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Subject: Energy Charter Panel 2019 Public Submission from Erica Eele
Date: 25 October 2019

Submission to the Energy Charter Independent Accountability Panel on energy companies' Disclosures against the Energy Charter Principles.

Thank-you for the opportunity to provide feedback regarding the inaugural disclosures made by signatories to the Energy Charter. My feedback is based upon my understanding of Origin Energy's disclosure statement 2019 since it is one of the nation's largest energy companies. This submission contains my own personal views and are not those officially from MS QLD, Brisbane ME/Chronic Fatigue Syndrome Support, Emerge Australia or Queenslanders with Disability Network.

Energy Charter Principles Two and Five: Affordability and Vulnerability

I support the Energy Charter's Principle Two, "we will improve energy affordability for customers", Principle Five, "we will support customers facing vulnerable circumstances" and their associated actions.

People with disabilities

Many people with disabilities comprise a substantial proportion of people vulnerable to severe financial, physical and mental hardship. Approximately 20 percent of Australian have a disability¹ and 15 percent had an impairment restricting their ability to perform communication, mobility or self-care activities, or a restriction associated with schooling or employment². A large proportion of people with disabilities live in poverty, thereby energy affordability is a key concern. Some examples include:

- According to the Australian Network on Disability, more than 3 million Australians are living in poverty and nearly 40% of them have a disability³.
- People with disabilities are 2 to 4 times likely to die or be injured when natural disasters strike⁴.
- People living with multiple sclerosis:
 - Most people living with MS in Australia are sensitive to heat, run their air conditioners more frequently and for longer periods than most Australians and have adopted energy savings initiatives⁵
 - 90% of the over 20,000 people with MS in Australia are sensitive to heat
 - Although most Australians with MS take more measures to improve thermal efficiency than the average household, due to medical reasons, Australians with MS,

¹ <https://www.abs.gov.au/ausstats/abs@.nsf/mf/4430.0> Accessed 22 October 2019.

² https://www.brisbane.qld.gov.au/sites/default/files/20141806_-_pages_from_access_and_inclusion_plan_2012-2017_introduction.pdf Accessed 22 October 2019.

³ <https://www.and.org.au/news.php/369/three-million-australians-living-in-poverty-nearly-40-have-a-disability> Accessed 18 October 2019

⁴ <http://sydney.edu.au/health-sciences/cdrp/projects/DIDP-Scope-nov16.pdf> page 1. Accessed 22 October 2019.

⁵ *Domestic Energy Use by Australians with Multiple Sclerosis including Medically Required Cooling: Final Report*, by Dr Frank Bruno, Associate Professor Monica Oliphant and Dr Michael Summers, MS Australia. Blackburn, VIC. Oct 2014.

- use 80% more electricity than the general population and spend almost 10 times more on keeping cool than the average household
- According to MS QLD's customer survey 2019 ⁶, the ability to pay one's power bill was cited as one of the top two advocacy priorities
- People with MS face extremely high financial vulnerability. The total estimated annual costs per person living with MS in 2017 were \$68,382 ⁷.
- Of the estimated 250,000 Australians with myalgic encephalomyelitis/chronic fatigue syndrome, 25% are housebound and/or bedbound. Most people with ME/CFS are ineligible for the National Disability Insurance Scheme or the Disability Support Pension, receive no income and are unable to engage in paid work or study due to chronic illness ⁸.

I appreciate that energy companies such as Origin Energy disclosed the following:

- Reduced prices above and beyond the Default Market Offer
- Held electricity prices flat or decreased for 1 July 2019 for residential and small business owners
- Provided additional concession customer discounts and partnerships with state governments on concession card offers
- Protected hardship customers from price increases since 2016 ⁹.

I also applaud Origin Energy linking executive remuneration to customer and employee metrics, as outlined in its Disclosure Statement's actions regarding Energy Charter Principle One, "We will put customers at the center of our business and the energy system" ¹⁰.

Question 3: What emerging or innovative technology, systems, practices or processes exist to help energy businesses move closer toward the Principles of the Energy Charter?

Key Recommendations

Beyond the above-mentioned disclosed actions, I recommend energy companies adopt the following steps to improve their systems, practices or processes to support Principles Two and Five, particularly in order to address issues of energy affordability and vulnerability among people with disabilities. These steps are also outlined in MS Australia's two reports ^{11 12} regarding people living

⁶ MS QLD Advocacy Priorities Survey. MS QLD. Milton, QLD. 2019

⁷ Health Economic Impact of Multiple Sclerosis in Australia in 2017: An Analysis of MS Research Australia's platform – the Australian MS Longitudinal Study (AMSLS), by Hasnat Ahmad Professor Andrew J Palmer, Julie A Campbell and Associate Professor Ingrid van der Mei, Professor Bruce Taylor. Multiple Sclerosis Research Australia. North Sydney. 2018

⁸ *Emerge Australia Health and Wellbeing Survey 2018*, by Heidi Nicholl <https://emerge.org.au/emerge-australia-health-and-wellbeing-survey-2018/#.Xa5Zdugza70> Accessed 22 October 2019.

⁹ <https://theenergycharterpanel.com.au/wp-content/uploads/2019/10/Origin-Energy-2019-Disclosure.pdf> Accessed 22 October 2019

¹⁰ <https://theenergycharterpanel.com.au/wp-content/uploads/2019/10/Origin-Energy-2019-Disclosure.pdf> page 17. Accessed 22 October 2019.

¹¹ *Domestic Energy Use by Australians with Multiple Sclerosis including Medically Required Cooling: Final Report*, by Dr Frank Bruno, Associate Professor Monica Oliphant and Dr Michael Summers, MS Australia. Blackburn, VIC. Oct 2014.

¹² *Keeping Cool Survey: Air Conditioner Use by Australians with MS – Public Policy Related Results and Recommendations*, by Dr Michael Summers and Dr Rex Simmons. MS Australia. Blackburn, VIC. 2009.

with MS and are also applicable to other people with disabilities and from other vulnerable communities.

- Provide greater energy rebates to offset the inordinately high energy costs due to medical necessity
- Improve in-home cooling efficiency – e.g. retrofitting of insulation and window coverings; replace old, inefficient A/C; advice to patients and health professionals on how to minimise heat stress
- Improve energy and heat-wave blackout response and include needs of people with disabilities and other people with heat intolerance
- Create a single national medical energy concession, including better target energy efficiency improvements to medical-energy-concession-eligible households. Establish a proportional percentage based concession system linked to additional assistance for concession-eligible households to install solar energy systems (and other efficiency measures)
- Conduct more in-depth research that includes other people with disabilities, e.g. Parkinsons, and include research on gas (not just electricity) and green power
- Improved access to energy efficiency advice – web-based and digital information is often not easy to follow for people with disabilities due to issues such as (but not exclusive to) light-sensitivity, cognitive impairment, intellectual disabilities, muscle weakness/impairment and unaffordability of computers and other internet devices. Providing in-home access to information either in-person visits from authorised company representatives or printed materials would be welcome.
- Better information - specific information that addresses the particular needs of households with medically-related high energy use requirements, including indicative costings and savings
- Develop and deliver specific programs targeted at people who require cooling/heating as a consequence of medical need.

Key Principle Three: “We will provide energy, safely, sustainably and reliably”

As noted earlier, people with disabilities face severe risks of death or injury when climate change disasters strike. To minimise risks of further climate change-related natural disasters, I urge the energy companies to focus on providing sustainable energy that is renewable, such as solar and wind energy.

I appreciate that energy companies such as Origin Energy have:

- Increased their renewable energy capacity
- Pledged support for a national goal of net zero emissions in the electricity sector by 2050 or earlier
- Committed to exiting coal-fired generation by 2032
- Stated that it is on track to have more than 25 per cent of its owned and contracted generation capacity from renewables and storage by 2020 ¹³.

¹³ <https://www.originenergy.com.au/content/dam/origin/about/investors-media/documents/2019-sustainability-report-final-oct.pdf> page 4. Accessed 22 October 2019

Recommendations

To address providing energy 'sustainably', I recommend that the definition reflect that of the Brundtland Report: "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs"¹⁴.

Furthermore, I recommend focusing on providing solar and wind-based energy instead of Origin Energy's current focus on gas, particularly coal seam gas. I also oppose interpreting 'sustainable' energy as that sourced from nuclear power due to high environmental and health risks.

- Energy programs should include a mix of energy efficient initiatives and solar usage to improve uptake of clean, renewable energy and thereby minimise climate change risks.
- Renewable energy should be made more affordable than fossil fuel-based energy. Currently the costs of Green Power offered by companies such as Origin Energy and Powershop are more costly than fossil fuel-based energy.

Furthermore, in the AGL Disclosure Report (S3.3 page 15), AGL mentions "closing all coal-fired power stations by 2050" and "making available innovative and cost-effective solutions available for customers". As shown elsewhere, I understand that climate change and the Paris agreement's more science-based target of 1.5 degrees demands all coal-fired stations are closed by 2030. The reference to cost-effective solutions available for all customers, however, is not achieved by their solar for rentals model¹⁵, where renters and apartment dwellers would be better off finding a cheaper a GreenPower offer, and wouldn't be locked in to the offer or lose their initial subscription if they find it doesn't work for them. Signatories to the Charter could do more for all customers by offering models such as solar gardens and could report on how they achieve affordability outcomes for all customers.

Question 5: For particular Principles in Action, what metrics might be most appropriate to assess and measure progress over time – and why?

Recommended Metrics

I acknowledge that Origin Energy states in its 2019 Sustainability Report that: "We believe the electricity sector should be responsible for more than its proportional share of any national reduction measure by helping to unlock abatement in other sectors, such as transport and construction"¹⁶. Although I agree that the energy sector should be responsible for more than its proportional share of any national reduction measure, I also advocate that instead of relying upon abatement in other sectors, energy companies adopt metrics within their own businesses to reduce climate change and other environmental impacts.

To address the Energy Charter's principles two, three and five, particularly the issues of affordability, meeting the needs of vulnerable cohorts and providing energy sustainably, I recommend the following metrics and that they be directly linked to executive remuneration:

¹⁴ <https://www.iisd.org/topic/sustainable-development#targetText=Sustainable%20development%20has%20been%20defined,to%20meet%20their%20own%20needs.%22> Accessed 22 October 2019

¹⁵ <https://www.agl.com.au/newcampaigns/offsite-solar> Accessed 24 October 2019.

¹⁶ <https://www.originenergy.com.au/content/dam/origin/about/investors-media/documents/2019-sustainability-report-final-oct.pdf> page 8. Accessed 22 October 2019

- The reduction in the cost of energy bills, as a proportion of income, for low-income households and start-up/small businesses owned by people from disadvantaged backgrounds, including refugees, Indigenous people, people with disabilities, survivors of domestic violence and previously unemployed youths
- Increase in the proportion of all customers, particularly customers with disabilities, who sign-up to renewable energy plans
- Customer satisfaction rates, particularly among customers with disabilities, regarding renewable energy delivery, reliability and cost
- Percentage achievement of net zero carbon emissions targets by each energy company and the energy industry as a whole, as measured by mandatory, robust, standardised greenhouse gas accounting
- The percentage of former fossil fuel industry workers re-employed in new, decent and secure jobs that provide pay and working conditions that are equivalent to or better than their former jobs
- Satisfaction rates among workers transitioned out of fossil-fuels regarding job training and job placement programs
- Percentage increase in the proportion of energy companies' total revenue redirected to low-carbon transition projects
- Percentage rates of reduction of biodiversity loss associated with the company's owned tangible assets (e.g. land) and tangible assets across its supply chain.

I also note that Origin Energy's FY2018 Sustainability Performance Data lists the company's political donations. I therefore recommend that all energy companies publish similar data to help ensure effective and transparent governance for fulfilling the Energy Charter's Key Principles and Actions.

Many sincere thanks again for the opportunity to provide input regarding the Energy Charter Independent Accountability Panel on energy companies' Disclosures against the Energy Charter Principles. I look forward to seeing the outcomes of the review and energy companies improving their actions towards providing more affordable and renewable energy, particularly to support the many vulnerable people who live with disabilities – both now and in future generations.

Kind regards,

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