## To mitigate the impacts of climate change on vulnerable households, the ACT Government must:

* Equitably distribute costs when phasing out the gas network, including providing targeted support for transition, disconnection, and abolishment costs
* Implement an effective plan for a just transition to net zero greenhouse gas emissions in the ACT by 2045, if not sooner, which prioritises:
  + removing barriers to transition for low-income and other vulnerable households
  + collection of detailed data, monitoring and evaluation
  + joint governance involving community, government, experts, and business, and
  + a review of the Large-scale Feed-in Tariff scheme to ensure equitable distribution of risks and costs.
* Ongoing funding for energy consumer advocacy to represent the long-term interests of small energy consumers in decision making on climate change and energy policies and programs
* Ensure utilities concession eligibility is adequate and targeted toward need, continue the Utilities Hardship Fund, and fund community education to improve energy literacy across the community
* Implement percentage-based utilities concessions. This would improve equity across households and be more responsive to changes in price and circumstances[[1]](#footnote-2)
* Expand eligibility for the Home Energy Support Program and Sustainable Household Scheme to include renters, a wider range of concession card holders and people on low incomes who do not have concession cards
* Ensure public and community housing tenants are supported on the pathway to electrification, including investigating the installation of solar panels on public and community housing properties[[2]](#footnote-3)
* Strengthen and enforce minimum energy efficiency standards for rentals and incentivise landlords to ensure these standards are met. Commit to adding measures in the next stage including draught proofing, further insulation and double glazing to ensure the benefits of electrification are fully realised
* Communicate and support information sharing to landlords as well as renters regarding minimum energy performance requirements for rental properties
* Prioritise funding for energy efficiency improvements for low-income, social housing, and private rental households including through the Sustainable Household Scheme and Home Energy Support Program.

## The Justification

* In the ACT, AER data found that there were only 27,799 published concessions claimed in Q2 2022-23.[[3]](#footnote-4) In the ACT there are approximately 60,000 eligible concession holders in the ACT, meaning that approximately 3 out of 10 people who are eligible for concessions do not receive them.[[4]](#footnote-5)
* Since achieving its 100% renewable electricity target through the Large-scale Feed-in Tariff (LFiT) scheme,[[5]](#footnote-6) fossil fuel gas is now one of the largest remaining contributors to ACT greenhouse gas emissions, accounting for an estimated 22% of ACT emissions in 2020.[[6]](#footnote-7)
* Nationally, 62.1% of people on low incomes struggle to keep their homes cool in summer, and 83.2% find it increasingly difficult to pay their energy bills. High energy bills are also forcing many people to go without essentials like food or medical care (63.4%) and to go into debt or to increase their debt (67.8%).[[7]](#footnote-8)
* Better Renting’s [Unsafe as Houses](https://www.betterrenting.org.au/unsafe_as_houses) report estimated that there were 42 deaths attributable to cold temperatures in substandard housing from 2009-17. More recent research shows that three quarters of Australian homes were below recommended minimum temperatures throughout Winter 2022.[[8]](#footnote-9)
* Low-income households in the ACT spend a greater proportion of their income on energy than the average household – nationally, one in four households whose main source of income is an income support payment spend 10% of their income on energy.[[9]](#footnote-10)
* Over the past five years, prices for electricity and gas have increased by 28.1% and 24% respectively.[[10]](#footnote-11)

## The Issues

* Climate action is a social justice issue and can and should also aim to reduce poverty and inequality. Low-income households are more likely to be negatively impacted by climate change. Mitigation and adaptation measures can and should ensure that low-income households have access to more affordable, renewable energy, the benefits of distributed energy resources (e.g., solar panels), and healthy, affordable and energy efficient housing. The ‘poverty premium’ experienced by low-income households seeking access to long-term energy savings means that the upfront costs of transitioning from gas to electric appliances are generally prohibitive. Additionally, the phasing out of fossil fuel gas in the ACT is likely to leave households that cannot afford to transition paying significantly increased gas prices given declining demand and rising wholesale prices.[[11]](#footnote-12)
* We welcome the commitment under the Parliamentary and Governing agreement to support vulnerable households in the transition to net zero emissions by 2045, but there needs to be a greater emphasis on implementing an effective plan for a just transition. Policies and programs that support disadvantaged households to access cleaner and more affordable energy need to be prioritised.
* A detailed roadmap for a socially just transition to net zero is needed (including from gas, and to ZEVs) based on a fair and equitable distribution of risks and costs. We need to see extensive community engagement, inclusive climate change planning and strategic collaboration on disaster resilience.
* Energy consumer advocacy must be funded to represent the long-term interests of low-income, small business, and community sector energy consumers (including a commitment to the continuation of the ACT Energised Consumers Project).
* Initiatives in place to assist Canberrans to upgrade their appliances and homes have narrow eligibility criteria and barriers to access. People on low incomes and those who have limited ability to upgrade their homes will be made worse off by expected price increases without proper planning from the Government.

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| Delivering commitments in the ACT Parliamentary and Governing Agreement |
| The Government should prioritise the energy needs of low-income households and address consumer vulnerability through its commitments under the [Parliamentary and Governing Agreement](https://www.cmtedd.act.gov.au/__data/assets/pdf_file/0003/1654077/Parliamentary-Agreement-for-the-10th-Legislative-Assembly.pdf) for this term of Government as they relate to climate and energy – these include:   * 1. Phase out of fossil-fuel-gas in the ACT by 2045 at the latest, support energy grid stability and support vulnerable households, by doing the following:   1. Implement a program of zero-interest loans of up to $15,000 for households and not-for-profit community organisations to assist with the upfront costs of investing in: rooftop solar panels; household battery storage; zero emission vehicles and efficient electric appliances. The program will include an education and communications component about energy efficiency and the shift from gas to electric.   2. Progress a project with relevant asset owners and key stakeholders to reduce the emissions intensity of the existing ACT gas network as much as is possible, by injecting zero-emissions gas alternatives.   3. Enact minimum energy efficiency standards regulations for rental properties in 2021 with progressive implementation over the coming years.   4. Implement a five-year, $50 million program to improve building efficiency and sustainability for social and public housing, low-income owner-occupiers, and the lowest performing rental properties; this includes upgrades to government housing, and financial incentives to implement minimum energy efficiency standards in rental properties.   5. Deliver at least 250MW of new ‘large-scale’ battery storage distributed across the ACT.   6. Develop the Molonglo Commercial Centre as an all-electric commercial centre (no new connections to gas mains network, but allow transition gas arrangements such as tanks), in partnership with expert stakeholders, and use lessons from this project to assist the phase out of fossil-fuel gas in the ACT, and demonstrate national best practice.   7. Legislate to prevent new gas mains network connections to future stages of greenfield residential development in the ACT in 2021-22. Future stages of Jacka and Whitlam will be all-electric.   8. Commence a transition project, working with industry and other stakeholders, to advance all-electric infill developments, with a goal of no new gas mains network connections to future infill developments from 2023.   9. Ensure all new ACT Government buildings and facilities are fossil-fuel-gas free, including new leases. All retrofitting in Government buildings and facilities will have a goal of net-zero emissions post retrofit.   10. By 2021, implement the ACT ICRC recommendations to make it simpler for ACT consumers to get better energy deals by requiring electricity retailers to provide customers with a reference bill for a typical consumer, and notify customers if they have a plan that could reduce a customer’s bills. * 2. Significantly expand the number of zero emission vehicles (ZEVs) in the ACT by doing the following  1. Engage with the ZEV industry and adopt an ambitious target for new ACT vehicle sales to be zero emission by 2030. 2. Provide financial incentives for the purchase of zero emission vehicles. This includes free vehicle registration for new zero emission vehicles for two years, introduced as soon as practical. 3. Develop additional financial incentives to support greater ZEV uptake by businesses and the community sector 4. Implement a pathway for the ACT to use only zero emissions public transport, garbage trucks, taxi and rideshare vehicles by the mid 2030s - with no further purchase of non-zero emissions buses. Short-term leasing of buses to meet peak operational requirements is permitted. 5. Build at least 50 electric vehicle recharging stations across Canberra and the region, holding a reverse auction for their construction in 2021-22. This will include working with service station providers to explore broader public charging infrastructure. 6. Enact regulation in conjunction with the Territory Plan Review to require charging infrastructure for new multi-unit residential and commercial buildings, and investigate measures to support retrofitting of charging infrastructure in existing buildings. 7. Conduct market sounding to attract zero emission vehicle industries and other economic and training opportunities to the ACT. 8. Research and pilot further Vehicle2Grid and Vehicle2Home projects to improve energy efficiency and grid reliability.  * 6. Alongside the initiatives on zero emission vehicle incentives outlined in the Agreement, the Government will continue to transition Canberra’s entire public bus fleet to zero emissions by buying 90 battery electric buses in the next term, building a new zero-emissions bus depot in Canberra’s North and building electric bus infrastructure at the new Woden Depot * 17.1 Better protect remnant grasslands, woodlands and key waterways as nature reserves or similar protective zoning * 17.2 Increase PCS funding to manage Canberra Nature Park and Namadgi National Park ($4M each over 4 years) * 17.3 Create a separate biodiversity offsets management fund * 17.4 Increase funding for weeds and invasive species management ($7.5M over 4 years) * 17.5 Increase funding for local environmental volunteer-based groups ($3.2M over 4 years) * 17.6 Employ an additional 10 Ngunnawal rangers and incorporate cultural land and water management practices * 17.7 Establish a wildlife corridors program and install 5,000 nesting boxes * 17.8 Ban neonicotinoids and reduce the use of glyphosate and other pesticides * 17.9 Expand the Healthy Waterways program ($30 M over 4 years) * 17.10 Create a ten year stormwater upgrade plan to handle climate change storm events * 17.11 Maintain Coombs Peninsula as green space * 17.12 Establish more air quality monitoring stations, including in Fyshwick |

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4. Consumer Policy Research Centre (CPRC)*,* [*Mind the Gap*](https://cprc.org.au/mindthegap/), CPRC, 2022. [↑](#footnote-ref-5)
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10. ABS, ‘Table 10. CPI: Group, Sub-group and Expenditure Class, Percentage change from corresponding quarter of previous year by Capital City’ and ‘Table 11. CPI: Group, Sub-group and Expenditure Class, Percentage change from previous quarter by Capital City’ [time series spreadsheets], [*Consumer Price Index, Australia*](https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/dec-2021)*,*Reference period December 2021, ABS, 2021, accessed 21 April 2022.  [↑](#footnote-ref-11)
11. ACTCOSS, [2023 report - A Just and Inclusive Gas Transition in the ACT](https://www.actcoss.org.au/sites/default/files/public/publications/2023%20report%20-%20A%20Just%20Gas%20Transition%20in%20the%20ACT%20.pdf), March 2023. [↑](#footnote-ref-12)