

Building Time of Use Products to Encourage Flexibility

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Agenda

- **Why Time of Use plans**
- **Creating a strong value exchange**
- **Test, learn, iterate and scale**
- **What's next**

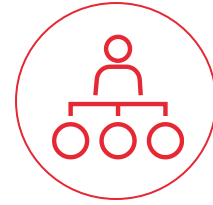
Who is Contact Energy?



**Advancing the quality
of home life**



420K
Customers



1,400
Employees



11.3 Twh
Generation



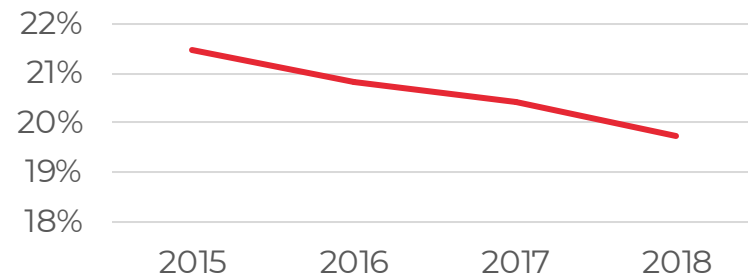
~98%
Renewable

Why Time of Use plans?

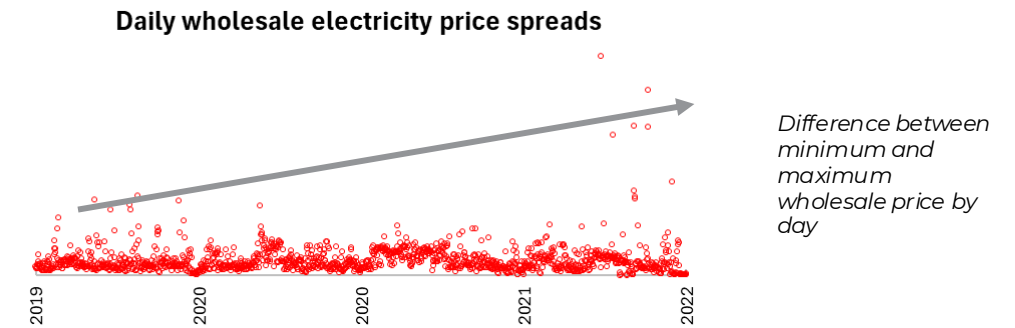


Retail business facing headwinds

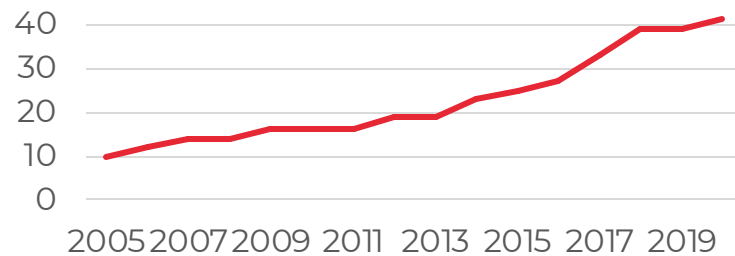
1. Declining market share



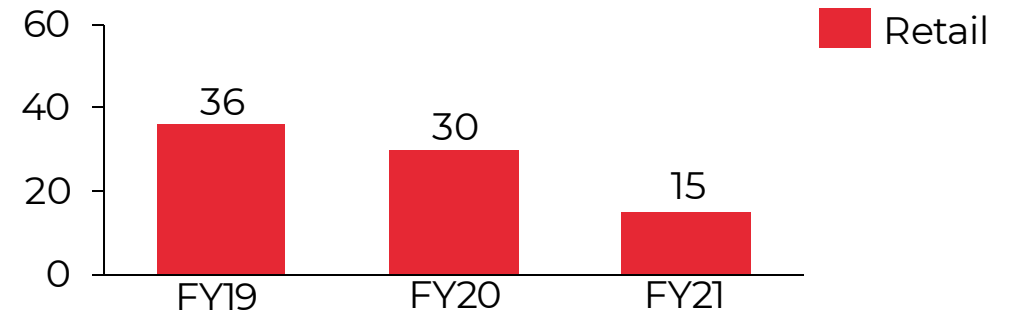
2. Increasing wholesale price volatility



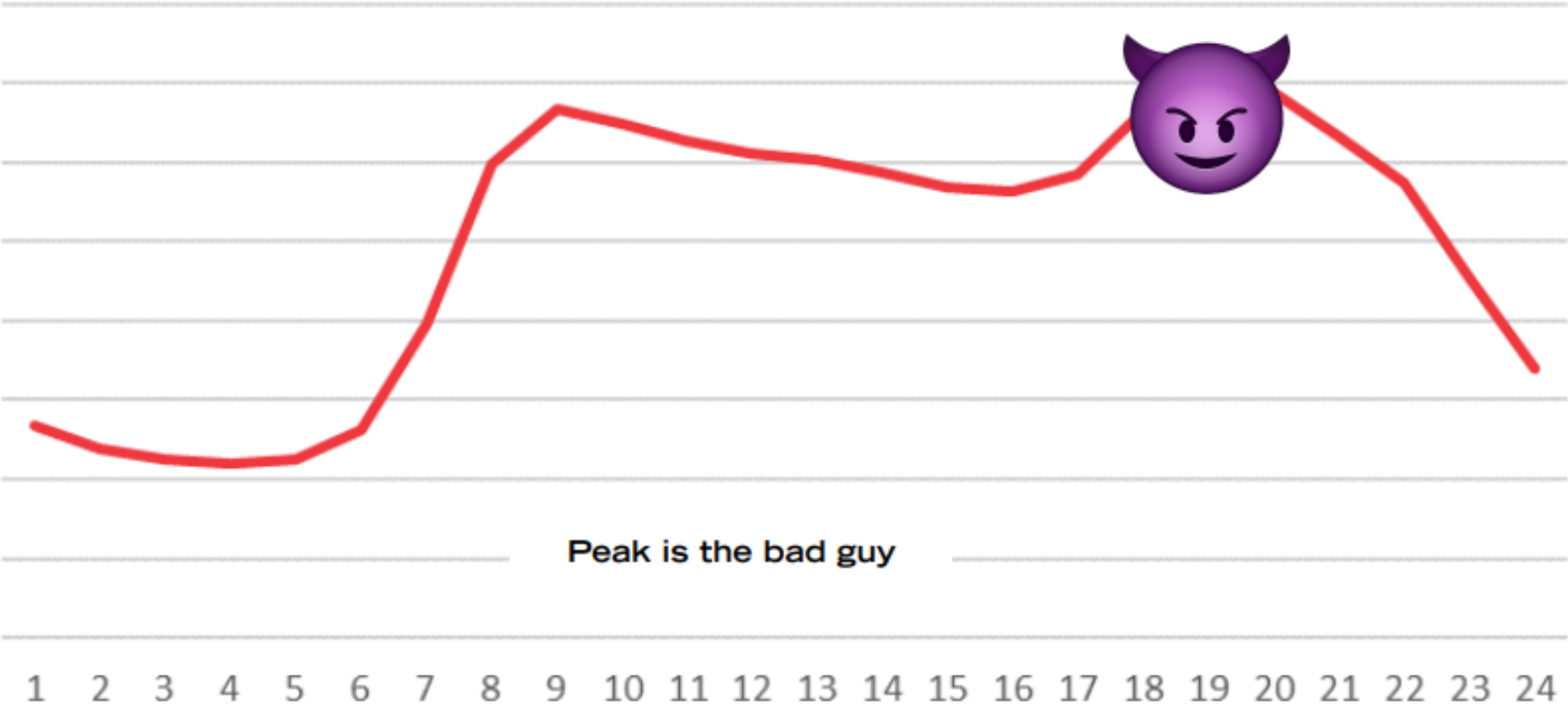
3. More competitors



4. Low employee engagement (eNPS)



Residential usage drives the 'Peak'



The Challenge

*How do we lift brand
perceptions of Contact and
create a hero proposition that
truly resonates with customers?*

Launched our first Good Plan – ‘Good Nights’



**Free power
from 9pm
to midnight**

on the Good Nights plan.

ONLINE OFFER



Good Plans offer choice to meet different needs



Good Weekends

Free power
9am-5pm every Sat & Sun



Good Nights

Free power
9pm-midnight, Monday to Friday



Good Charge

50% off power
9pm-7am every night

Build Fame for Good Plans

**Enjoy free power
with Good Plans**

From 9pm to midnight
weeknights or 9am to
5pm every weekend.

T&Cs, Fair Use and eligibility criteria apply.

A penguin wearing a red plaid bathrobe stands in a kitchen, holding the handle of a kitchen faucet. To its right is a black microwave oven with a digital display showing '0900'. The background shows a wooden countertop with a dish rack, a bowl, and a bottle of green liquid. A refrigerator with magnets is visible on the right, and trees are in the background under a blue sky.



Good Plans have created talkability

“We turn on the lights in our flat at 9pm to save money”

“We use our dryer and dishwasher after 9pm as we are on that plan with free power”

“My son uses our free power on weekends to do 3D printing to make all kinds of things”

“We only charge our EV on weekends when we have free power, so our EV is free.”

“In our flat we each have a washing night to make the most of our free power”

Creating a strong value exchange



Customer love their free power periods

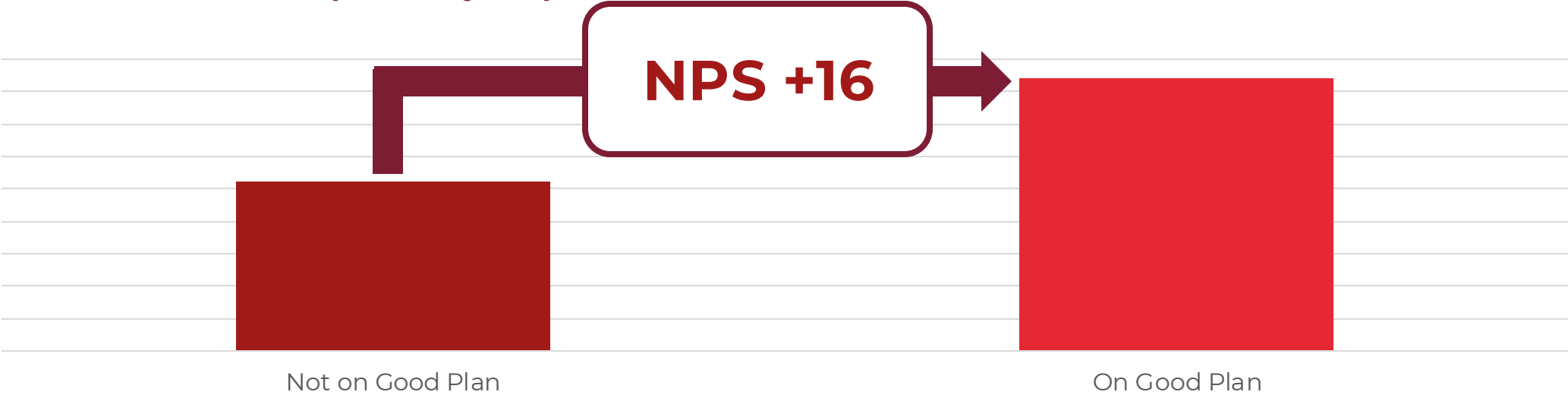
Number of free/cheap power hours enjoyed by customers on Good Plans

>335,000,000

Good Plans has driven higher customer advocacy

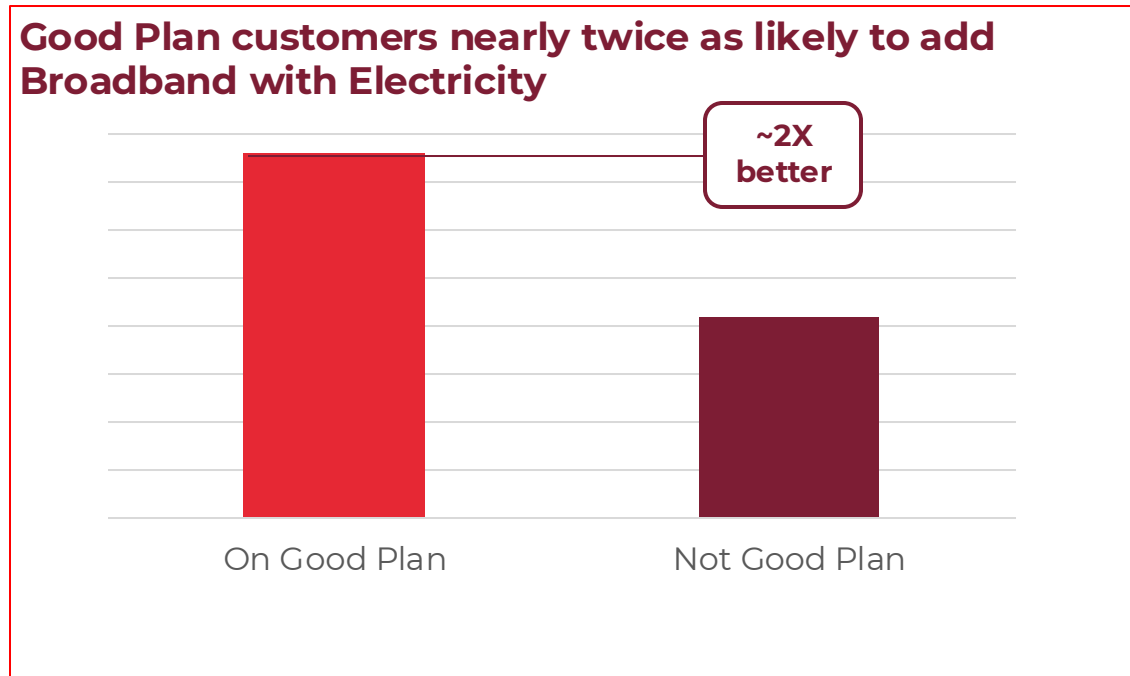
Good Plans substantially improves NPS +16 points

- Net Promoter Score improved by +16 points



Good Plans higher retention and bundling

Good Plans help drive growth in verticals and reduce churn



% Broadband Attachment rate by Plan Type

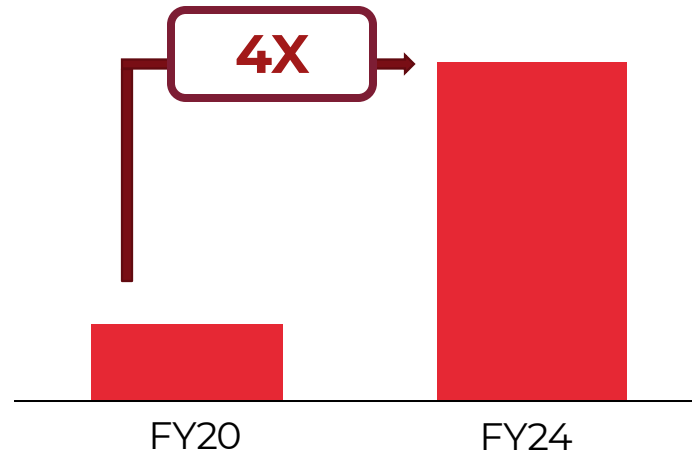


Annual Residential Customer churn as at 1 July of that year. Customers with tenure of 2 years or less

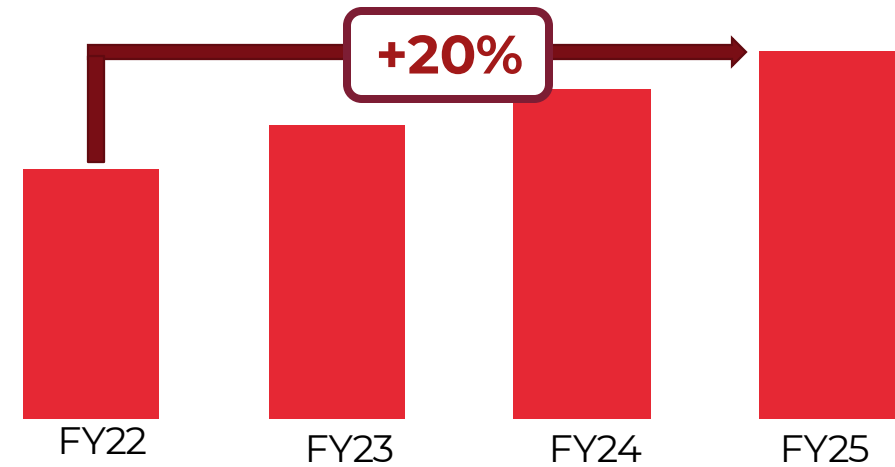
Our teams love Good Plans and prices have lifted

Good Plans help improve culture and Net Price

Retail eNPS up over 4X



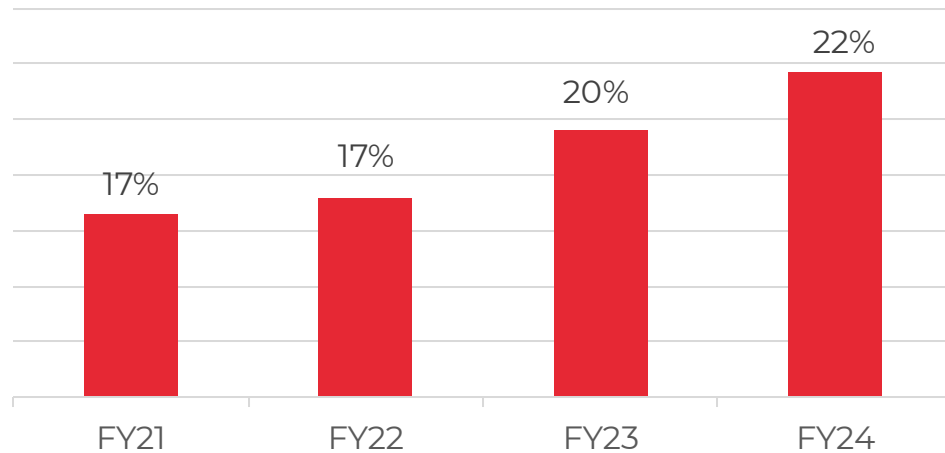
Retail residential Net Price up 20%



Returned to growth as Good Plan base grew

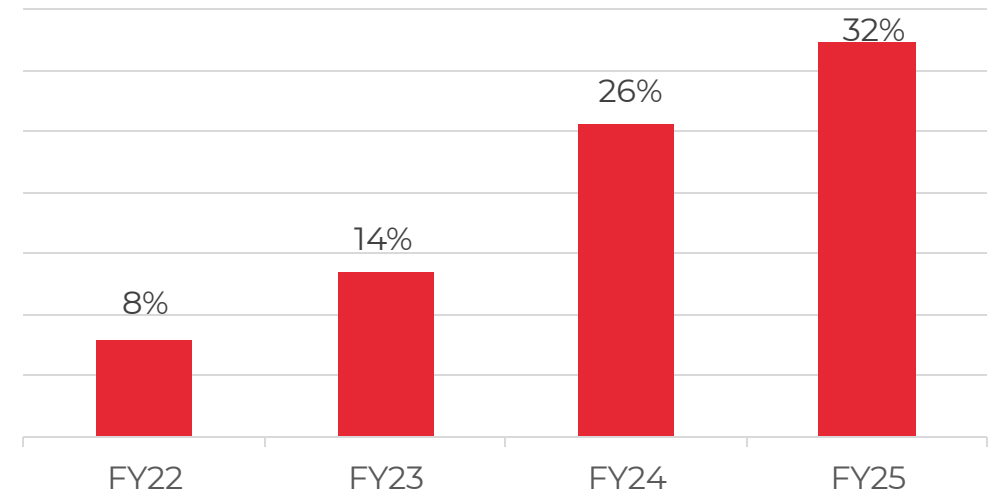
With Good Plans

Contact market share of Electricity has grown



% Share of ICP's, EMI

Good Plan share of Contact base

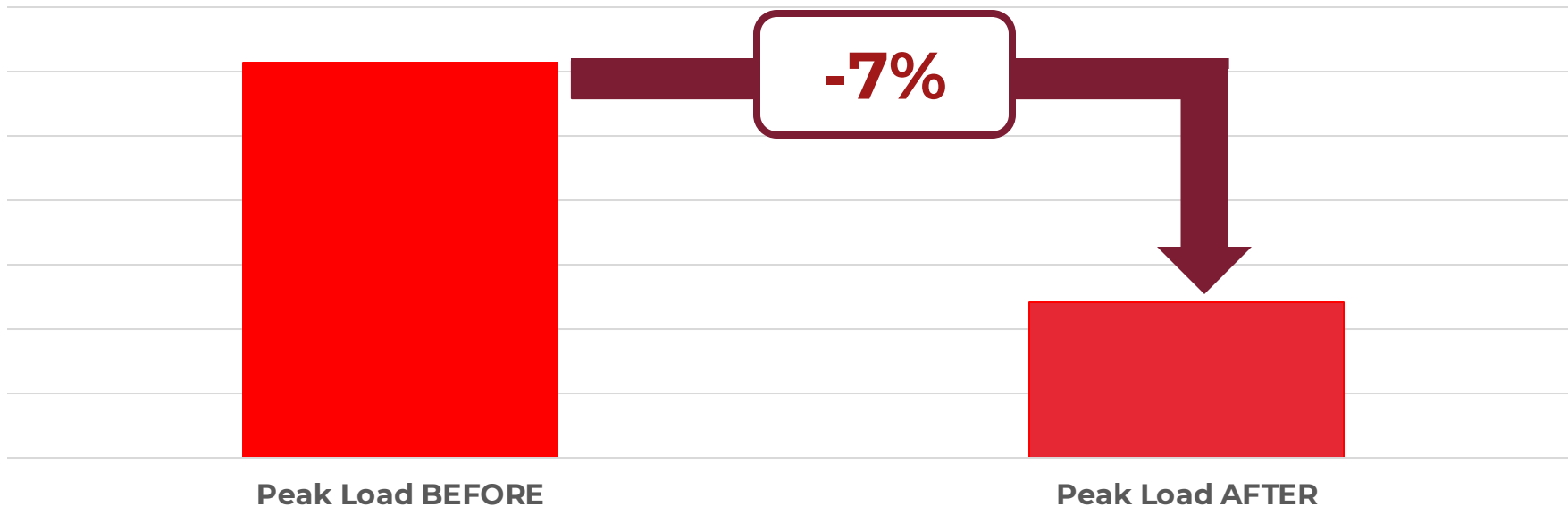


% Share of Good Plans, Contact Internal Data

Good Plans have shifted load out of the 'peak'

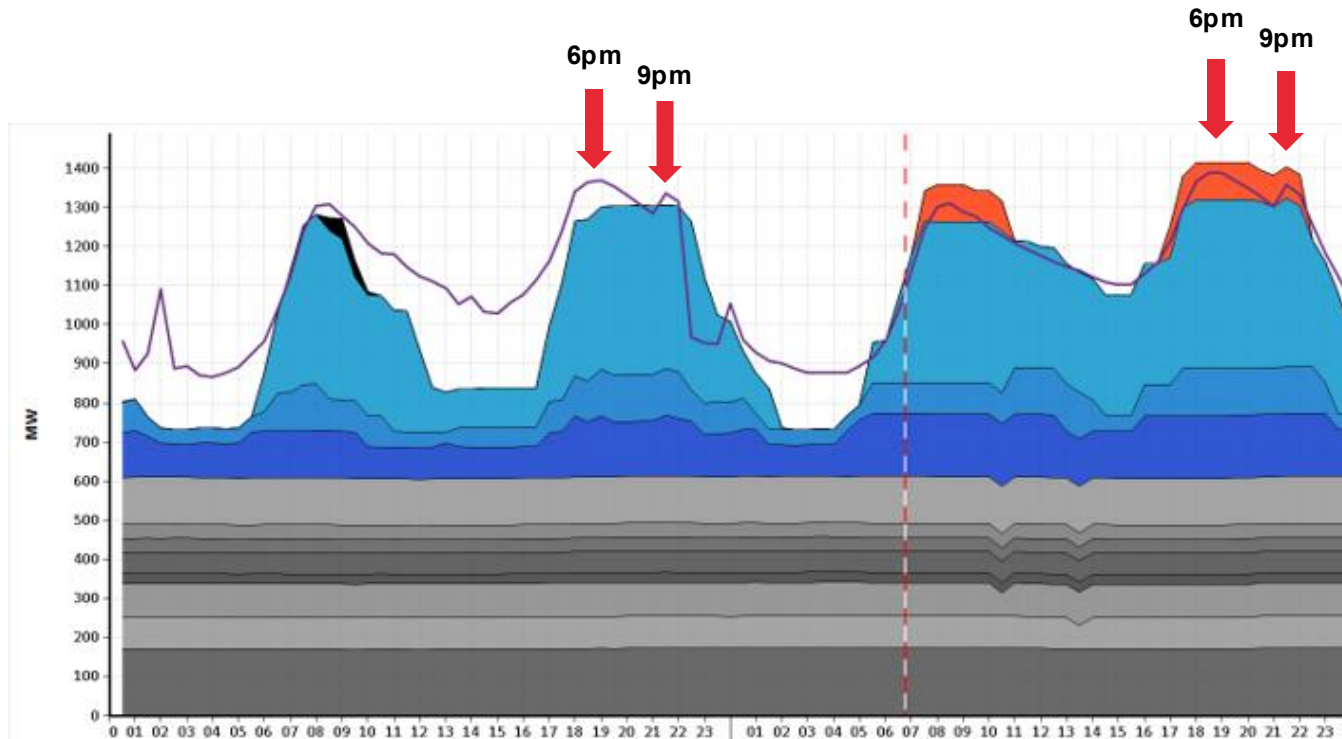
Shifting load out of peak helps with energy resilience/security, is more likely to use renewable fuels and is cheaper for the customer

7% Load shifted out of peak – Same customers 12 months before and 12 months after switching to Good Nights



- Examined ~2,400 customers who have been GN customers for a year and were customers not on GN for a year before this (e.g., they were on Basic). This allows us to examine how the same customers behave on the GN plan and a standard plan.

The Good Plans longer term will support delivering Contact's renewable ambition



- Good plans have created a 'new peak' at 9pm and flattened usage in the 6-9pm peak
- Flattening the peak will help reduce prices and contribute to being increasingly renewable in the future

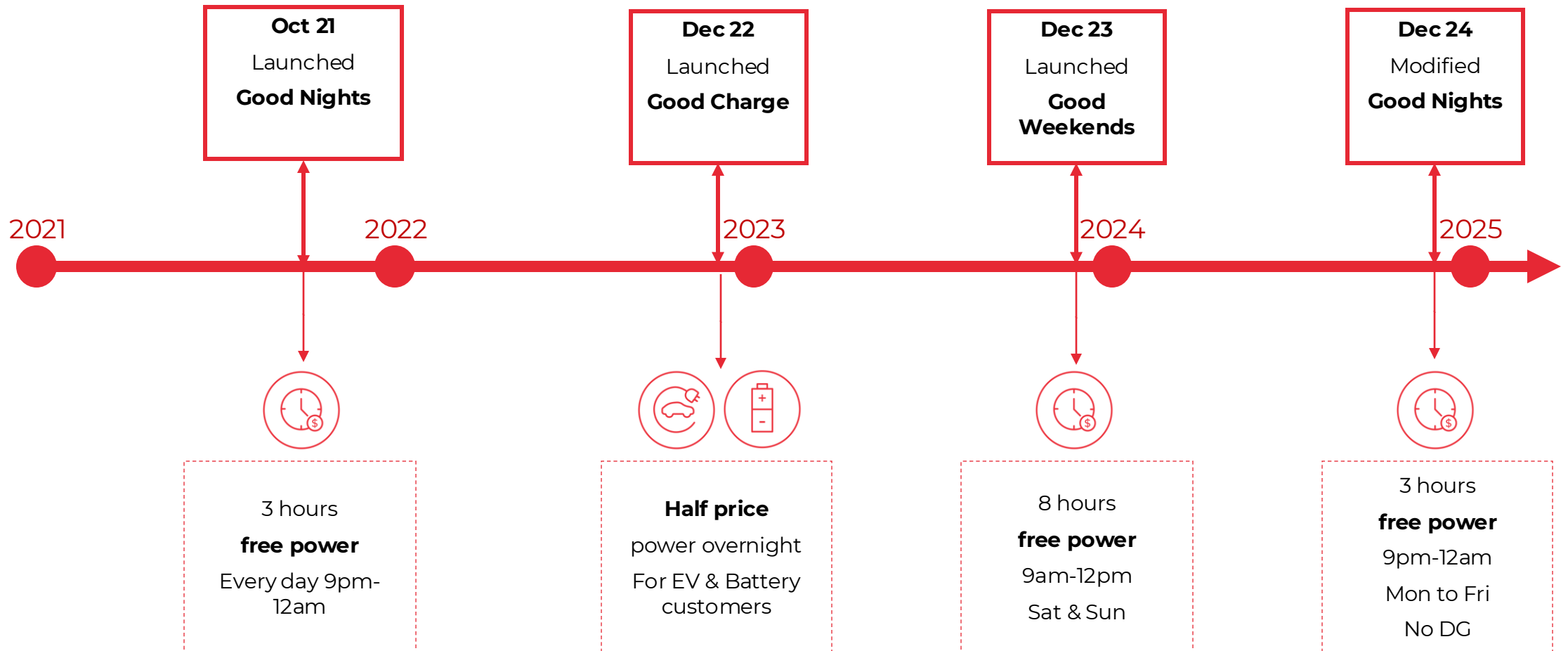


Test, Learn, Iterate & Scale



Test, learn, iterate and scale

New/Refined Good Plans every year since



We learnt a lot about consumer behaviour

Student Impact on Dunedin Exchange



- Fair use policy communicated and applied
- Incentivise DG/DS customers to take a 'Cheap' rather than 'Free' Good Plan
- Segmentation and communication
- Offer a variety of plan options to balance portfolio

Good Plan

customer support
calls are **50% longer**
than standard plan
calls



**What's
next?**



Energy affordability and regulation

Inflation hits 3% as consumers suffer largest power price spike since 1989



Liam Dann

Business Editor at Large · NZ Herald · 20 Oct, 2025 10:53 AM ⌚ 4 mins to read

Electricity Authority mandates fair pricing for solar, off-peak power use

RNZ

16 Jul, 2025 06:48 PM ⌚ 3 mins to read

Call for power companies to make it easier to switch and choose plans

Share this     

8:33 am on 9 October 2025



Morning Report
✉ Morningreport@rnz.co.nz

Good Plan's just the first step...

Good plan's only one part of our ToU / Demand Flex strategy – we are just getting started!

Out of home EV charging with our partner BP
(ToU based e.g. 70% off at selected off-peak periods)

Plug in to cheaper EV charging

Up to 70% off EV charging at bp charge, now available exclusively for Contact customers.

Hot water sorter programme
In Market and scaling



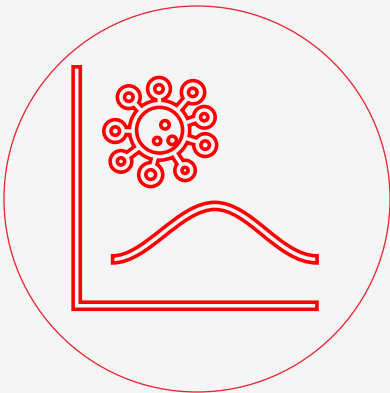
Turning the heat down and the savings up



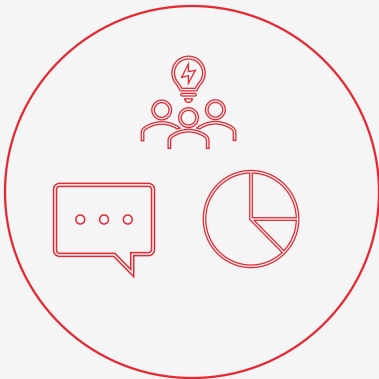
DG/DS software enabling customer and automated control of demand flex capacity
Connected to trading desk – In Pilot



New plans / day parts / customer segments to smooth load shape – Design phase



Using segmentation and communication strategies to drive profile of retail book – Design phase



Gamify UX to drive behaviour change and engagement – Design phase



We have learnt lots on our ToU journey

- 1 Good Plans have lifted all boats**
- 2 Getting started takes courage**
- 3 Test & learn, perfecting the value exchange takes time**
- 4 Easy to sell, harder to support**
- 5 ToU plans are a key enabler of a broader demand flex strategy**



Thank you

