

Submission

MBIE's Defining Energy Hardship consultation

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Background

Beacon Pathway (Beacon) commends the government for the development of definition and measures of energy hardship. This is an essential part of improving housing outcomes for all New Zealanders, a goal Beacon shares. This work is an important counterbalance to what will be an increasing interest in reducing operational energy demand from the housing stock as part of the Zero Carbon Act. Beacon recognises to achieve healthy homes most New Zealanders will need to use MORE energy to heat their homes. This focus on Energy Wellbeing is an important part of our equitable transition to a low carbon economy, which can't be at the expense of human health. Beacon appreciates the opportunity to provide this feedback as part of MBIE's consultation.

Definition

1. Beacon agrees with the proposed definition. Our experience of working with community confirms that avoiding 'energy hardship' terminology is appropriate and preferable. While we understand the definition uses "energy wellbeing", Beacon views household energy use on a continuum from "hardship" through well-being to energy surplus.
 2. Beacon proposes the concept of "fairness" is added to the explanation of "are able to obtain". Households without smart phones and home internet do not have access to more affordable plans and rates and often end up paying more for their electricity supply. This is not equitable and is a key barrier to energy wellbeing.
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Conceptual Framework

3. Beacon recognises the work that has gone into the framework and how hard it is to present the complexities in a simple way. We offer the following comments.
4. The wheel uses terms that may be widely understood in policy and research circles. But we doubt it will have resonance with communities supporting households or indeed households

themselves. Ideally the final version will use clearer language that is understood and used by households, their community support organisations and government.

5. Beacon considers the energy sector, i.e. equitable access to an essential service in a way that is easy to understand and navigate (plans and providers), a crucial input to addressing energy wellbeing. The energy sector is complex. It is hard for households to work out which retailer is best for their household (Powerswitch is hard even for seasoned energy researchers to navigate, let alone households with limited energy literacy). Households find it hard to engage with their meter, understanding their own energy needs/use, their retailer (lines company), bill and how best to pay. This complex picture is then split across multiple domains in your conceptual framework: Energy Prices (prices and plans); Household resources (payment methods), Energy supply (meter type, security of supply and sources available), Service literacy (energy literacy, energy awareness), Household Circumstances & Practices (energy norms). By splitting the energy sector across domains, Beacon considers the importance of the energy sector is undermined as an input to achieving energy wellbeing in NZ.
6. On a related note, the title of “Energy Prices” segment does not capture both prices and retail plans. Beacon proposes a refinement to “Equitable Energy” which also introduce fairness to the framework.
7. Dwelling Characteristic segment. Energy Performance of the home is missing here: poor orientation and a poor thermal envelope undermine a household’s ability to be warm/cool without paying for substantial energy input. This may be addressed with further explanation of habitability and functionality of homes (do the definitions in the Housing Quality Framework carry over?). Does ‘Type’ mean dwelling typology (e.g. age and style of a home from which performance features can be deduced?). Clarity about these terms would help understanding.
8. Household health is not clearly articulated in the framework. It is only part of “composition” inside Household circumstances & Practices. Health is another key aspect of Energy Wellbeing which is lost in this framework – it is both a driver of higher energy needs and the result of inability to afford energy to heat.
9. Un-flued Gas Heaters in Section 4.3.7.3 Suitability and Reliability. Beacon strongly recommends a change in language here. Portable gas heaters ARE ALWAYS unsafe. There is no way to use these heaters that minimises the poisonous gas they release as by-product of burning gas, they are a fire hazard, they release moisture into homes (contributing to high moisture load and subsequent mould growth) and they are expensive to run. Beacon has long advocated these heating devices be banned in New Zealand as has been done internationally. The Home Performance Advisor Training Programme teaches advisors and home visitors how to budget electric plug-in heaters to offer budget constrained households a feasible alternative to being safely warm at home.

Indicators and measures

10. Picking up from paragraph 4, the indicators and measures are ideally relevant to community organisations supporting households unable to achieve energy wellbeing. Having everyone understand the concepts, use the same language and even collect the data using similar language, e.g. subjective measures (questions asked of households) will build capacity across many sectors to improve energy wellbeing. Further refinement of the indicators and measures in consultation with community-based organisations would help this process.
11. Table 3 (Proposed Indicators of energy wellbeing for Aotearoa), Beacon strongly recommends a change in language to reflect the need for NZ homes to be healthy. Specifically the indicator for DRY. We suggest you replace “a dry and well-ventilated home” with “a home free of damp and mould”. There is often confusion about “ventilation”. Beacon notes that homes can be over-ventilated (leaving windows open all year is well-ventilated but the result is a cold home) and argues that “ventilation systems” are not the silver bullet solution (as often promoted). It is possible to achieve a dry home free from damp and mould with simple use of mechanical extract fans in kitchens and bathrooms, vented driers and controlled opening of doors and windows (free!).
12. Picking up from paragraph 5. The collection and use of data from the energy sector is missing from this section. Beacon would recommend the collection of data from energy sector (e.g. disconnections and household debt levels) to provide an important means to track improvements on energy wellbeing. The sector complexity itself is a barrier to households affording energy.
13. Picking up from paragraphs 8 and 10. Beacon commends the intention to include health-related measures. This provides an opportunity to find indicators and measures that are relevant and well understood by households, their community organisations as well as researchers and policy makers.
14. Beacon commends the comprehensive inclusion of electricity, gas and water measures as part of “energy wellness” and agrees that transport is excluded.
15. Beacon recommends measures that capture issues of tenure security be considered for inclusion. The Healthy Homes Standards are an important tool to addressing energy wellbeing for tenants in New Zealand. However, tenants frequently cite their landlord as the barrier to achieving a healthy home. Collecting data on landlord compliance with HHS (audits) along with surveys of tenants would help the HHS reach their potential. Failure to meet the HSS is a relevant measure for households unable to maintain healthy temperatures and be free from damp and mould (see paragraph 11 for change in language).