between you and the company to see if you can resolve the matter yourselves.

If the complaint remains unresolved, we will look into what happened and can recommend a fair and reasonable settlement. We are required to consider:

- Good industry practice
- Relevant codes of practice
- Model contracts
- The law

The EGCC will ask for information

The EGCC will ask you and the company for information so it can find out what caused the back bill. These are the sorts of questions you may be asked:

- Did you notice there was something wrong with your bills leading up to the back bill?
- Did you know anything that made you think there may have been a problem?
- Who found the problem that resulted in the back bill?
- Did you take any steps to tell the energy company something was wrong?
- What happened when the problem was found?
- Did the company have access to your meter?
- Have you been paying anything over the back bill period?
- Were you using energy over the back bill period?
- Have you changed the way you use energy?

ELECTRICITY AND GAS FACT SHEET

Considerations when looking into your complaint

When looking into a complaint, we have to consider what would be a fair and reasonable settlement.

Generally, the starting position is that you should be able to rely on your bills as being accurate. If the company later says the bill was wrong and you need to pay more, we will look at whether you or the company realised (or should have realised) there was a problem.

We will look at the contract you have with your energy company to see what it says the retailer can do in this sort of situation.

Some possible outcomes are:

- You do not have to pay any of the back bill, or
- You have to pay all of it (perhaps over a period of time), or
- You and the company have to share responsibility, meaning the back bill is reduced

Payment of undisputed amounts

You should continue to pay undisputed amounts while your complaint is being considered. The company can take credit action (including disconnection) on any unpaid amounts not in dispute.

How long will the EGCC take to look into your complaint?

Looking into a complaint can take anything from a few days to several months. The EGCC will let you know what is happening with the investigation and explain any delays. The timeframe can be affected by whether:

- The parties are willing to resolve the complaint
- There is more information needed about the complaint, which may take time to gather
- We need to use a technical expert
- We have to make a decision

Outcomes can vary significantly

The outcome of a complaint about a back bill can vary significantly, depending on the situation causing the back bill and what would be fair and reasonable. For information about outcomes of other complaints we have dealt with, you can refer to Case Notes on our website www.egcomplaints.co.nz/case-notes.php or call us.

If you do not accept the outcome

If you do not accept the outcome we recommend, you can take your complaint to another forum, such as the Disputes Tribunal, the District Court, or the Office of the Ombudsman if the company is a state owned enterprise.

Disclaimer

This fact sheet provides general information only. It is not legal advice.

The office of the Electricity and Gas Complaints Commissioner

The Electricity and Gas Complaints Commissioner provides a fair and independent way of resolving complaints about electricity or gas companies. Our service is free to complainants.

Contact information

Freephone 0800 22 33 40

Freefax 0800 22 33 47

Freepost Freepost 192682
PO Box 5875
Lambton Quay
Wellington 6145

E-mail info@egcomplaints.co.nz

Website www.egcomplaints.co.nz