




Energy hardship interventions in Aotearoa

Finding best practices and envisioning eradication

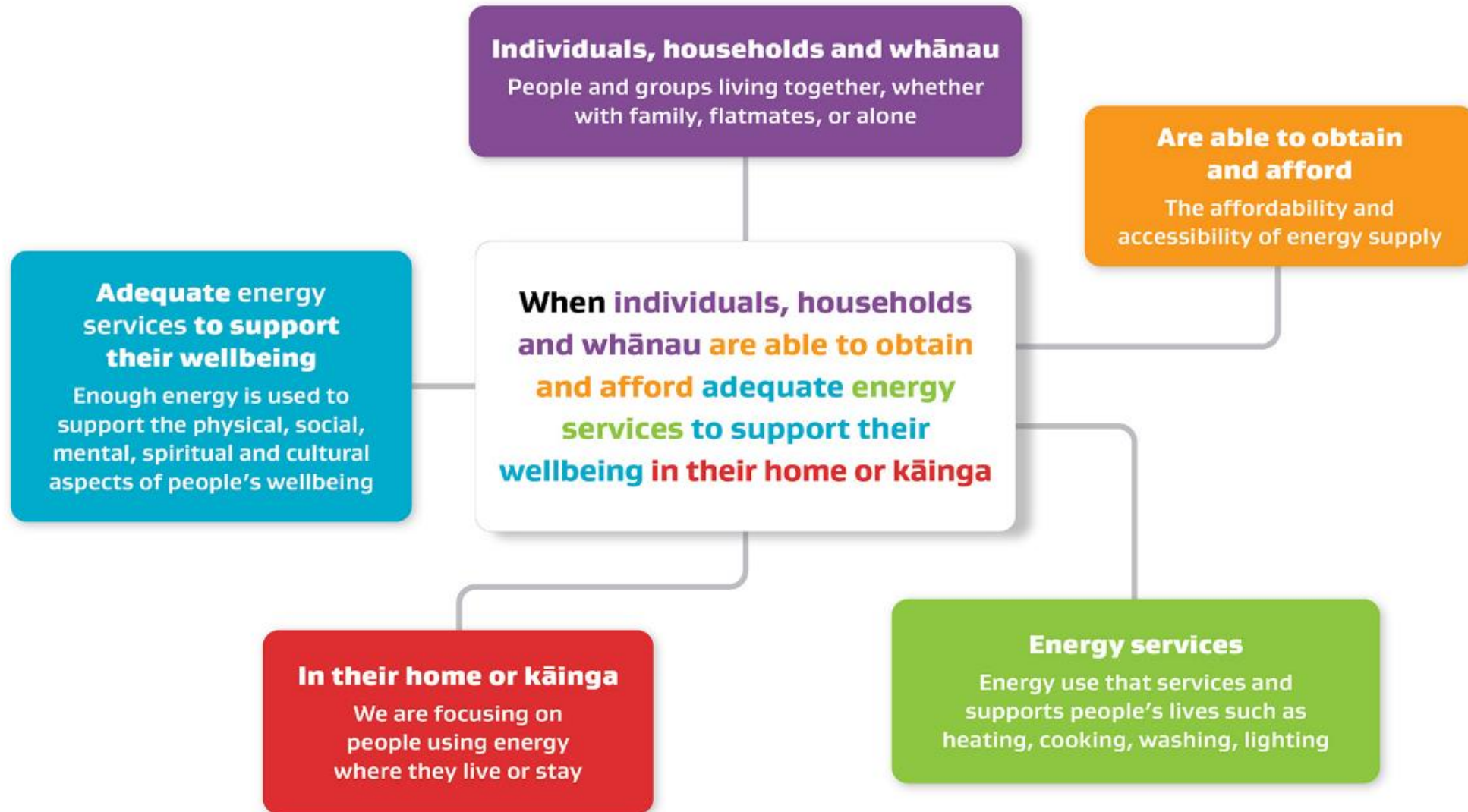
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Research questions

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- *What are the best interventions needed to eradicate energy hardship in Aotearoa?*
 - *How does the MBIE concept of energy hardship compare to its international counterparts?*
 - *What types of interventions exist to minimise energy hardship?*
 - *What is the demographic of households in energy hardship?*
 - *What socioeconomic issues relate to energy hardship?*

How is energy hardship defined in Aotearoa?

It is the opposite of energy wellbeing, which is...



How does the MBE concept of energy hardship compare to its international counterparts?

Energy hardship

- *Essentially means being unable to afford and access sufficient energy services.*
- *Aotearoa (official).*
- *26 proposed objective and subjective indicators, not considering required energy use (for now).*

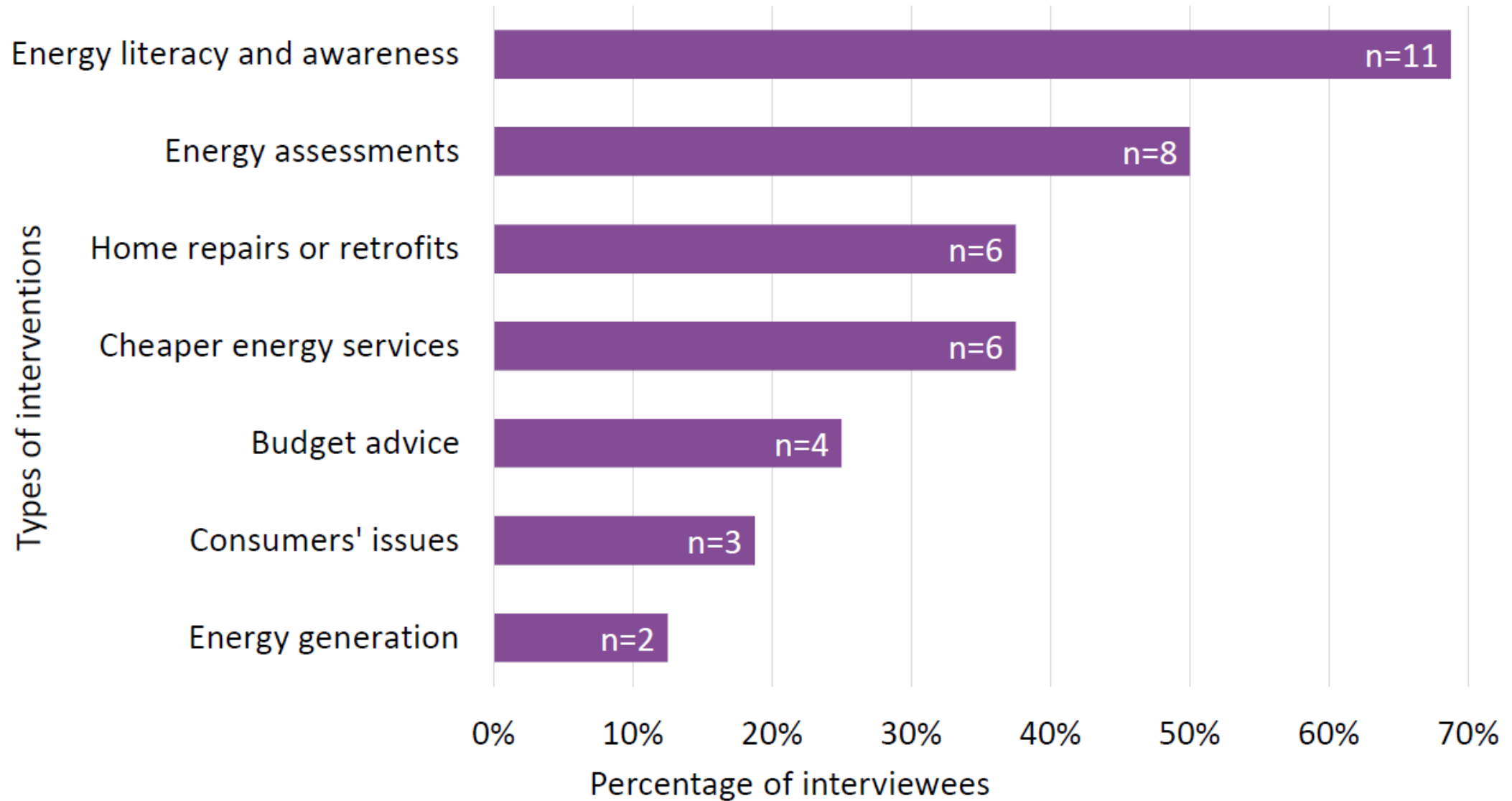
Fuel poverty

- *Essentially means being unable to afford sufficient energy services.*
- *United Kingdom (official), Ireland (official).*
- *Common indicators: 10% of income used as energy expenditure (often being required energy).*

Energy poverty

- *Essentially means being unable to afford and/or access sufficient energy services.*
- *EU, North America, Asia, Africa.*
- *Subjective indicators are often used regarding affordability.*

What types of interventions exist to minimise energy hardship?



Components of energy hardship



Energy hardship surveys

OurPower survey

- *773 respondents.*
- *Customers of a social electricity retailer based in Waikato.*
- *The answers represent the whole household.*
- *Ability to win rewards (one month of free electricity).*

National survey

- *505 respondents.*
- *Nationally-representative sample.*
- *The answers represent the whole household.*
- *Ability to win rewards (energy advice, information on energy subsidies, thermal curtains, winter warmer packs from Habitat for Humanity).*

Measures of energy hardship

- Put up with feeling cold to keep costs down a lot;
- 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;
- Using (or having used) prepayment metering;
- No heating type used;
- Not heating own bedroom in winter;
- Not heating children's bedroom in winter;
- Not heating main living room in winter;
- Trouble heating accommodation and/or keeping it warm in winter;
- Use of unsafe substitute heating methods (portable gas heater);
- Lacking one or more basic amenities;
- Housing repairs needed – major;
- Mould larger than an A4 – Always;
- Damp - Always;
- Can see breath indoors in winter.

Measures of energy hardship

- Indoors always colder than would like in winter;
- Dampness and/or mould problems – major;
- No access to electricity supply;
- No access to financial institution account;
- Absolute domestic energy expenditure half the national median or less (*moving line*)
- Proportion of AHC household income spent on domestic energy costs twice the median or more (*moving line*);
- Proportion of AHC household income spent on domestic energy costs twice the median or more (*fixed 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*);

What is the demographic of households in energy hardship?

- *OurPower respondents presented higher energy hardship indicators than national respondents.*
- *Having at least one person in the household being Māori were related to having more energy hardship indicators.*
- *Income was inversely proportional to the number of energy hardship indicators (more severe for OurPower respondents).*
- *Highest education level obtained by a household member was inversely proportional to the number of energy hardship indicators (*OurPower only*).*

What socioeconomic issues relate to energy hardship?

- *MBIE measures inability to afford sufficient warmth, major housing repairs needed, and feeling cold often due to self-rationing were the most associated with selecting other indicators.*
- *Energy hardship in Aotearoa is represented by the poor quality of its dwellings, being low income, energy services costing too much, and households having to find dangerous coping mechanisms to afford energy bills.*
- *Other variables (not MBIE measures) that were associated with higher energy hardship indicators related to food insecurity and having energy debt.*

Energy hardship additional surveys

OurPower

- *Follow-up survey.*
- *105 respondents (773 respondents before).*
- *Questions about OurPower, rewards, actions related to energy wellbeing, suggestions to minimise energy hardship...*

National

- *Follow-up survey.*
- *69 respondents (505 respondents before)*
- *Questions about reward providers, rewards, actions related to energy wellbeing, suggestions to minimise energy hardship...*

Organisations

- *Feedback survey.*
- *16 respondents.*
- *Questions about their own programmes, ranking importance of groups (all three surveys), suggestions to minimise energy hardship...*

What are the best interventions needed to eradicate energy hardship in Aotearoa?

Best practices

- *OurPower's lower rates are the main reason the respondents chose them as their electricity retailer.*
- *Keeping energy costs as low as possible is a central theme discussed in the three surveys as a suggestion for reducing energy hardship.*
- *OurPower respondents also stated OurPower's simple single-rate billing as a reason for choosing them.*
- *OurPower also does not have a daily fixed charge, being seen as a positive.*

Best practices

- *Winter Energy Payment was received by more than a third of OurPower and 14.49% of national follow-up respondents. **Financial savings** were often mentioned as a positive result.*
- *Organisation survey respondents stated to promote energy-efficient habits, and their main programme findings were positive outcomes from **energy awareness actions**.*
- *OurPower and national survey follow-up respondents also stated positive consequences from the above (e.g. **learning the efficient use of their heater increased their thermal comfort while reducing costs**).*

Further interventions

- *Survey answers were linked to energy democracy - social and environmental aspects of the energy sector and the power dynamics within.*
- *Decentralising the energy sector and making companies community-owned can lower the costs for households by removing shareholders' profits.*
- *Localised decision-making also makes it easier to support community initiatives and vulnerable households.*
- *Completely switching to local and sustainable renewable sources must be prioritised, being more achievable with decentralisation.*

Further interventions

- Winter Energy Payment, Warmer Kiwi Homes, and Healthy Homes Initiative need *budget expansion and programme improvement*.
- Te Tiriti o Waitangi obligations *need to be followed*, and the Māori and Public Housing Renewable Energy Fund can help achieve *rangatiratanga*.
- NGOs can create partnerships for specific purposes (e.g. *language and cultural barriers*).

Thank you!



Questions?