



National Energy Equity Framework

Submission to draft

Brotherhood of St. Laurence

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The Brotherhood of St. Laurence (BSL) welcomes this opportunity to comment on the draft National Energy Equity Framework (the Framework) issued by the Commonwealth Department of Climate Change, Energy, the Environment and Water (DCCEEW).

We strongly support Australia having a national framework for energy equity or similar, however, we consider the proposed framework would benefit from greater aspiration and specificity. BSL considers a national framework should contain principles and objectives (such as reducing energy poverty or increasing energy affordability), measurable outcomes related to these objectives and a plan to achieve them.

The current draft could also be improved with a more specific title, such as 'Guidance for better practice in the design of energy programs/policies' or 'National energy equity practice framework'.

In this brief submission, we also note some changes that would make the framework more relevant to the current context of high cost-of-living pressures, the accelerating imperative to decarbonise, and the threats posed by climate change and extreme weather. In developing our feedback regarding the framework, we have drawn from frameworks in other areas – such as disability.

We would recommend more time to engage in the development of a robust framework that is fit for purpose for the current moment.

1 Context

Many Australian households are struggling with cost-of-living pressure including high energy bills. There are significant equity issues in the energy market for the households we work with, who are on low incomes or facing disadvantage. These include but are not limited to:

- a lack of access to affordable energy, including disconnections from energy
- significant inequities in access to affordable heating, cooling and other energy services, which impacts health and wellbeing
- significant variability in access to rooftop solar and consumer energy resources.

2 Principles

The framework should include some higher-level principles along the following lines (noting that these are illustrative examples only and not exhaustive):

This Framework is informed by a list of relevant laws, such as the National Energy Rules and Paris Agreement.

Through this Framework, the Australian and state and territory governments accept and adopt the following principles to guide efforts to improve energy equity nationally¹:

- All Australians should have access to the affordable, clean energy services they need to live a dignified life, including but not limited to people:
 - with limited capacity to engage in the market
 - in embedded networks and non-standard dwellings such as caravan parks
 - in rural and regional areas
 - who are renting.
- All residential energy users should have access to appropriate support if they experience payment difficulties.
- Disconnection from energy services will only be used as a measure of last resort.
- During power outages, best endeavours should be made to reconnect customers as soon as possible, with priority given to customers in higher need of power. Appropriate compensation should be provided for prolonged outages.
- Australian housing should be energy efficient and affordable to power, providing householders with a healthy and safe living environment

These higher-level principles can be followed by the 'Better practice principles for more equitable policy' set out in the draft Framework.

¹ This sentence draws on the National Disability Advocacy Framework

https://www.dss.gov.au/sites/default/files/documents/05_2023/national-disability-advocacy-framework-2023-2025-pdf.pdf

3 Outcomes

The Framework should incorporate a section on desired outcomes it will contribute to achieving, incorporating measurable outcomes reflecting the principles above. For example, the first principle could be measured by the number of households without access to affordable energy, with sub-targets reflecting the population groups specified.

4 Implementation and further work

The framework should include a section on implementation and further work, including at least the following actions:

- States and territory governments will commit to developing a workplan to implement the framework and report back on their progress.
- National measurement of energy equity will be developed and implemented in coordination with other relevant organisations such as the market bodies.

5 Answers to survey question

This section answers one question posed on the DCCEEW consultation survey.

In the context of striving to establish a common language and better understand energy equity, are the terms incorporated into the framework appropriate?

The Framework's language in some areas is ambiguous and uses terms that have been deliberately retired by some regulators. The framework would benefit from clearer definitions and use of current terms.

The Framework does not specify who people experiencing 'hardship' or 'vulnerability' are, and does not define equity, meaning its intended outcomes are vague. This is problematic for an equity framework because equity has many different possible definitions. For example, equity could be defined as everyone paying energy rates that are affordable for them, or it could be defined as a right to energy, or in many other ways, and each would have different policy implications. Measuring outcomes will also be difficult without a definition of equity.

The Framework uses the term 'hardship' but Victorian and federal energy regulators have moved away from using this word as it can be stigmatising.