



**MINISTRY OF BUSINESS,
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HĪKINA WHAKATUTUKI

MBIE's energy wellbeing work programme

Otago Energy Research Centre Symposium

19th November 2021



This session

- A brief overview of MBIE's energy hardship work programme
- The SEEC programme – Support for Energy Education in Communities
- Developing the Energy Hardship/Wellbeing definition
- Evaluating the Māori and Public Housing Renewable Energy programme



Evidence, analysis and advice

Energy hardship policy advice

- Advice across Energy Markets Policy team
 - ↳ current Bill: protection for small electricity consumers
- Advice and co-ordination across Govt agencies

Evidence, analysis and evaluation

- Definition and indicators of energy hardship
- Data gathering and analysis
- Evaluation of pilots and programmes

Energy Hardship Expert Panel

- Independent Panel of five experts to advise on policy priorities and actions by 30 June 2023
- Appointed by Ministers, MBIE is secretariat

Energy Hardship Reference Group

- Bringing together industry, NGOs, advocates, academics, regulators and government
- Sharing information, expertise, insights and ideas

Trials and pilot programmes

Funding programmes that enable us to trial different ways to assist those in energy hardship

- Diversity of approaches and communities
- Working with partners
- Building insights and evidence base for future programmes



**Support for
Energy Education
in Communities
programme**

**Māori and
Public Housing
Renewable Energy
programme**



Communication and engagement

A range of forums and approaches including:

- Small group sessions, hui and workshops
- Information on the MBIE website
- Our energy hardship e-newsletter and alerts
- Formal consultation



Tip: Search “MBIE energy hardship” to find our landing page



Tip: Subscribe to keep up to date with our e-newsletter and alerts



Tip: Make a submission on the proposed Energy Hardship Definition



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The Expert Panel will undertake its own engagement programme

Connecting with other energy hardship initiatives

MBIE's energy hardship work is part of a wider landscape, including:

- MSD: Winter Energy Payment and other income support measures
- EECA: Warmer Kiwi Homes
- Ministry of Health: Healthy Homes Initiative
- DPMC: Reducing child poverty programme
- HUD: Healthy Homes Standards
- Consumer Advocacy Council: advocacy for small electricity consumers
- Electricity Authority: Consumer Care Guidelines
- ERANZ: Consumer Care Working Group
- Various industry and community programmes

**We connect with the work of other agencies
and participate in various forums**



Support for Energy Education in Communities (SEEC) Programme

Established in December 2020 to deliver community-level energy education to help households in need

Two funding rounds to date:

- \$1.26 million for 9 initiatives announced in May 2021
- \$1.65 million for 15 initiatives announced in November 2021

There is a further \$5 million available over the next two years, with the next funding round expected in mid-2022

Criteria for initiatives

Applicants must be:

Trusted – able to provide credible, independent, electricity-specific advice and support services, ideally personalised to the household.

Connected – able to effectively reach eligible households, especially those that are hard to reach and unaware help is available.

Integrated – able to link with other relevant services and, where possible, leverage additional non-government funding.

Initiatives must be:

Targeted – focused on helping households in energy hardship, including renters and owner-occupiers, and involve the account holder where possible.

Measurable – able to be measured and monitored to show results.

Progress with round one

71% of the \$1.26m has been paid out to date for:

- Over 1,500 energy assessments and 37 community events
- More than 34,000 energy-saving items
- Over 2,000 home visits

More to come as round one initiatives continue to be delivered, although two initiatives are already complete:

- King Country Energy Hardship Reducing Pilot Programme
- ‘Healthy Homes Interventions’ including ‘Winter Warmer Packs’



ELECTRICITY PRICE REVIEW

- Energy hardship is a pressing issue, lack of definition hinders solutions
- MBIE tasked with developing an agreed definition and measures
- Multidimensional issue, range of factors interacting
- Different ways of defining and measuring



Process so far

Research

Collaboration with experts

Engagement:
Cross-sector, Iwi and Māori, NGOs,
Researchers

Coordination:
with Policy team, other agency
workstreams

Analysis

Our approach

Energy wellbeing
definition

- A plain language conceptual definition



- Supported by conceptual framework

Energy hardship
measures

- M1
- M2...

- Suite of energy hardship measures, primary and secondary

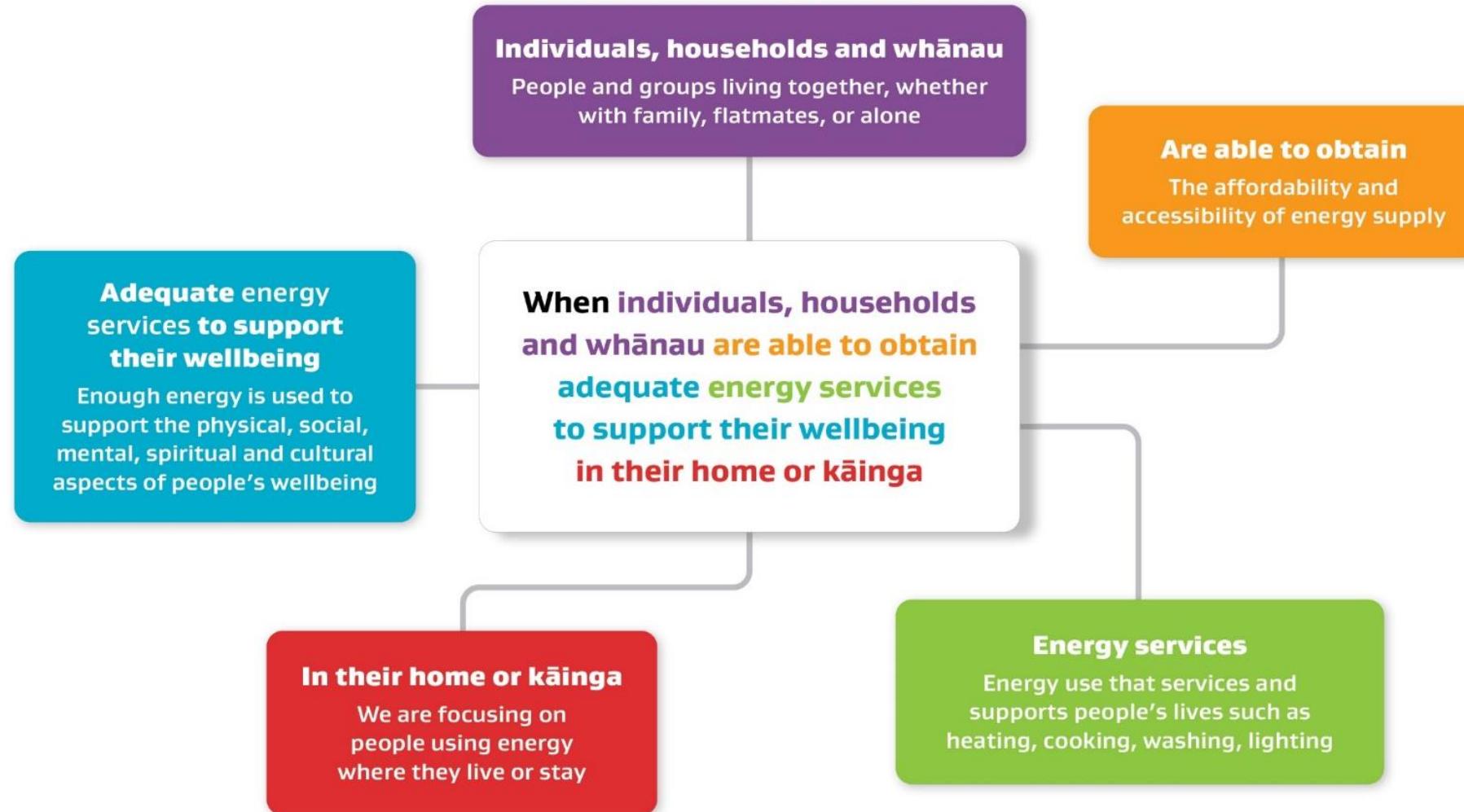
Energy wellbeing continuum



ENERGY HARSHSHIP

ENERGY WELLBEING

Energy wellbeing – Proposed definition



Energy hardship is the opposite of energy wellbeing.

A conceptual framework for energy wellbeing



How to measure energy hardship?

- Objective
 - Expenditure measures, eg. Spending 10% or more of income on energy
 - Required vs actual expenditure
 - False positives and negatives
 - Thresholds matter
- Subjective
 - Reported experience, eg. “unable to adequately heat home”
 - Different experiences and expectations
- Criticisms of binary measures in general
 - Energy hardship is a continuum
 - Does not capture depth of energy hardship

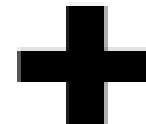
Our proposed measures

- Primary and secondary measures
- Subjective and objective
- Official data sources

Primary measures

Two measures based on a household's spending on energy compared to their income (after housing costs).

Two measures based on a household's experiences: whether they put up with feeling cold to keep costs down, or have a major problem with damp and/or mould.



Secondary measures

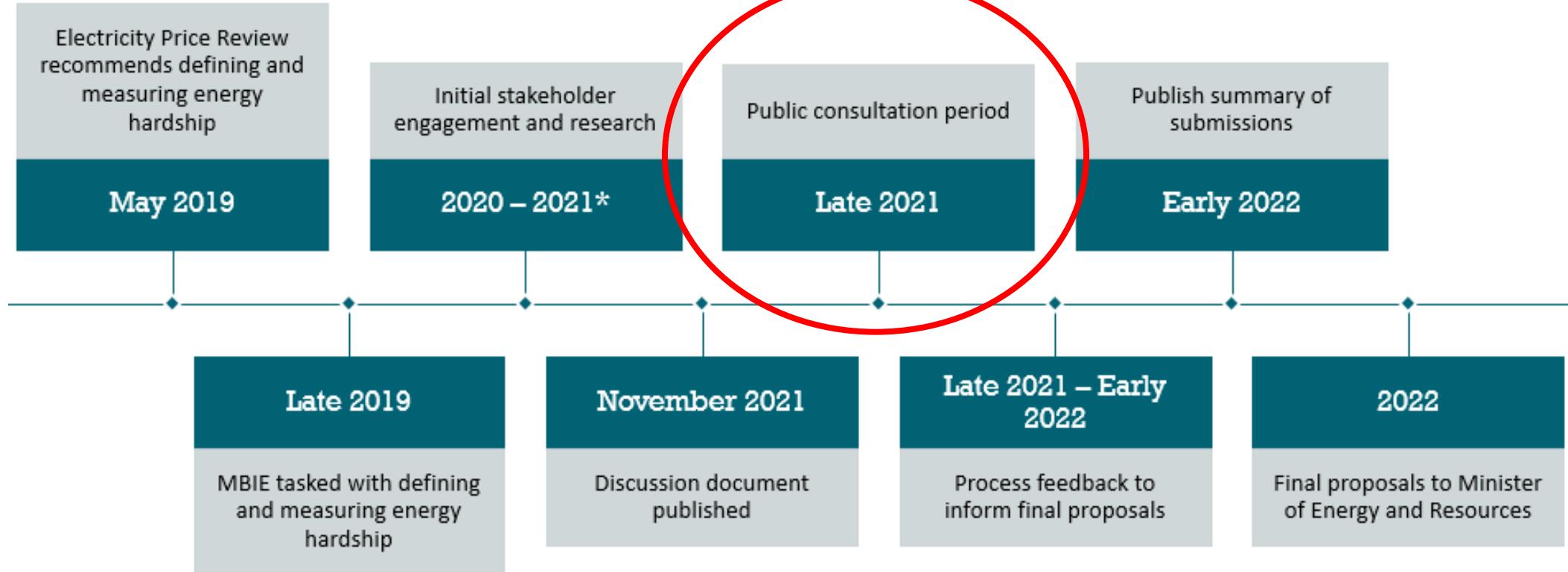
A selection of 22 potential secondary measures of energy hardship to provide further insights.

These cover things like access to resources, ability to afford bills, home heating, and the standard of the dwelling.

Future development

- Further analysis in IDI
- Research into required energy modelling
 - Housing quality measures to inform
 - HEEP2
 - ICP data into IDI

What happens next?



* Development of the definition and measures was delayed due to the government and sector response to the COVID-19 pandemic and Delta outbreak

Monitoring and Evaluation of Public and Maori Housing Renewable Energy Fund

- \$28 Mil over 4 years; \$14 Mil for Public Housing (Kāinga Ora) & \$14 Mil for Māori Housing (MBIE)

The objectives of the fund are to:

1. reduce energy costs for target households
2. improved health and wellbeing outcomes for target households
3. improve knowledge on the costs, benefits and design options for distributed energy solutions at a household level
4. provide reliable and secure energy source to target households
5. improve knowledge on the costs, benefits and design options for large-scale deployment of distributed energy solutions
6. equity – enable a wide range of households and regions to access this fund
7. positive impacts for target Māori households, informed by kaupapa Māori

The goals of the trials are:

- Renewable energy generation contributes to affordable energy and improved wellbeing
- Support decarbonisation through integration of renewable energy resources into housing and electricity infrastructure
- Empower tangata whenua/Māori to harness clean energy in line with kaitiakitanga and tikanga Māori

Monitoring and Evaluation of Public and Maori Housing Renewable Energy Fund

- The monitoring and evaluation is occurring over a 6 year period (2021-2026)
- The approach to M&E is mixed methods including a very strong focus on the use of kaupapa Māori evaluation approaches
- The purpose of the M&E:

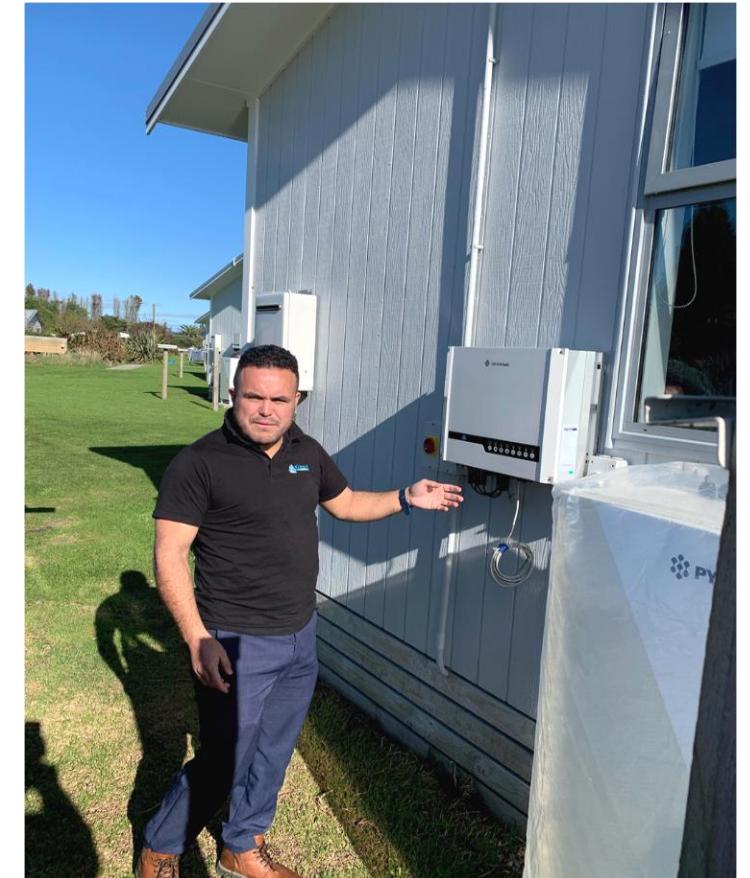
“assess how effective the trials are, using indicators such as energy cost, health and wellbeing outcomes, including the cost and benefit of different energy generation, storage and optimisation options”
- The M&E includes meaningful collaboration with Māori partners – some are also undertaking their own M&E
- Key M&E activities: quantitative and qualitative measures – sample of 200 houses, 10 case studies and cost benefit analysis across both funding streams
- Aspiration of the M&E: the key indicators and measures used are consistent with other energy wellbeing projects such as HEEP2 and WKH – contribute to the development of a larger dataset

Kokohinau Marae

- Solar on roof



- Inverter and controller



Coming up: PMH hui on the 25th November
in Wellington

