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1. Overview

Thank you for the opportunity to respond to the consultation paper. I preface these remarks by noting the difficult task the Panel have been asked to deliver in the time available. In my view too little policy-ready information and analysis exists for the Panel to make informed recommendations on a number of the issues raised. Perhaps this is to be expected at this stage, but it does have a number of consequences for the report and recommendations. Some of the proposed 27 proposals lack both a clearly focused problem description and an evidence base for action. An associated problem is that generally the ‘impact’ of the individual proposals is not stated (and in many instances is probably unclear). Also it is a pity that the Panel has not indicated priorities (although the TOR of their report to government will require this). I think submitters deserved to see the Panel’s views at this stage. Notwithstanding, I support in principle many of the recommendations; some are well canvassed and dissected, and I applaud the recognition the Panel gives to community-based approaches.

In my view the report and recommendations suffer from two significant ‘framing’ shortcomings:

- The absence of an historical perspective – a contextual assessment of *‘where have we got to and how, and where are we heading’* with respect to energy hardship alleviation is largely absent from the report. If the 3 decades of activity and progress to date was taken into consideration I believe it would cast the current period in a different light – as a period of transition away from relying on the ‘standard retrofit solution’ of ceiling/underfloor insulation and a single heating source to a much broader consideration of options. But this requires elevating research, trialling, data collection and analysis to underpin and support good policy choices to a much higher priority rather than languishing largely in the ‘Supporting Environment’ section of this report. I discuss this further below.
- Failure to place the energy wellbeing/hardship definition as central to this document. In my view the definition has been a hard-won achievement that captures the multi-dimensional elements of energy hardship while casting the aspiration as ‘energy wellbeing’. But having an agreed definition is only part of what is required – the definition needs to be **operationalised**, at both the higher level of interpretation (e.g. the indicators, supporting information etc., that give the definition meaning), and on the ground so that the aspiration of energy wellbeing for all (in its multi-dimensional elements) is firmly rooted in the processes and ‘toolkit’ adopted by advisers/ navigators assisting those in need. An initial, pragmatic response would be to review and recast the traditionally narrowly focused home energy assessment as a broader-based energy wellbeing assessment. This is discussed further below.

¹ Community Energy Action Charitable Trust (1992-2015) - co-founder, voluntary trustee, and occasional contractor); EECN (forerunner to CEN) - member and short-term co-ordinator, team member of EECN’s energy advice project and subsequent HPA programme; post 2015 – various projects/activities related to energy wellbeing/ hardship.

The 5 kete framework has strengths in focusing on related actions within each kete. But one risk is that it could reinforce a tunnel vision that fragments and restricts consideration of other options to deliver outcomes, running counter to needs-based, integrated solutions at the individual/ whanau/ household level. One challenge presented by the 27 proposed actions is the difficulty in getting a sense of potential overlaps or 'redundancies' in the policies/approaches e.g. to what extent does carrying out one action impact on the effectiveness or urgency of other actions?

Overall this report feels like a work in progress. I think it should be reconfigured as such - an interim report with some immediate priorities. Furthermore I think there is a strong case for **retaining the Expert Panel and reconstituting their role** into something akin to the UK's independent Committee on Fuel Poverty² over the next 3 years or more. This would provide independent, transparent oversight and steerage for a needed period of transition and longer term policy formulation as NZ/Aotearoa moves to the next stage of working to achieve energy wellbeing for all.

2. A lack of historical perspective – the dynamics of energy hardship and responses

Responses to energy hardship³ began 3 decades ago⁴ with major government interventions underway by the mid-late 2000s. Up to 2021 the number of private low income homes receiving retrofit insulation via government schemes alone is about 280,000⁵⁶, with tens of thousands receiving efficient heaters, as well as other improvements including draught stopping and low energy light bulbs. In addition tens of thousands of homes potentially occupied by those at risk of energy hardship have been insulated outside of government programmes, especially through the rental insulation standards (subsequently HHS)⁷. By mid-2025, the final deadline for HHS compliance, there will be a legal requirement for all rental dwellings to be insulated in ceilings and underfloors and have an underfloor groundsheet installed (as long as these can be reasonably achieved). In addition all rentals will require an efficient form of heating in their living area and extract ventilation from the bathroom and kitchen. Since energy hardship is proportionally much higher in rental homes, within the next 2 years we will have a situation where the 'standard retrofit solution'⁸ to address energy hardship will be met in the majority of dwellings where energy hardship rates

² <https://www.gov.uk/government/organisations/committee-on-fuel-poverty>

³ Over time the problem (or aspiration) has been variously described – energy efficiency, energy saving, warm homes, energy poverty, fuel poverty, energy deprivation....

⁴ Community Energy Action in Christchurch started its first project in 1993; the first government assistance scheme related to residential energy was EECA's Energy Saver Fund beginning in 1996.

⁵ This number excludes houses owned by Housing NZ/Kainga Ora.

⁶ Derived from EECA Annual Reports – the 'low income' definition changed over the years, but it excludes any home insulated under the 'general' category of residential owners. It is likely that this number however includes some double counting since standards for retrofitting have been raised throughout that time and some houses insulated on earlier schemes will have been 'topped up' in subsequent programmes. Also, no doubt a small % of houses will have been demolished over the last 2 decades.

⁷ BRANZ Pilot Housing Survey 2018/19 indicated a very low % of dwellings had no insulation (excluding those having inaccessible floors or ceilings).

⁸ The term is something of a misnomer – for example a community level, needs-based approach consistently favours flexible interventions from a varied toolbox. In reality the 'standard retrofit solution' is essentially a product of government funding programmes and rules, and specific regulation such as the HHS. It has evolved (and at times regressed) starting with ceiling insulation and draughtstopping, underfloor insulation was added (first with foil, then with bulk insulation), ground-sheets added (then dropped, then added again), efficient heating was added (then dropped, then added again), and finally extract ventilation was added. This 'evolution' has been driven by a number of factors e.g. new knowledge, safety considerations (discontinuing foil insulation), new and better technology (e.g. heat pumps), funding decisions.

are proportionality high. In addition, other initiatives underway (e.g. new-build social housing, Kainga Ora new builds to Homestar 7/8 standards, extension of WKH and Healthy Homes, Maori housing and solar energy funds) will add significantly to positive energy wellbeing outcomes. Overall, I think this is a significant achievement. But it does not inform the Panel's report in the way I think it should.

This assessment highlights that the era of basic retrofitting as the main response to energy hardship is coming to an end. While the Panel's report and recommendations reflect a greater diversity of responses now underway or being considered, in other ways it still reflects the past⁹. We are in a transition phase where policy choices for the future will require a much better base of information/ assessment than is currently available.

3. Flying blind towards key policy settings and priorities

While the Panel appears to have had too little evidence-based, policy-ready information and analysis available for informed recommendations (including the expected stocktake of existing energy hardship support services, work that presumably would have assisted the Panel¹⁰), the report has largely failed to recommend trials, data/ assessment for policymaking to correct this for the future. So, some suggestions:

- Scrutinise the effect of the standard package of retrofit measures¹¹, especially in rental properties. The Report appears to take a view that the HHS is a kind of de facto "healthy standard of energy retrofit" (Table 2, p23) needing no further enhancement. I think this is a mistaken view, and discuss later in this submission (p6).
- Dwellings exempt from HHS standards (e.g. where insulation cannot be easily installed, or the floor is too low to install a groundsheet); are they providing a significantly worse indoor environment for occupants, hence acting as a barrier to energy wellbeing?
- Investigate where energy wellbeing is not necessarily well covered by the HHS (e.g. warmth beyond the main living area¹²).
- Investigate the energy wellbeing benefits of new dwellings; both those built to the current Building Code, and those to higher standards. Do they provide a significantly enhanced indoor environment with lower energy bills, minimising or eliminating energy wellbeing gaps? The recent new-build social housing offers the ideal opportunity for detailed monitoring and assessment.
- Consideration must be given to wall and window insulation, the two components of the building envelope where retrofitting to date has been deemed as too costly. There are circumstances

⁹ P10 of the Report states "*a significant portion of New Zealand's housing stock is...uninsulated*". This used to be true but the reality now it is under-insulation, especially older houses, where two out of the four dwelling envelope components (walls and windows) are most likely not insulated. This is where some of the future challenge lies.

¹⁰ A stocktake was explicitly set out in the Government's response to the Electricity Pricing Review, but is not referenced by the Panel, nor is it reported on the MBIE Energy Hardship web page.

¹¹ The Motu-led evaluations of insulation and latterly heat pumps are valuable but we need to gauge the effect of the full package of measures and include a broad range of subjective measures and other variables. Note also the recent Motu evaluation of heat pumps excluded rental dwellings.

¹² The report notes a Wellington School of Medicine study on the cost to heat children's bedrooms (p69) but I suggest the need is wider than this and could involve multiple bedrooms and common areas (e.g. bedrooms in student flats can be notoriously cold and unhealthy).

where the marginal cost of retrofitting is relatively low (e.g. repairs after natural disasters) but implementation may face barriers¹³. Other opportunities for retrofit should be examined.

- Generate better data/analysis on the effectiveness of education/awareness programmes beyond the very short term. Experience shows that message effectiveness declines over time and needs to be reinforced.
- Scrutinise the contribution the WEP and other forms of financial/ power bill assistance make to relieving energy hardship¹⁴ (see further discussion this submission (p10))

Other investigations are raised in the report in relation to specific proposals, and I'm sure there are other priority investigations as well. I would also urge the Panel to consider information from sources other than through the formal government collections and/or specified studies and research. First, information sourced directly from electricity retailers appears largely absent from this report. Because retailers are at the interface with customers, they have numerous insights that go beyond just their data contribution to EA assembled databases. Second, community agencies have potentially a very large collection of dwelling and household information collected via home energy checks/assessments by trained personnel. Most of this information sits unprocessed beyond its original purpose. There are potential uses for the originally stored information¹⁵, but perhaps particularly for future data collections where some standardised information about energy wellbeing status could be collected in a timely manner.

4. Operationalising the energy wellbeing/hardship definition

With the Government having agreed a formal definition of encompassing energy hardship/wellbeing my expectation was it would inform and unify the way we approach policy responses going forward; indeed that it would be transformative of the policy approach and actions that flow from it. This hasn't turned out to be, with this report being a missed opportunity to reframe our thinking and realign actions on the ground. I am not sure why the definition is missing in action but a couple of points are relevant I think:

- The failure so far to publish the energy wellbeing/hardship indicators means the definition is adrift on its own and lacks grounding in a practical and measureable way
- In my view the energy wellbeing-hardship relationship is misconstrued by the MBIE explanation (and subsequently by the Panel as well), contributing to the confusion¹⁶.

¹³ From personal experience with the Christchurch earthquake the 'build back better' mantras often associated with repairing housing damage from natural disasters face some real barriers e.g. houses requiring re-cladding are an ideal opportunity to install wall insulation but insurance may not pay for improvements beyond that which previously existed, and energy efficiency funding sources from central government excluded wall insulation.

¹⁴ The assessment needs to look not only at the level of assistance but also form it is given. Electricity retailer information could be very valuable e.g. the impact of social retailer Toast Electric's capping of winter power bills for those in energy hardship; Contact Energy's 'Fourth trimester' support for families.

¹⁵ In 2014-15 Community Energy Action undertook a project to assess the insulation status of Christchurch dwellings and project future retrofitting demand. Data collected from ~330 home energy assessments in the previous 2 years was sorted into a database and analysed (McChesney, I. 2015. *Christchurch Household Insulation Assessment*. CEA (unpublished)).

¹⁶ MBIE's documentation (<https://www.mbie.govt.nz/building-and-energy/energy-and-natural-resources/energy-hardship/defining-energy-hardship/>) states that energy hardship is "the opposite" of energy wellbeing, and the Expert Panel have used the word 'antithesis'. I consider these descriptions are incorrect – energy hardship is a scalar concept i.e. from low levels of energy deprivation to high levels. Energy wellbeing cannot be described as opposite (or antithesis) when the difference in energy service provision between a household being in energy wellbeing versus energy hardship can vary between a little and a lot.

My suggestion is that MBIE (and the Panel) reword the energy wellbeing-hardship description and introduce the concept of the **energy wellbeing gap** of a household (if they are in energy hardship) - the gap to be bridged between their current state of energy hardship and their desired state of energy wellbeing. It is a concept that accommodates the full range of energy hardship situations from low to high, and can be descriptive (e.g. the actions that need to be taken), quantitative (the additional energy services required), or both. Also, it is not just a theoretical construct; it can be readily transferred to the home assessment so that tailored solutions can be devised based on a house/household assessment compared to a modelled 'wellbeing' state¹⁷. The process doesn't just end there either - further reassessment/monitoring should be undertaken over the following 12 months or so to determine whether the energy wellbeing gap has been bridged and sustained.

This puts the home assessment, the independence and expertise/training/knowledge of the home assessor/adviser, and the role of associated embedded local organisations as being critical elements in this process. Traditionally home assessments have focused almost exclusively on the physical attributes of the dwelling (e.g. its insulation, heating appliances, hot water system) or have simply assessed 'needs' based on the services provided by the agent (which invariably are the services funded by government). Only more recently have some organisations expanded their assessment to include qualitative views from occupiers, energy hardship calculations (e.g. Sustainability Trust), added a new dimension with power bill assessment/ financial health involving energy retailer, budget advice staff and householder (EnergyMate), and undertaking deeper retrofits and more broad-based assessment (e.g. Aukaha, Otago). Needs must encompass relevant cultural concepts such as *manaakitanga* and be sensitive to solutions that provide *Mana motuhake* where energy wellbeing will give a sense of self determination and control over lives¹⁸.

In my view as a priority the new energy wellbeing/hardship environment calls for an **overhaul and re-alignment of home energy assessments**. They must collect the information required for a full energy wellbeing/ hardship assessment and identification of the energy wellbeing gap and how to tackle it. It would be justifiable in my view for all future government-assisted projects to require particular information to be collected in order to inform the energy needs assessment¹⁹. The needs assessment is such a critical part of bridging/eliminating the energy wellbeing gap that part of the government funding should be earmarked for this task in all projects. Two associated requirements are to

- Develop methodologies that can be transferred and used by frontline organisation to determine energy wellbeing state/targets for each household, and calculation of the energy wellbeing gap
- Review the training of assessors/advisers and consider qualification standards for full energy wellbeing assessments.

5. Additional comments

P10 Issues – some of these issues are commented on individually in other parts of the submission. Bullet point 6 re climate change, the risks are not just to accessibility but broader energy wellbeing issues

¹⁷ The Sustainability Trust trialled an early concept in a project last year.

¹⁸ [file:///C:/Users/User/Downloads/ka-mahana-i-taku-kiri-maori-perspectives-on-the-measurement-of-energy-wellbeing%20\(1\).pdf](file:///C:/Users/User/Downloads/ka-mahana-i-taku-kiri-maori-perspectives-on-the-measurement-of-energy-wellbeing%20(1).pdf)

¹⁹ Regardless, it is important that local organisations retain some agency in the type of information they collect and use so that regionally or culturally significant factors are taken into account.

including the weathertightness and structural integrity of the dwelling, damage risks to solar systems, and damage to insulation (e.g. rising water levels saturating underfloor insulation).

P11-18 – in my view missing from the Panel’s discussion on the 5 kete is the process and mechanisms that bring these things together - the interventions – e.g. the who, how, the process, the follow-up. I discuss a number of aspects in this submission; I believe it is an often overlooked, vital ingredient in the success or otherwise of our interventions. In general funding access and its associated rules have too often ruled at the expense of addressing the true needs of the household.

P20 Fig 4 – the heating costs for logburners is misleading in my view. The largest propensity for heating with wood is in smaller cities, rural centres and rural areas, where firewood costs tend to be cheaper and many households incur no commercial costs because of self collected supplies. This reality doesn’t come through in Fig 4 which paints a picture of logburner heating being consistently more expensive than electric resistance heating.

P21 Fig 5 – the point is well made about consistently higher proportions of Maori and Pacific households showing key aspects of energy hardship. But if the graphic was reconfigured showing total numbers of households then the non-Maori/ Pacific households would be the largest grouping in 3 of the 5 measures. This points to a need to be inclusive of all groups, and also to ensure that smaller groupings that might be at risk (e.g. recent migrants and immigrants) are not overlooked in the analysis (and responses).

P25,26 Strategy HH1 – the challenge refers to the term a “*healthy standard of energy performance*”. What is a healthy standard of energy performance within this context? I suspect the Healthy Home Standards are being used as a proxy, but I suggest that despite the terminology the HHSs offer no such ‘standard’ (esp where dwellings achieve HHS by exemption). An objective view of healthy conditions within dwellings is probably best described by minimum temperatures, maximum humidity, air change frequency, and weathertightness. Achieving such conditions is not the sole preserve of the features of the dwelling. Rather, they are the result of the interactions between the fixtures and fittings (e.g. insulation levels, ventilation systems, heating appliances), occupant behaviours, and the use of energy (mainly heating energy). For instance the objective conditions above can probably be reached in most homes with low levels of insulation, relatively inefficient heating, and plenty of windows that are opened when needed - as long as sufficient heating energy is used. In other words, achieving healthy conditions is a trade-off, with energy use, costs and affordability being the other side of equation.

In the context of energy hardship, the main policy focus to date has been to retrofit as much low cost energy efficiency as feasible in order to reduce energy running costs. This pragmatically determined retrofitting has been shown to reduce adverse health outcomes. But it doesn’t eliminate them. What is a healthy standard of energy performance for a home where energy costs for those in energy hardship is ‘affordable’? It’s an entirely conditional situation dependant on occupant circumstances. But I would judge that for many in energy hardship a healthy standard of energy performance of the home would have to be much higher than currently prescribed by the HHS.

P64 – reference is fleetingly made about electricity retailers increasingly looking to support customers in energy hardship. I think examples should have been given²⁰ to provide a better context for the report –

²⁰ E.g. Contact Energy Integrated Rpt 2022 (p39-41) <https://indd.adobe.com/view/73533832-3a70-45c5-9382-bf9ac1f1c1f6>

there are interesting and innovative actions being taken, the impacts of which need to be better understood.

6. Responses to the 27 recommendations

Health of the Home

Challenges (paraphrased)	Proposed actions	Comment
Many homes require retrofit to bring them to a healthy standard of energy performance	HH1: Strengthen and expand WKH	Support with qualifications - support the proposed action in the short term. As discussed earlier we need greater flexibility in funding rules so that previously unfunded activities (e.g. wall insulation) can be supported should needs dictate. Also, the 'challenge' referred to is broad-based but the actions here are just confined to owner-occupier homes. This reinforces concerns expressed above that the presumption seems to be that HHS for rentals provides healthy standards. The sub-objective to expand eligibility criteria – seems ambiguous because the discussion is about overcoming barriers to recruitment, not eligibility. Design and delivery – suggest the proposed Energy Wellbeing Sector Network are involved with all sub-aspects of HH1
Ensure home weathertight/ reasonable quality	HH2: Fund broader repair/ improvement work	Support – strongly support action on this. It is good to see this long-standing gap being acknowledged. Having an 'ambition' for repair standards is good, but these things are invariably budget limited. The assessor and re-builder, in association with the owner/whanau should be in charge of such decisions. The discussion misses an important point – when is a building 'too far gone' for repair, who makes that decision, and what are the alternatives?
Tenants are four to five times more likely to experience energy hardship than owner-occupiers	HH3: Strengthen monitoring, compliance, enforcement of HHS	Support - there are good points made here but the discussion around 'compliance' with the HHS is confusing and not helpful – is it complying with the HHS before being legally obligated (i.e. voluntarily)....or not complying because at the time they were not legally obliged to...or non-compliance i.e. the rental has failed to achieve HHS compliance by the required date set out in the regulations? Strongly agree that government needs to be more pro-active about monitoring and enforcing 'legal' compliance. Govt needs to consider all options to take the onus off tenants to report possible HHS breaches. 3rd parties such as rental check businesses might be a useful source of information?
	HH4: Strengthen tenant advocacy/ support	Support - my preference is for the relevant energy expertise to be available via well trained advisers/navigators embedded in local community organisations. Greatly strengthening compliance and enforcement through HH3 should, to some extent, reduce the pressure that HH4 is responding to.
Energy efficient household appliances	HH5: Expand MSD purchase assistance options for ee	Support with qualifications – is this a logical, easy to implement action or one containing fish-hooks? The report provides little detail on appliances that would make a significant energy difference, or numbers of HHs this would be relevant to, or the implications of the potential added debt from more expensive items.
What's missing?		
Consideration of efficiency and/or PV beyond prescribed HHS levels		Already discussed earlier in relation to walls, windows and heating, but the 'toolkit' of solutions needs to extend to PV and also to hot water systems -hot water is generally the 2 nd biggest use of energy in households, and in large HHs often the biggest.
Issue raised on p10 - " <i>there is minimal information about housing energy performance</i> "		This issue is raised but not addressed. The obvious response would be to investigate a national Home Energy Rating (HERs) scheme. At various times in the past a HERs has

(p10)	<p>been considered, but not actioned. The Green Building Council's <i>Homestar</i> rating scheme has become a voluntary default, used as a design guide for homes built above Building Code levels and for marketing/publicity for higher efficiency homes (e.g. some Kianga Ora new developments use Homestar).</p> <p>If an issue is worth raising it should be addressed.</p>
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Knowledge and navigation

Challenges	Proposed actions	Comment
Co-ordination/ collaboration across providers of energy hardship support	KN1: establish and fund energy wellbeing sector network	Support...as an ideal – a potential issue to work through is the competitive funding model from government; will all providers wish to collaborate if they perceive their commercial interests might be compromised? Regardless community agencies should take the lead (and be supported) in developing this idea further rather than MBIE.
Lack of widespread access to trusted and informed community-based advisers/ assessors/ navigators	KN2: Strengthen and deliver energy wellbeing navigator training	Support; heavily qualified – note earlier comments about the need to a) align training with the energy wellbeing definition and b) tools/skills to operationalise it. Just training though is not enough. I suspect the challenge (lack of access) is largely because trained energy advisers need to be financially supported. This must be addressed as a priority.
	KN3: strengthen and extend SEEC programme	Not supported – it is not clear to me that the SEEC programme is strategically well grounded. I would much prefer the funding of SEEC to be purposefully allocated e.g. develop and support regional capacity (e.g. advisers, navigators) within regionally embedded organisations that link clearly with target households.
Increased support needed to boost energy literacy	KN4: develop and deliver an energy wellbeing education strategy	Supported with qualifications – the discussion around this action (e.g. the co-design from those closely in touch with the intended audience; cultural relevance) is absolutely correct in my view. Therefore I cannot understand why MBIE and EECA are listed first in design and delivery.
	KN5: Develop online information portal	Not supported – potentially this might be a good idea but the proposal here seems muddled e.g. the expected audience identified in para 1 (p43) is quite different from that cited in para 4. If the audience is 'individual, households and whānau' then an online portal on its own is unlikely to be appropriate. If the audience is largely the 'energy wellbeing community' of advisers, researchers, policy folks etc., I can see merit in a resource, but greater clarity is required as to what kind. From personal experience, as well as access to written resources, front line advisers/ assessors value direct access to specialist expertise (via phone or on-line forum).
Households can face challenges accessing and understanding bill and pricing info	KN6: simplify bills, improve comparability, improve price comparison services	Support – not just bill information but the process of finding prices on some retailer websites can be very opaque. My only caution is not to simplify the bills to the extent that they might lose valuable consumption or other data valued by the energy literate.
What's missing?		
Standards/qualifications for training		The proliferation of information/awareness/education projects funded under SEEC raises issues about the quality standards for information – without quality checks this area is potentially open to mis- and false information, and commercial biases.

Energy Accessibility and Choice

Challenges	Proposed actions	Comment
Credit issues can limit consumer choice re electricity supplier or switching	AC1: ensure all residential consumers can obtain a post-pay electr supply despite adverse credit	Qualified support in principle – but the extent or scale of risks involved here are unclear. Also, it’s not clear that the desire of a consumer to obtain post-pay supply will necessarily be in their best interest. Overall, pre-pay may be a better option ²¹ . Removing barriers to a fair pre-pay system and providing other safeguards, as well as usage reduction by efficiency/PV may be a more sustainable solution.
Households struggling to pay bills face disconnection	AC2 – mandatory rules for retailers prior to actioning disconnection	Support – requirement for stay-connected good practice with industry building links with relevant community organisations seems good. Given that retailer practices adopted during covid have brought disconnections to low levels to what extent will these practices be sustained without further intervention?
Metering technology may constrain HH access to supplier and tariff choice	AC3 – identify/ address barriers to full smart meter rollout	Support intention – question the mechanism:- The slow-moving tail of smart-meter rollout is a disgrace. Since the smart meter rollout was mooted well over a decade ago, mandatory uptake was consciously dismissed in favour of a voluntary approach. The results have been predictable – the easy ~80% of customers have had meters installed relatively quickly (and sometimes since replaced) and the unfortunate ~20% trickle on. By all means identify and address barriers and constraints...but put a mandatory, time limited industry regulation firmly on the table.
Rural/ off-grid need support for energy access, resilience, sovereignty	AC4 – funding and support for community energy/ capability building in rural communities	Support – such an initiative has some similarity in terms of its social goals (i.e. getting reliable electricity supply to rural households and communities) with the previous Rural Electrical Reticulation Council which ran from 1945 until it was wound up in the early 1990s. The Council provided funding beyond what a local power board was able/willing to provide, sourced from a 0.5% levy on gross revenue across supply authorities. Providing similarly sourced funding today to underpin AC4 would seem reasonable to me.
Limited options for choosing/ engaging with retailer	AC5 – explore ways to facilitate and promote social retailing	Support idea of true ‘social retailing’ – question the Panel’s assessment: – the difficulties here start with the Panel’s definition which to me is far too loose and could mean almost anything. At one end of the scale Sustainability Trust’s Toast Electric retail arm, with its clear non-profit status and use of revenue surplus from general customers to cross-subsidise the bills of those in energy hardship, is clearly a social retailer. But does Ourpower, cited by the Panel, where the additional support appears to be direct gifting from customers to external charitable organisations, and where their claim to cheap power is partly because they don’t have a call centre, qualify as such? Perhaps Genesis Energy, by virtue of their corporate support for certain banks, could qualify (I don’t wish to suggest Genesis have so claimed)? There are key issues around the accreditation criteria for being a social retailers that need sorting. As for the options I suggest the Panel be guided by what the likes of Sustainability Trust feel would be positive interventions at this stage. Regarding option D I would suggest that government could consider a national social retailer role in offering a pre pay service (or contracting an existing provider such as GloBug). This could be the means to resolve many of the issues raised in AF4, ensure nationwide coverage of a PPM service, and having clear social responsibilities with service delivery.

²¹ The Panel’s report notes that some consumers highly value pre payment systems. Results from surveying customers using early per payment meters in Christchurch in the mid 1990s were very similar – for many the ability to avoid debt and manage consumption heavily outweighed the well known downsides (CEA internal documents).

Energy transition risks	AC6 –ensure energy hardship customers don’t suffer	Support in principle – worthwhile as a policy, if only to monitor barriers and other issues. I suspect that as long as some of the other, higher priority and shorter-term focused actions are undertaken (such as embedding advice expertise in communities, solar projects etc.) some of the goals from AC6 will be met.
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Energy Affordability

Challenges	Proposed actions	Comment
Low income a major barrier to achieving energy wellbeing	AF1: prioritise energy access as emergency issue	Support in principle...with questions – Given the Consumer Care Guidelines (CCG) set out a process to try and avoid disconnection, with the issue raised here does the CCG need revision to allow direct retailer-3 rd party/MSD contact early in the process (if the customer agrees)?
	AF2: extra needs-based government financial support needed	<p>Support – First I acknowledge the issues raised by the Panel in para3, p69. Historically such support is also an area of political division (e.g. broad-based income support vs targeted) and as such can be subject to regular change.</p> <p>The WEP is overdue for review. While the WEP is often portrayed as a form of energy hardship assistance its original stated purpose was much broader²². The biggest chunk of the current cost (\$513M in 2021/22) is directed towards over 65s.</p> <p>As well as eligibility and funding levels a review should address effectiveness. Motu has recently released a report commissioned by MSD assessing the impact of the WEP in the period prior to the pandemic, but further work with a larger sample to provide greater segmentation would be valuable²³.</p> <p>I strongly support the Panel’s view to investigate a more targeted approach. There are significant clusters of elderly recipients needing the WEP (e.g. dependent on National Superannuation while still renting) but also many eligible elderly who do not have a need for it. Trying to move from a universal payment system to needs-based can be politically fraught - experience shows that once in place such ‘entitlements’ are very difficult to change²⁴. But the cost to the government of the WEP far surpasses more targeted forms of energy hardship assistance²⁵, and if no further changes were made to WEP eligibility or funding rates by 2030 the projected increase in the elderly population alone would add a further ~\$100M in cost.</p> <p>I support work being done to assess potential new needs-based supports. The example cited about the cost of heating children’s bedrooms – there is a long history of initiatives directed in that way, and we need to be open to a ‘package’ approach rather than just financial assistance²⁶. Also, the report states that an energy-related income supplement may not guarantee that payment goes directly to energy bills but this is exactly the same situation as the WEP (and shown to be so by the Motu work).</p> <p>One necessary further line of enquiry I suggest is comparing the relative impacts on</p>

²² The Labour Party promotion of the WEP in 2017 stated “As with general superannuation and benefit payments, the Winter Energy Payment will not be limited to a specific class of expenditure” (2017 Labour Party policy release)

²³ Hyslop et al 2022. The impact of the 2018 Families Package Winter Energy Payment policy. <https://www.motu.nz/our-research/population-and-labour/individual-and-group-outcomes/impact-winter-energy-payment/>

²⁴ In 2017 the then UK government proposed making their Winter Fuel Payment means tested but dropped the idea in the face of push-back

²⁵ For comparison EECA’s expenditure on Warm Dry Homes (primarily WKH) in 2020/21 was \$107M

²⁶ Currie, A et al 2009. Southern Comfort Winter 2007 Report (for MSD); CEA Warm Babies Project (see CEA half year report to Dec 2007).

		<p>energy hardship of assistance payments made via income support compared with a subsidy/rebate on electricity costs.</p> <p>In the short term government could be more pro-active about facilitating ‘voluntary’ targeting of the WEP towards local energy wellbeing projects. People who feel they don’t need the WEP might be more likely to donate their entitlement to embedded non-profit community based efforts with a credible track record of energy hardship-focused work in the community (e.g. Healthy Homes Tai Tokerau, Habitat for Humanity, Sustainability Trust) rather than just not take up the payment²⁷. Some small community initiatives have explored this; charitable schemes also exist for gifting National Super.</p>
	AF3: fees/costs cost-reflective and reasonable	Support – how do we determine what is reasonable in this context? I suggest the Consumer Advocacy Council (CAC) should also be involved here.
Pre-pay imposing higher costs and self-disconnection hidden	AF4: ensure pre-pay doesn’t create or exacerbate disadvantage	Support – I support the objective but this recommendation seems under-developed. Little new insight is offered into what are long-standing concerns. Information and insights from pre-pay providers seems absent e.g. Contact Energy’s pre-pay plan is reasonably common knowledge, with about 5,000 customers ²⁸ ; the absence of insights/data from the largest and longest-serving PP provider Glo Bug seems baffling. As above suggest CAC is asked to assist advancing this recommendation.
Payment options impacting affordability and choice	AF5: require retailers include payment options recognising those in energy hardship face	Not supported – while I appreciate David Close’s view that in entering into this market retailers need to accept that the cost of doing business includes servicing households in need (p50), it is not clear to me that the recommendation as stated is desirable. For example businesses that have set up payments to be entirely online in my view are reflecting the majority society preferences and have often been at the forefront of innovation. Required the facility say for cash payments may severely compromise the business model. The extent to which such businesses might be free-riding on the retailers that do provide the full range of payment options is unclear, but if it is the case then surely other options to level the playing field are available. As above this recommendation seems starved of more detailed information about the extent to which the lack of such options from retailers is a barrier. Also, are there one or two payment options that those at risk of or in energy hardship would find most beneficial to be provided by most or all retailers (e.g. shorter billing cycles)?
Distribution pricing methodologies	AF6: investigate and address methodologies wrt energy hardship	No opinion – the relative importance of network pricing methodologies insofar as they might adversely affect energy hardship is not made clear in this report. With the pricing principles published in 2019 we could have expected perhaps that potential impacts of pricing methodologies, in particularly in areas with high numbers of vulnerable households, might have been made clearer by now?

Consumer Protection

Challenges	Proposed actions	Comment
Consumer Care	CP1: Review CCG including	Support – I’m curious because a review of retailers ‘alignment’ (self reported) with

²⁷ Uplifting and then donating the WEP in this way assists energy hardship outcomes but does not reduce direct government expenditure.

²⁸ See Contact Energy Integrated Report 2022 <https://indd.adobe.com/view/73533832-3a70-45c5-9382-bf9ac1f1c1f6>

Guidelines (CCG) voluntary; non-compliances lacks penalties	mandatory obligations	<p>the CCG was supposed to have been undertaken by the Electricity Authority (EA) in August 2022²⁹, presumably in part to also consider mandatory obligations if deemed necessary. The review is not referred to by the Panel, nor are there any apparent results posted on the EA website. Has the Panel talked to the EA about this? Regardless, I do support a requirement for mandatory minimum standards.</p> <p>It does seem to me a wider issue is the EA's response in this area. S15 of the Electricity Industry Act was amended to include an additional objective for the EA to protect the interests of domestic consumers – therefore I would have expected to see a rather more pro-active stance taken by the EA around upholding the CCG.</p>
	CP2: Strengthen monitoring, compliance, enforcing CCG	<p>Support - my concern here largely mirrors the comments above. Potentially this is a positive move but we are in the dark as to what is actually happening in NZ following the finalisation of the CCG about 2 years ago and EA's oversight role.</p>
Lack of reporting key energy hardship info from retailers	CP3: Require retailers to report key hardship indicators	<p>Support, with qualifications – undoubtedly retailers are the source of valuable energy hardship information which should be made available for assessment and linking with the Integrated Data Infrastructure, and to be available in the public domain. To date only snatches of relevant information has been made available by the EA, and regular information gathering can be released irregularly (e.g. quarterly disconnection data). This action needs firm assurances about release timetables. Gathering and release of this information should be strongly linked to the regular reporting of energy hardship indicators by MBIE. I urge the Panel to include this aspect.</p> <p>I see only the EA is listed as the party responsible. I disagree – at least MBIE, and the EH Reference Group should also be involved in design and discussions about relevant data. I also encourage additional 'regionalisation' breakdowns of data (where reasonable and practical) to aid local frontline organisations.</p>
Other consumer protection regimes/ dispute Resolution too narrow	CP4: expand schemes to cover other energy provider relationships	<p>Support, in part – I accept that changes in the industry with new products and new types of consumer relationships may mean some consumer protections are unclear. I support carrying out a review on the adequacy of current consumer protections.</p> <p>I'm not convinced that jumping to expanding the role of UDL (which seems to be a focus) is necessarily a logical step initially. I suggest the distinction between a 'utility' and the nature of its services, and the normal commercial transaction between (say) a solar PV system supplier and the consumer, needs to be clearer. In the later the consumer purchases a system with the expectation of some level of ongoing performance, a situation that is akin in my mind to many consumer products (e.g. a heat pump) rather than being akin to a utility. If adequate consumer protection is not being provided by the normal processes and institutions (e.g. Consumer Guarantees Act, ComCom) I would expect these to be addressed in the first instance.</p>

I have read and understand the Privacy Statement – Yes

Consent is given to my name being published with my submission, and my submission to be published.

²⁹ Electricity Authority, "Consumer Care Guidelines Decisions Paper", (2021); p27