

Energy Hardship Expert Panel
Terms of Reference

These Terms of Reference (TOR) describe:

- Part A: Objectives and scope of the Energy Hardship Expert Panel
- Part B: Detailed functions and operations of the Energy Hardship Expert Panel

General matters:

- This TOR for the Energy Hardship Expert Panel (EHEP) is approved by the Minister of Energy and Resources in consultation with Ministers of Housing and Urban Development, Social Development, Commerce and Consumer Affairs and Child Poverty Reduction.
- This TOR will remain in effect until the end of the two year appointment OR until the work has been completed (if earlier), and any extension of the EHEP will be made by Cabinet.
- The Minister will consult with Ministers of Housing and Urban Development, Social Development, Commerce and Consumer Affairs, and Child Poverty Reduction on any substantive proposed change to the TOR.

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Part A: Objective and scope of the Energy Hardship Expert Panel

1. Background

The Electricity Price Review¹ found that energy hardship is a pressing problem, and children are over-represented in affected households. The causes of energy hardship extend beyond the electricity sector, and the solutions require joint action by government, regulators and the industry. Reducing energy bills is as much about improving housing quality, consumer information and education, and energy efficiency, as it is about lower prices.

In this context and recognising the critical importance of co-ordination and communication, the Electricity Price Review recommended establishing a cross-sector energy hardship group to:

“bring together decision-makers from key government agencies, community organisations, consumer advocates, industry participants and regulators to develop and co-ordinate cohesive, cost-effective energy hardship initiatives” and to ensure that such initiatives are “well-considered, carefully co-ordinated and properly implemented”.

To give effect to this recommendation, the Minister of Energy and Resources has tasked the Ministry of Business, Innovation and Employment (MBIE) with forming an Energy Hardship Expert Panel (EHEP) and an Energy Hardship Reference Group (Reference Group).

The EHEP brings together four to five individuals that collectively have key perspectives and expertise on energy hardship, have a good working knowledge of the drivers of energy hardship and are connected across government, industry and the NGO sectors.

EHEP members are appointed to act in their personal capacity (not as representatives of organisations) and will provide impartial, evidence based expert advice as a group.

2. Accountabilities

The Minister of Energy and Resources is the responsible Minister for the EHEP. The EHEP's membership and Terms of Reference (TOR) have been determined by the Minister of Energy and Resources in consultation with the Ministers of Housing, Social Development and Employment, Commerce and Consumer Affairs, and Child Poverty Reduction (collectively the other Ministers).

The EHEP will report regularly to the Minister of Energy and Resources. Reporting arrangements will be agreed between the Chair and the Minister of Energy and Resources, who will consult with the other Ministers as appropriate. The other Ministers may wish to consult with their Associate Minister(s) where relevant.

¹ <https://www.mbie.govt.nz/building-and-energy/energy-and-natural-resources/energy-consultations-and-reviews/electricity-price/>

The EHEP is an advisory group and has no authority to direct any government department, agency or other organisation, employ staff, enter into contracts, or make commitments or undertakings on behalf of any Minister, government agency or other organisation.

3. Objective and scope

The objective of the EHEP will be to recommend policy priorities and actions to Government on how best to alleviate energy hardship in New Zealand.

The findings and recommendations of the Electricity Price Review, combined with Government's response, provide the foundation and direction of travel for the work of the EHEP.

Whilst the EHEP should acknowledge the broad and complex drivers of energy hardship, it should avoid duplicating existing work underway in other areas of Government.

The EHEP will advise the Government on:

- Recommendations for how the energy industry, regulators and government agencies could work better together to reduce energy hardship
- Policies, arrangements, interventions and actions aimed at reducing energy hardship, recognising that the causes of energy hardship extend beyond the electricity sector.

In addition, the EHEP may also engage with, and provide insights and recommendations about work underway within government, industry and the NGO sector implementing energy hardship related initiatives. This may include a high-level stocktake of energy hardship initiatives and exploring approaches used in other relevant jurisdictions. While decision-making powers on energy hardship initiatives will still be kept with the relevant agencies/ministers or organisations, the EHEP can provide evidence-based expert advice on how to improve or leverage existing initiatives.

4. Approach and work programme

The EHEP's work programme will be agreed between the Chair and the Minister of Energy and Resources. The Chair and/or the members will have the ability to propose items for the EHEP work programme for the consideration of the responsible Minister. In agreeing the work programme, or subsequent amendments to it, the Minister will consult with the other Ministers and MBIE as appropriate. The other Ministers may wish to consult with their Associate Minister(s) where relevant.

5. Engagement

The EHEP is expected to take a participatory and independent approach to engagement that recognises the experience of people affected by energy hardship in New Zealand including but not limited to iwi/Maori, Pacific Peoples, children, elderly, and disabled people. The EHEP is expected to undertake appropriate consultation with other key stakeholder groups

including consumer advocates, NGOs, academics, industry and regulators. This may be facilitated through, but not limited to, the Energy Hardship Reference Group.

5.1 Linkages to wider work

The EHEP will ensure it takes into account any crossovers and linkages with existing and planned work across government, industry and NGOs and it should avoid duplication. The EHEP will also ensure it liaises with the Consumer Advocacy Council when the council's work relates to energy hardship or vulnerable consumers generally.

5.2 Relationship between Government and the EHEP

The Government will consider the EHEP's input, views and recommendations in addition to any other advice or information available to the Government, including its own analysis. The Government is not bound to give effect to any of the EHEP's recommendations.

The EHEP does not hold any delegations of authority from the Government. The EHEP is not authorised to speak for Government or make decisions or commitments on the Government's behalf or bind the Government to any obligations.

5.3 Relationship between EHEP and the Energy Hardship Reference Group

MBIE is establishing an Energy Hardship Reference Group which includes representatives from key government agencies, NGOs and industry organisations. The Reference Group members will have good knowledge and experience of the drivers of energy hardship and their work is central to the solutions. The Reference Group will have its own Terms of Reference.

The Reference Group will help guide the work of the EHEP by providing technical and specialist knowledge/expertise on its work. While the EHEP, and sometimes MBIE, will be seeking the views of the Reference Group, final recommendations will be made by the EHEP.

The Reference Group will not have its own independent work programme however, it will be a forum to share information and ensure coordination between key government agencies, community organisations, consumer advocates, industry participants and regulators.

The Energy Hardship Reference Group can also identify work programme items for the EHEP to consider.

6. Required skills

The EHEP will be led by a Chair with good connections across government, industry and the NGO sector. The Chair will be responsible for providing updates to the Minister of Energy and Resources on the EHEP's work.

The Chair and members of the EHEP will be chosen based on their skills in one or more of the following areas:

- A good knowledge and understanding of people and communities affected by energy hardship and of the drivers of energy hardship which include income, housing quality, household composition, energy behaviours, energy prices and energy accessibility
- Policy and economic expertise, including understanding broader societal issues and the way social, environmental and cultural factors interact with energy systems and the wider economy
- Good connections across government, industry and the NGO sector
- An understanding of regulatory environments and the machinery of government.

Part B: Detailed functions and operations of the Energy Hardship Expert Panel

7. Timeframe and Meetings

The EHEP is expected to be appointed in mid-2021 and will run for up to two years or less if the work has been completed sooner. Any extension of the EHEP would be decided by Cabinet.

It is envisaged that the EHEP will meet four to five times a year to consider papers and to hear presentations on issues, opportunities and projects. These will likely take place both in person and by teleconferencing.

Additional meetings may be called when needed on particularly urgent or important proposals. Where such issues arise between scheduled meetings, the secretariat may contact the EHEP by email or teleconference to seek their views.

Where members cannot attend a meeting, they can provide written or verbal feedback on proposals as agreed with the Chair.

8. Secretariat

The EHEP requires specialist support and secretariat services. MBIE officials will provide these support services.

The Secretariat is responsible for conducting the policy work and writing papers for the EHEP. In performing its role the Secretariat will, where appropriate, access expert assistance from MBIE, other agencies and organisations, and specialists.

Secretariat services also include work programme management, general administrative support such as organising meeting venues and facilities, receiving apologies, maintaining the Member interests register (if appropriate), supporting communications and document distribution, recording EHEP meeting discussion (including meeting agendas, materials).

9. Conflicts of interest and transparency

The EHEP will document systems and processes it will use to operate, including:

- the procedures for providing advice/recommendations as may be sought by decision makers
- how its meetings are conducted and the procedures for when the Chair is absent,
- how information is to be treated, secured and returned where a person is no longer a member of the EHEP
- a conflict of interest policy that complies with Public Service Commission guidance, including procedures for where members of the EHEP are conflicted and the maintenance of a conflict of interest register

- its working relationship with stakeholders.

10. Conditions of appointment and obligations

The appointments to the EHEP are subject to the following conditions:

- appointed for a term of two years, unless the work of the EHEP is completed sooner
- any such appointment shall be effective from the time and date specified in the notice
- a member may, at any time, resign membership of the EHEP by providing written notice to the Minister of Energy and Resources
- any member of the EHEP may at any time be removed from office by the Minister of Energy and Resources, for inability to perform the functions of EHEP, bankruptcy, neglect of duty, or misconduct, proved to the satisfaction of the Minister
- any reappointments are made for a duration that is at the discretion of the Minister of Energy and Resources.

The EHEP members will:

- act in good faith, and show honesty, integrity, openness and accountability in their dealings with each other
- act consistently with the State Sector Standards of Integrity and Conduct
- provide free and frank advice in relation to matters before the EHEP, while maintaining discretion about that advice and their conduct in the business community
- follow agreed communication protocols before making public statements on any aspect of the EHEP.

11. Confidentiality

The EHEP may from time to time report its findings on any matter to the Minister of Energy and Resources.

Finalised reports may be published by agreement between the Minister of Energy and Resources and the EHEP. Published reports will not contain information supplied to the EHEP that has a confidential status.

The EHEP will not publish the advice it gives to the Government. However, the Government may agree to publish papers produced by the EHEP.

Only the Chair may make public comments after advising the Minister of Energy and Resources and MBIE, of their intention to do so.

Members of the EHEP may be presented with a range of private or confidential information, including on aspects of government agencies' business as well as commercially sensitive

information. The expectation is that all Members will act professionally, respecting each other's and the Government's interests.

The work of the EHEP may also involve personal information. All Members will ensure that the collection, use, disclosure, and storage of personal information in connection with the EHEP is consistent with the Privacy Act 2020. These obligations continue, as appropriate, beyond membership in the EHEP.

The Official Information Act 1982 applies to the records of the EHEP.

12. Media relations

EHEP members have no media relations role and may not speak on behalf of the EHEP or MBIE in regard to matters on which the EHEP has advised, or is advising, the Minister or MBIE. The Chair of the EHEP is solely responsible for all media relations and must advise the Minister of Energy and Resources of their intention to do so beforehand. See Confidentiality section above.

13. Fees framework

The EHEP is classified as a Group 4 Level 3 body under the Cabinet Fees Framework. Members are responsible for paying all Inland Revenue payments, other taxes and Accident Compensation Corporation levies in respect of remuneration and disbursements. The daily remuneration for members of the EHEP will be claimed in accordance with Cabinet Office instructions.