



## **Defining Energy Hardship**

### **About this survey**

This survey seeks your feedback on MBIE's proposed definition of energy wellbeing and energy hardship, and how energy hardship should be measured at a national level in Aotearoa. Your views will contribute to the development of the Government's official definition and measurements.

MBIE's proposals are outlined in the Defining Energy Hardship Discussion Document. We recommend that you read the Discussion Document before filling out this survey for a broader understanding of the material. Each question will refer to a relevant section of the Discussion Document, which you can view on the [consultation webpage](#). On the webpage you will also find a summary of the proposals and a short factsheet, which you can use to help fill out this survey.

You can only complete the survey once. You do not need to answer all the questions, only those which are important to you.



## **Defining Energy Hardship**

### **We will keep your information safe**

The information provided in your submissions will be used to inform MBIE's development of a definition and measures for energy hardship, related policy development, and will inform advice to Ministers. It will also become official information, which means it may be requested under the Official Information Act 1982 (OIA). The OIA specifies that information is to be made available upon request unless there are sufficient grounds for withholding it.

### **Use and release of information**

To contribute to transparency in our decision making, MBIE proactively releases a wide range of information. MBIE will upload copies of submissions to its website at [www.mbie.govt.nz](http://www.mbie.govt.nz). By making a submission, MBIE will consider you to have consented to uploading, unless you clearly specify otherwise in your submission.

Your name, or that of your organisation, will be published with your submission on the MBIE website unless you clearly specify you do not consent to your submission being published. Other contact details you provide will not be made publicly available.

### **Personal information**

All information you provide will be visible to the MBIE officials who are analysing the submissions and/or working on related policy matters, in line with the Privacy Act 2020. The Privacy Act 2020 includes principles that guide how personal information can be collected, used, stored and disclosed by agencies in New Zealand.

If your submission contains personally identifiable information that should not be made public, please make clear what can and cannot be made public. For example, information about other people that you are sharing without their consent or information about children.

### **Contacting you about your submission**

MBIE officials may use the information you provide to contact you regarding

your submission. By making a submission, MBIE will consider you to have consented to being contacted, unless you clearly specify otherwise in your submission.

### **Viewing or correcting your information**

This information will be securely held by MBIE. Generally we keep public submission information for three years. After that, it will be destroyed in line with MBIE's records retention and disposal policy. You have the right to ask for a copy of any personal information we hold about you, and to ask for it to be corrected if you think it is wrong. If you'd like to ask for a copy of your information, or to have it corrected, please contact us at [definingenergyhardship@mbie.govt.nz](mailto:definingenergyhardship@mbie.govt.nz)

#### **1. Have you read and understood the Privacy Statement?**

Yes

No



## Defining Energy Hardship

### About you

2. What is your name?

Luiza Brabo-Catala

\* 3. What is your email address?

We may need to contact you for clarification on your submission, or regarding Official Information Act requests. Your email address will not be used for any other purpose.

### Privacy of natural persons

4. Are you submitting as an individual or on behalf of an organisation?

- Individual
- Organisation

5. If on behalf of an organisation, what is its name?

**6. If on behalf of an organisation, which of these best describes it?**

- Iwi, hapū or Māori organisation
- Energy retailer
- Energy regulator
- Energy distributor
- Registered charity
- Non-governmental organisation
- Local Government
- Central Government
- Academic/Research
- Other (please specify)



## Defining Energy Hardship

### Proposed Definition for energy wellbeing

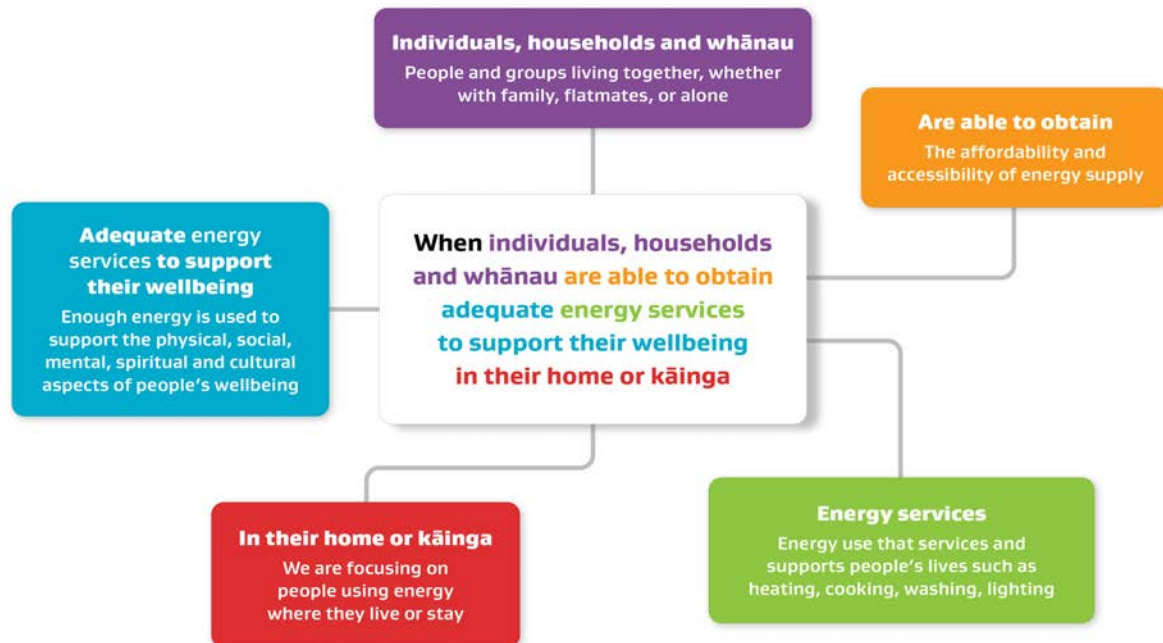
In order to measure levels of energy hardship, we first need to come to an **agreed definition** of what energy hardship is. Aotearoa does not currently have a generally accepted definition of energy hardship, which has made it hard to measure over time.

The proposed definition is **aspirational**, meaning it defines what we are working towards (i.e. energy wellbeing). Because of this, we define energy hardship as being the **opposite** of energy wellbeing.

The terms within the definition are explained in the image below. We have aimed for the definition to be **accessible** so that it can be used and understood by all New Zealanders. Also, the definition is **flexible** so it can be adaptable to changes in data availability.

For further information relating to these questions, see Section 3 of the Discussion Document.

## The proposed definition and explanation of terms



7. To what extent do you agree or disagree that the proposed definition for energy wellbeing is right for Aotearoa?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Unsure

8. Do you have comments on why have you chosen this answer?

This definition comprises different facets of the issue of energy hardship while focusing on what the ideal scenario should be, rather than solely fixing the most critical issues. It serves as a definition and a guide.

### **What is covered by the definition?**

The proposed definition includes all types of energy that are used within a home, including (but not limited to) electricity, gas, wood and coal. These energy types are used for services that support wellbeing, such as cooking, lighting, heating and washing.

The proposed definition also includes all dwellings where people live or stay, including marae and papakāinga.

### **9. To what extent do you agree or disagree with the inclusions in the proposed definition?**

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Unsure

### **10. Do you have any comments on what is included in the definition?**

### **What is not covered by the definition?**

The definition focuses on places where people live or stay, so it doesn't include commercial energy consumption, or energy for transport. People who are sleeping rough or inhabiting improvised dwellings are not considered to be in energy hardship by this definition, but this does not mean they are overlooked. We recognise that their needs are not related to energy use within a dwelling, so their housing situation should be prioritised before focusing on their energy wellbeing at home.

We are proposing that transport energy is not included as an energy service in this definition, because it is used outside the home.



**11. To what extent do you agree or disagree with what is excluded by the definition?**

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Unsure

**12. Do you have any comments on what is excluded by the definition?**

I understand the complications of measuring energy hardship in situations where the household is not living in a fixed dwelling (e.g. sleeping in the car or living in a caravan. However, those are still people struggling with energy hardship, and secondary indicators relating to living in those types of homes should be included.

**13. Do you have any further comments on the proposed definition of energy wellbeing?**

- Is it clear and easy to understand?
- Do you think there is anything missing?
- Is it relevant to you and your community?

I believe that the definition was well researched and it relates to the needs of the people of Aotearoa.



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## **Defining Energy Hardship**

### **Proposed framework for energy wellbeing**

A framework is an agreed way of thinking about something. We have developed an energy wellbeing framework based on engagement and research. This framework supports and expands on our proposed definition.

Our proposed framework shows the connected factors that can contribute to a household's energy wellbeing or hardship. People and their dwellings are at the heart of the framework. Each term in the framework is explained in Section 4.3 of the Discussion Document.

The framework will be used by MBIE to understand the factors of energy wellbeing or hardship, and how they might interact. This helps guide which factors we can target with different policies, as well as the aspects of energy hardship we can measure. This framework may also help other groups working to address energy hardship. For example, a community group might use it to communicate which parts of a households' situation they could assist with.

For further information relating to these questions, see Section 4 of the Discussion Document.



14. To what extent do you agree or disagree that the framework represents the factors that influence energy wellbeing in Aotearoa?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Unsure

**15. Do you have comments on why have you chosen this answer?**

I believe that energy companies have a significant responsibility in preventing energy hardship, and it seems like that was minimised in the framework.

**16. Do you have any other comments on the proposed framework?**

You may want to consider:

- The layout of the framework, and if it is easy to understand
- If anything is missing, or should be added
- Which factors you think are most significant in your community



## Defining Energy Hardship

### Proposed indicators for energy wellbeing

We have proposed the following indicators of energy wellbeing to connect household outcomes to the energy wellbeing definition. We have used these indicators to consider how to measure energy hardship.

For further information relating to these questions, see Section 6 of the Discussion Document.

Theme	Energy wellbeing indicator
Able to obtain – access	Access to a reliable energy supply when needed
	Able to access and use technologies to manage energy, such as making online transactions.
Able to obtain – able to afford and manage bills	Able to afford energy bills without borrowing or economising on other expenses
	Able to heat, wash, cook and use other energy services as required to stay comfortable without having to forego other necessities
Able to obtain – enabling resources	A dwelling that can maintain a healthy temperature
	Access to necessary appliances that are safe, effective and efficient
Wellbeing is supported in the home or kāinga	A dry and well-ventilated home
	A healthy indoor temperature

17. To what extent do you agree or disagree with the proposed indicators for energy wellbeing?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Unsure

**18. Do you have comments on why have you chosen this answer?**

**You may want to consider:**

- Are the indicators comprehensive?**
- Are there any other indicators of energy wellbeing that should be considered?**



## Defining Energy Hardship

### Measuring energy hardship

Our starting point for measuring energy hardship has been to define energy wellbeing. When helping people in our communities it is important to focus on aspirations and goals. However, for lifting energy wellbeing it is important to also have measures of hardship so we can better understand how many households need support, and track whether programmes are making a difference to help households out of hardship.

We have proposed a set of primary and secondary measures of energy hardship. These measures will help us to track energy hardship at a national level in Aotearoa. They will also enable us to look at energy hardship across rough regional breakdowns and some different groups, although how well we can do this depends on what data the measure is based on.

For further information relating to these proposed measures, see Section 6 and Appendix C of the Discussion Document.

19. We are proposing to use a set of primary and secondary measures for energy hardship. Do you support this proposal?

- Yes
- No
- Unsure

20. Do you have comments on why you have chosen this answer?

## **Proposed primary measures**

The four primary measures are:

Proportion of AHC household income spent on domestic energy costs is twice the median or more (moving line)

Proportion of AHC household income spent on domestic energy costs is twice the median or more (fixed line)

Put up with feeling cold to keep costs down a lot

Dampness and/or mould problems - major

The first two measures come from the Household Economic Survey - Expenditure which is asked every three years. We propose that these measures are interim, and will be in place until a model for required energy for wellbeing is created.

The second two measures come from the Household Economic Survey - Core, which is asked every year.

**21. To what extent do you agree or disagree with the proposed primary measures?**

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Unsure

## **Proposed secondary measures**

The 22 potential secondary measures are shown here categorised by their data source and frequency. They are:

**Census of Populations and Dwellings (asked every five years)**

No access to electricity supply

No heating type used

Use of unsafe substitute heating methods (portable gas heater)



Lacking one or more basic amenity

Damp always

**Household Economic Survey – Core (asked every year)**

No home access to computer or internet

Could not pay electricity, gas, rates, or water bills on time (more than once)

Unable to afford unexpected expense without borrowing

Cannot afford to keep the dwelling adequately warm

Major problem heating accommodation and/or keeping it warm in winter

**Household Economic Survey – Expenditure (asked every three years)**

No access to financial institution account

Absolute domestic energy expenditure half the national median or less (moving line)

Proportion of BHC household income spent on domestic energy costs twice the median or more (moving line)

Proportion of BHC household income spent on domestic energy costs twice the median or more (fixed line)

**General Social Survey (asked every two years)**

Can see breath indoors in winter

Indoors always colder than would like in winter

Mould larger than an A4 - Always

Housing repairs needed - major

**General Social Survey - Housing and physical environment supplement (asked every six years)**

Not heating own bedroom in winter

Not heating children's bedroom in winter

Not heating main living room in winter

## Electricity Authority data (available annually)

### Use of prepayment metering

22. To what extent do you agree or disagree with the potential secondary measures?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Unsure

23. Do you have any comments on the proposed primary and secondary measures?

You may want to consider:

- How many primary and secondary measures you think we should consider
- Which measures you think should be primary or secondary (and why)

2x the median may work as interim measure using the actual costs, but it is limited and oversimplifies fuel poverty. I believe that the use of prepayment meters should be considered as a secondary measure, as well as presence of vulnerable members (e.g. disabled, infants, elderly).

### Depth of energy hardship

As well as measuring how many households are experiencing a measure of energy hardship, we are also looking into ways we can measure the depth of energy hardship. This is to determine where households in Aotearoa are on the energy hardship/wellbeing continuum. For example, statistics could show the number of people in energy hardship, and also the number in severe energy hardship. This is to determine the extent to which people are experiencing energy deprivations, and to be able to estimate how far away from energy wellbeing we are (the energy hardship 'gap').

We plan to undertake further analysis looking at the depth of energy hardship. We are interested in hearing your thoughts on how depth of hardship should be measured.

For more information see Section 6 of the Discussion Document.

## 24. Do you have any comments on measuring the depth of hardship?

You may want to consider:

- If we should use these measurements in Aotearoa, in addition to the primary and secondary measures
- Combining measures (i.e. a DEP-17 style approach)
- Measuring the energy hardship gap

I believe that setting thresholds for energy hardship risk and levels (e.g. mild, severe, extreme) can be helpful. Comparing actual vs required energy expenditure can be useful too



## Defining Energy Hardship

### Data gaps and proposed way forward

In sections 7 and 8 of the Discussion Document we describe the limitations and gaps in current data, and some ways these could be improved upon, as well as some plans for future analysis.

We are interested in hearing what you think is most important to focus on next. Please rank the following proposals in order of what you think is most important (1) to least important (4).

25. Rank the following proposals in order of most important (1) to least important (4).



2

Further analyse any currently available data



4

Work to fill existing data gaps/limitations



3

Model required energy use for households in Aotearoa



1

Research energy hardship-related indicators

**26. Do you have any suggestions for alternatives or changes to the proposed way forward?**

**You may want to consider:**

- Are there gaps in the measurement we haven't identified?**
- Are there data sets or measures you know of that should be included?**
- Do you have any other suggestions for future analysis?**

For future use, I support establishing a minimum income standard (in addition to guidelines on estimating energy expenditure) and maintaining previous indicators.



## Defining Energy Hardship

### Final thoughts

#### 27. Do you have anything else you would like to mention?

I am a PhD candidate at the University of Waikato researching energy hardship interventions, and I am looking forward to discussing the topic with anyone who is involved in energy hardship projects.

#### \* 28. Can we publish your submission on the MBIE website?

If your submission contains personally identifiable information that should not be made public, please make clear what can and cannot be made public. For example, information about other people that you are sharing without their consent or information about children.

Your name, and that of your organisation will be visible. Email addresses will not be visible.

Yes

No



## **Defining Energy Hardship**

### **Your survey results have been submitted**

Thank you for providing your feedback on the proposals for defining and measuring energy hardship. After the consultation period closes, feedback will be analysed and a summary of submissions will be published on the MBIE website.

To keep up to date with the government's work to reduce energy hardship, sign up to the newsletter [here](#).