



Ethnic Communities' Council of NSW Inc.

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14/09/2012

By email: Senate Select Committee on Electricity Prices

Committee Secretary
Senate Select Committee on Electricity Prices,
PO Box 6100
Parliament House
Canberra ACT 2600

Submission to Select Committee on Electricity Prices Terms of Reference

The Ethnic Communities' Council of NSW (ECC) congratulates the government on establishing a **Senate Select Committee on Electricity Prices** and welcomes the opportunity to comment on the **Terms of Reference**.

The Ethnic Communities' Council of NSW (ECC) is the peak organisation for culturally and linguistically diverse communities (CALD) in NSW. The ECC's membership of 300 organisations is composed of 75% Ethnic Community organisations and 10% multicultural service providers. The ECC management committee of 48 represent 25 ethnicities and 9 belief systems with 84% born overseas. Twenty one community educators speaking 10 different languages are part of the staff and have an ongoing role facilitating household energy efficiency.

The ECC is particularly concerned with the (d)(ii), (iii) and (iv). The research conducted by the ECC into the ***Experiences of Energy Consumption for CALD communities***², indicates that CALD communities need information on all facets of the electricity market. Specifically most of the participants in the research including some owners or managers of small businesses, have no knowledge about smart meters or grids or about financial assistance.

The ECC looks forward to the results of the inquiry and report identifying the key causes of electricity price increases over recent years and those likely in the future. It is the ECC's contention that there is a great deal that could be changed in the legislative and regulatory arrangements and drivers in relation to network transmission and distribution investment decision making. One of the issues that needs to be addressed is the relationship between demand and CAPEX. The AMEC is at present considering rule changes that will provide the AER with more tools for assessing the proposals of the distributors and the ECC is looking forward to the outcome of this important initiative if it results in a lower cost for consumers, particularly those in hardship, of this essential service of the supply of energy.

The ECC supports the Public Interest Advocacy Centre recommendation for the establishment of an affordability taskforce, convened by Minister Ferguson as the Chair of the SCER. However the ECC would ask for the taskforce to be expanded to include not only affordability but accessibility. This taskforce should have a membership that includes representatives from government, regulators, consumers and electricity companies and must include specific representatives of CALD and Aboriginal

¹ AEMO *Electricity Statement of Opportunities* 09 August 2012

² ECC NSW ***Experiences of Energy Consumption for CALD communities***

communities, because these groups face unique challenges. It would be charged with scoping issues and opportunities related to improving electricity affordability and accessibility for groups who face specific disadvantages. Resources should also be provided for a working group to further explore the issues raised by the taskforce and develop an electricity affordability and accessibility strategy. The working group should be run by a national body, with existing relationships with a wide variety of electricity stakeholders (who would form the membership of the forum), and awareness of market structures and the policy environment.

Finally, the ECC recommends that the affordability and accessibility strategy be made publicly available, and include a timeline for a response from SCER and all Australian jurisdictions.

More specifically:

- (c) The ECC recommends looking at *options to reduce peak demand and improve the productivity of the national electricity system*. The Australian Energy Market Operator (AEMO) has published a report indicating a flattening in demand and a slower growth in peak demand¹. The Network and distributors have not yet adapted their proposals to embrace this change. The change provides the opportunity to introduce innovative technology and build on the strategies that have produced this outcome of a flattening in demand a slower growth in peak demand.
- (d) Assisting householders and business owners and managers to reduce their energy costs is an important agenda and the National Energy Savings Initiative (NESI) will make an important contribution to assist households and business to reduce their energy costs. To be effective it will need to be mandatory rather than voluntary.

Information about the NESI scheme will need to be nationally coordinated to ensure that the information is accessible to CALD consumers. This will improve accessibility by CALD communities as a common language will be used across the scheme and the use of ethnic media which is national can be used more efficiently and effectively to reach both CALD householders and businesses. It would require information about any assistance be made available in CALD community languages both in the written form and by face-to-face communication.

The NESI scheme would need to target vulnerable members of the community. Many refugees and newly arrived migrants have large families and live in private rental accommodation of a low quality. This results in large energy costs. Two strategies need to be included to assist this vulnerable group:

1. assistance for purchasing energy efficient appliances eg NILS
2. improving the energy efficiency of buildings both in the public/social housing sector and rental properties. The former would require retrofitting buildings with energy saving technologies such as insulation and the latter could be in the form of depreciation or rebates to owners for energy efficiency improvements.

(ii) The ECC supports the idea of bringing together diffuse customer representation around the country to create a stronger voice for consumers. It is also essential that there is continued CALD customer advocacy and representation arrangements to ensure that CALD customer needs are addressed.

³ Christchurch City Council et al *Best Practice Guidelines; Engaging with CAD Communities in Times of Disaster* April 2012

(iii) As indicated above, for CALD householders and business owners and managers the opportunities for wider adoption of technologies to provide the consumers with information to assist in managing their energy use is not very useful if the information is NOT in their first language. Nor is the concept that one solution such as smart meters will suit all customers.

Many CALD businesses have demonstrated an enthusiasm for innovative technologies that reduce the impact of their business activities on the environment (see <http://www.eccnsw.org.au/What-we-do/Saving-Water-in-Asian-Restaurants-Project.aspx>). Adopting new technologies that can generate and store energy on site to be used during periods of peak demand is within the businesses' capabilities. This is cheaper than building large expensive infrastructure to allow for these periods of peak demand.

There is an underlying assumption that the home technology will be readily accessible to all consumers. This is not the case for many aging migrants who arrived in Australia in the 1950s and 60s who have reverted to their first language and are not technology proficient. Similarly those newly arrived migrants and refugees that have spent many years in refugee camps are not only new to the supply of energy and water but cannot afford new energy efficient equipment.

(iv) The ECC research results² also demonstrate the inadequacy of information to CALD communities as they reported a paucity of knowledge about energy efficiency, smart technologies and did not trust the energy retailers' representatives.

(v) Also concerning are the results of the ECC research² which demonstrate that CALD community members are unaware of concessions, rebates or vouchers. Even the refugee and migrant workers servicing their community members are not aware of the electricity rebates for those with health care cards. The ECC recommends that industry be more proactive in offering assistance and information to their customers in community languages.

After the New Zealand earthquake ***Best Practice Guidelines; Engaging with CAD Communities in Times of Disaster***³ found a key message that if you want to communicate well with CALD communities you need to *build a relationship on mutual trust, respect and understanding with them early in the process*. The ECC is disappointed in the lack of recognition of the primary need of CALD communities of information in their first language to be distributed to the communities so that they are able to access energy efficiency strategies and programs and reduce their costs.

Yours sincerely,

Mark Franklin
Executive Officer
Ethnic Communities' Council of NSW Inc.

³ Christchurch City Council et al ***Best Practice Guidelines; Engaging with CAD Communities in Times of Disaster*** April 2012