



Grants



Backing bright ideas

Grants Program Annual Report Supplementary Information

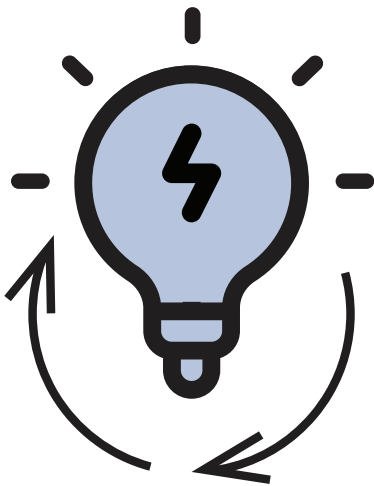
2021-22





Introduction

The purpose of the Energy Consumers Australia Grants Program is to support not-for-profit organisations to pursue quality advocacy initiatives that will advance the interests of household and small business consumers in the National Energy Market.



In 2021-22, we evolved the grant sub-programs, to include:

- 1. Influence grants** to support advocacy and research initiatives with a purpose of immediate influence on a specific and achievable goal on matters of material significance to residential and small business consumers.
- 2. Participation grants** of up to \$15,000 to enable consumer engagement and advocacy in government, regulatory, or industry processes, or for small, targeted research projects.
- 3. Collaboration grants** support complex, multi-year advocacy projects, put forward by a group of organisations aiming to collaborate, with the aim to drive energy systems change.
- 4. Gill Owen Scholarship:** Dr Gill Owen was an inaugural Board member and a tireless advocate for consumers. This scholarship is named in honour of her work and supports one individual each year to travel overseas to research innovative ideas and initiatives that are of relevance to the Australian energy market.

Gill Owen Scholarship





Backing bright ideas

This new structure was co-designed and tested with stakeholders and reflects our desire to focus on impact while recognising the importance of collaboration on complex, multidimensional energy market issues.

Whereas last year, Covid-19 resulted in a drop in the number of applications received, this year we were able to supported an increased volume of applications and the number of successful grants, despite ongoing challenges with the pandemic.

In 2021-22, \$2.0 million in grants funding was approved for 23 projects, with overall expenditure of \$2.2 million on grants, including funding support for the Australian Energy Regulator's (AER) Consumer Reference Group.

More broadly, we focused our efforts throughout the year on: supporting grants partners to have greater impact and to extend the reach of their projects with effective communications; being a more active grants partner with early, open and ongoing engagement on projects as they evolve; and providing a more responsive and efficient process for application, assessment and evaluation.

Increasing impact and extending the reach of grant projects

In 2021-22, we continued our work from the previous year to embed systems thinking and theory of change approaches to projects during their development and execution. This has underpinned a clearer focus on the material impact on target consumers in our grant recipients' work.

We have also played a more active role in describing the areas of opportunity for impact to support new applicants in scoping their proposals, with the first Knowledge and Capacity Gap (explainer) on Gas Transition Analysis. This provides a foundation for grant applicants to describe how they are well placed to make an impact in areas where consumer-focused work is required.

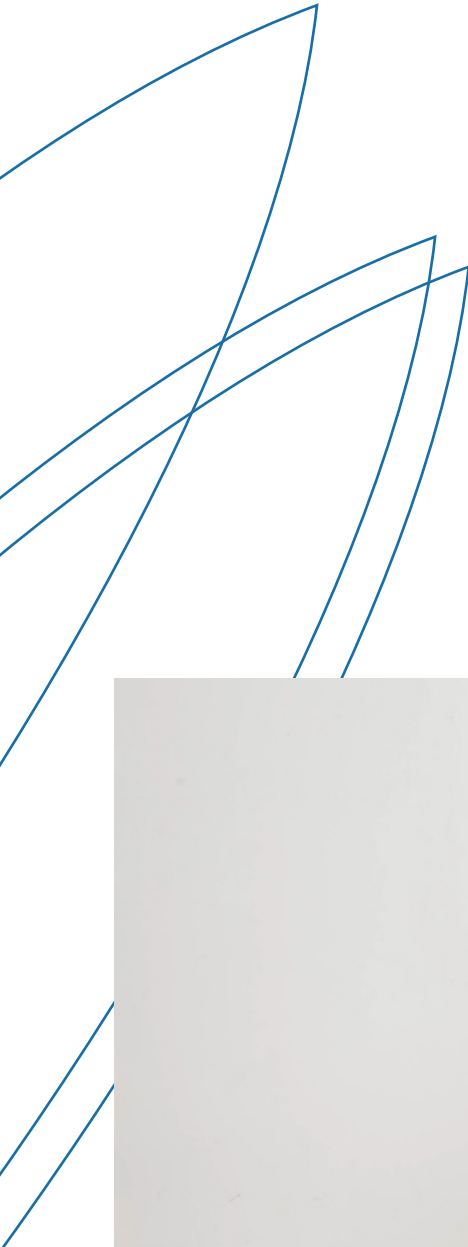
This year, we also strengthened efforts to communicate and share grant project results for greater impact. We worked closely with grantees on their communications and storytelling.

These activities included:

1. Workshops to help develop grant project communications strategies.
2. Using our digital channels to showcase grant decisions and results.

Grant project outcomes also provided valuable data and insights to inform our own advocacy and briefings, submissions, and presentations to government and industry. This included our Foresighting Forum for 2022, which was delivered as a series of three webinars. This format allowed us to share insights from our grants with a larger audience than ever before.





Our first Collaboration Grant addresses housing energy efficiency

This year, we funded Renew as a grant partner to develop a robust evidence base on consumer needs and preferences in relation to energy performance standards, which are a critical element of the energy transition.

This evidence will be used as the basis for ongoing advocacy across the energy and housing portfolios to inform the case for change.

This is the first Collaboration Grant we have funded under the restructured grants program. Energy Consumers Australia has worked closely with Renew on the development of a clear theory of change to underpin the project's intended impact, including through a dedicated workshop.

The project will address an evidence gap on major policy reform, putting the consumer voice at the heart of policy change and flagging where people might need help to make what will be significant changes to their homes and behaviours.





Being an active grants partner

Recognising the power of partnerships, this year we evolved our role as funder to be a more active and collaborative grants partner.

We now have dedicated internal resources to support grant project development and reporting, with a focus on impact. This includes working with applicants before they've submitted an application to maximise their project's potential for impact.

Providing a more responsive and efficient process

Improving the administrative side of the grant application and assessment process has been a key focus, including several improvements to accessibility, transparency, and efficiency.

Most notably, SmartyGrants is now fully embedded into the grants process, with 61 applications already successfully lodged through

the new online platform, which is designed to enable a smoother grants administration process.

Shifting to a digital platform has had a significant impact by:

- reducing the time applicants spend lodging applications, through online progress reports, acquittal processes, and funding agreements;
- reducing the time we spend on administration, enabling us to focus on working with grant partners and potential applicants, identifying potential projects, and showcasing impacts; and
- increasing the transparency of the application and assessment process.

Through partnership and collaboration, we are strengthening and refining the Grants Program as a catalyst for change, with the aim of providing consumer voices in regulatory processes, policy decisions and broader systems change.



45
APPLICATIONS
REQUESTING
\$4.5m

In 2021-22, Energy Consumers Australia received 45 applications for new grants.



23
GRANTS
APPROVED
TOTTALING
\$2.0m

23 grants were approved, totalling \$2.0M in grants approved and \$2.2M in grants expenditure



Key Themes 2021-22

This report is a supplement to our Annual Report to highlight the Grants Program outcomes in 2021-22. The full list of applications – and all grant outputs including reports, submissions, presentations, and other resources – can be viewed on our website. The following summarises the key themes of grant program funding this year, and over the life of the program.

Throughout 2021-22, the Grants Program supported projects that reflect a focus on questions of energy affordability, giving consumers greater choice and control and the energy system transition.

There was also an emphasis on effective advocacy for more energy efficient homes, including for low-income households, and renters, as well as projects to protect and empower vulnerable energy consumers.

We have separated 2021-22 funding into segments as recommended in the statutory review of Energy Consumers Australia and this shows a greater emphasis on applications focusing on consumer impacts than in 2020-21.



Figure 1:
Grant funding by theme 2014 – 2022

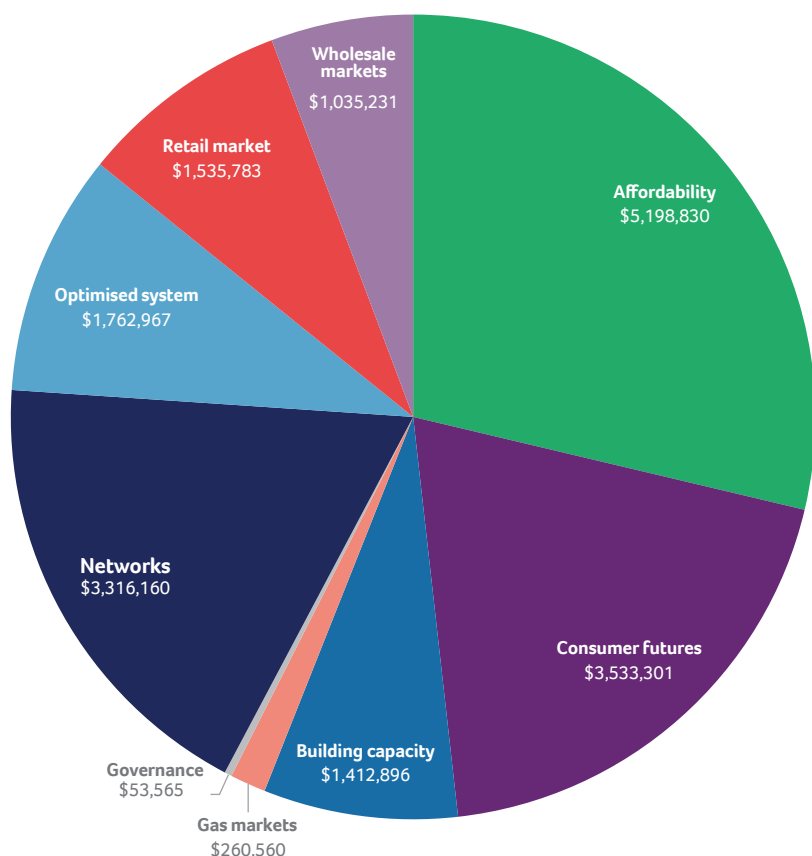
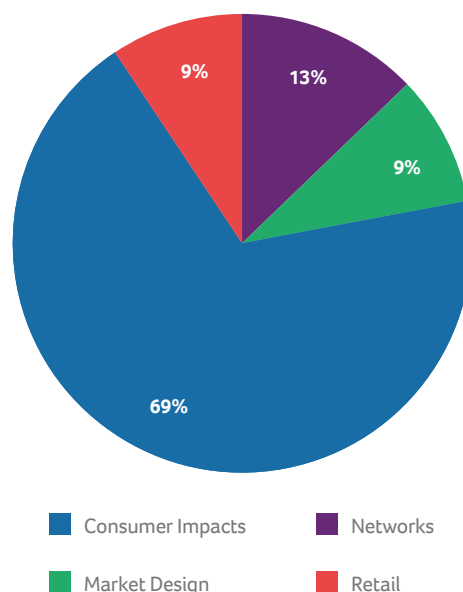


Figure 2:
Grant funding by segment 2021/22



Better home support programs

In 2021-22, we supported a new grant with Swinburne University in Victoria that addresses the question of how to improve home energy support programs for vulnerable Australians.

While this is a national project, Swinburne University is surveying 500 households in Victoria and NSW, with further qualitative research in these jurisdictions on behaviour that was sustained following energy advice.

The project, which takes a long-term approach to the issue, considers how consumers change their behaviour in response to different energy advice approaches.

This is a multi-year project that will be an important input to service delivery decisions about best-practice support, and will have wide implications in Victoria, NSW and across the country.





This year, 62 per cent of grant funding went to projects that had a national focus. This highlights the growing trend of supporting issues common to consumers across all jurisdictions. This work complements jurisdictionally focused work as described in the broader 2021- 22 Annual Report.

Recognising that reform processes can take multiple years, especially given the ongoing energy sector transition, the Grants Program has scope for multi-year funding arrangements. This approach ensures flexible, fit-for-purpose funding arrangements that provide the certainty organisations need to commit resources to their engagement. Figure 4 shows how our annual commitments are spread across financial years.

Figure 3: National & jurisdiction grant funding 2014-22

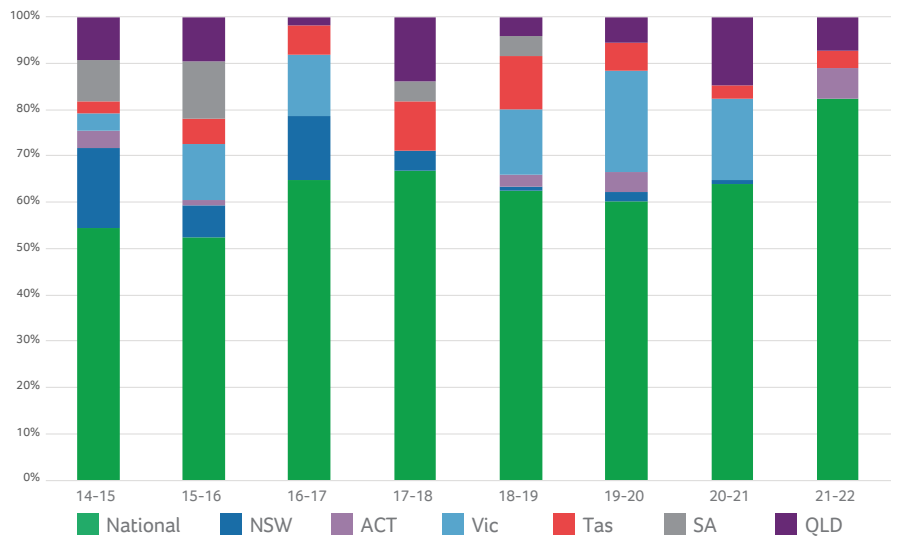
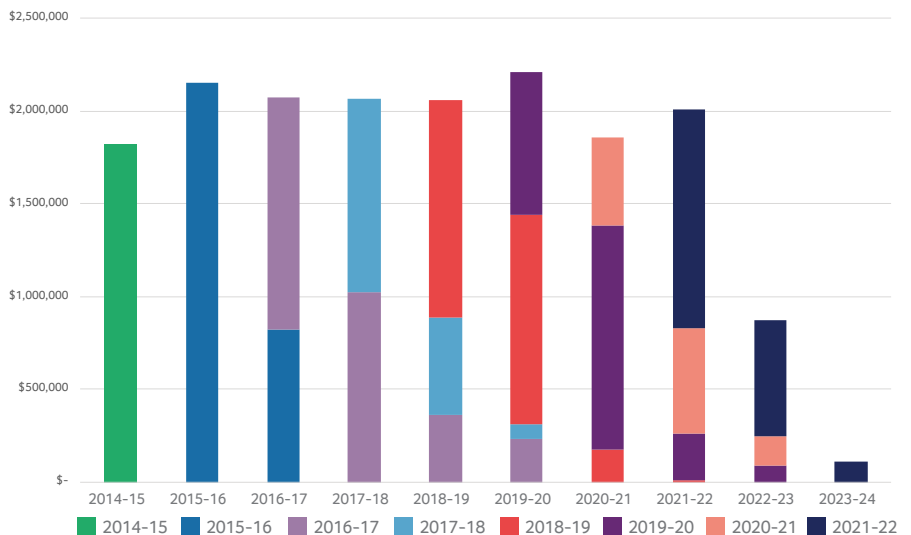


Figure 4: Annual Financial Commitments 2015- 2023



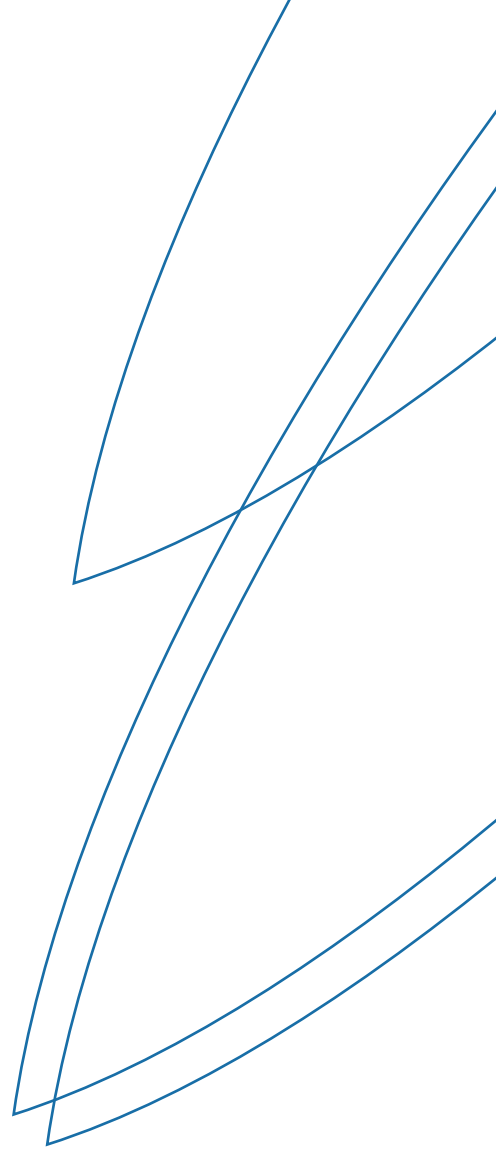
South Australian Council of Social Service tackles energy concessions

The South Australian Council of Social Service is driving a grant project, in collaboration with its national colleagues at Australian Council of Social Service, to improve energy concessions and better meet the needs of people on low incomes.

The adequacy of the concessions frameworks was stress tested during the COVID-19 pandemic, showing how increases in energy consumption are not being met by proportional increases to concession amounts, leaving vulnerable consumers exposed to significant market fluctuations.

The project started with data analysis and modelling to identify potential electricity concession models that are more durable, robust, equitable and responsive to variations in energy price and consumption compared to current arrangements; and also to better understand the impacts of potential reform options on concession card holders by different consumer segments (e.g. tenure, geography, key socio-economic indicators) across the National Energy Market, and in Western Australia).

The full report, with recommendations for improving concessions, is intended for public release later this year.





This year, our projects supported residential consumers, including those in vulnerable circumstances. However we also had the highest proportion of grants that support small business advocacy since 2015-16. Five of the 22 grants approved supported small

business advocacy – a reflection of our direct outreach to the sector and the impact of energy on small businesses during the pandemic.

A full list of our grants is available on our website.

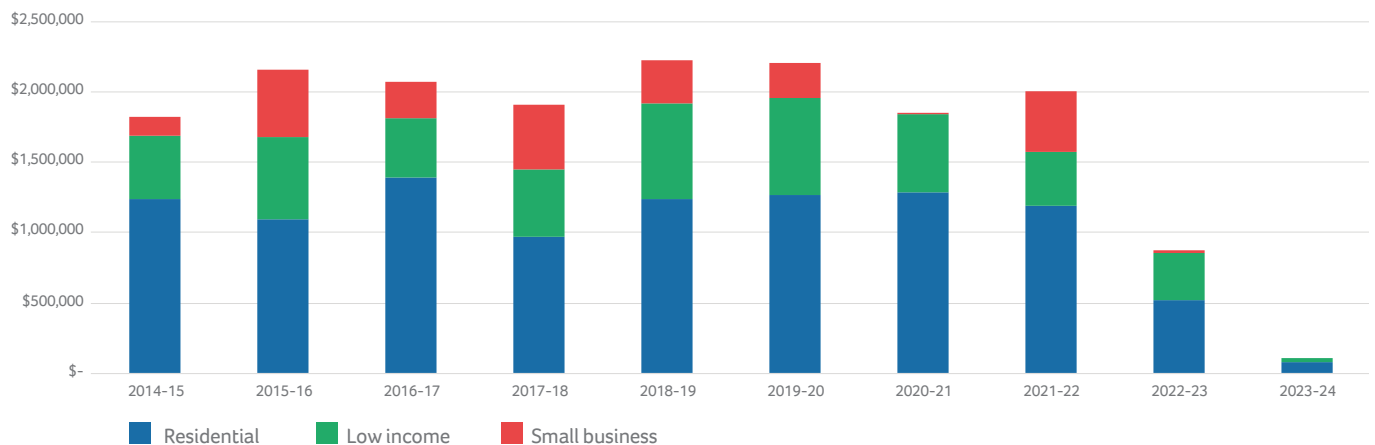
Tasmanian Small Customer Response to Draft Regulated Price Determination

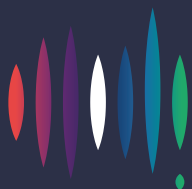
In 2021-22, Tasmanian Council of Social Service (TasCOSS) and the Tasmanian Small Business Council (TSBC) received funding to advocate on behalf of Tasmanian energy consumers ahead of the Office of the Tasmanian Economic Regulator’s determination on regulated (standing offer) retail electricity prices, making the case for the final determination to reflect the need for prices to remain affordable.

Following the release of the regulator’s draft determination, the grantees prepared a detailed, evidence-based submission making a compelling case for the final determination to reflect the needs, concerns, and interests of small customers.

This grant has achieved clear wins for Tasmanian electricity consumers, with the TasCOSS/TSBC submission resulting in the final determination reducing the allowance for Aurora Energy’s retail costs by \$17.04 per customer from the amount originally proposed by the provider, including an additional efficiency saving of 1.78 per cent for 2022-23. The retail margin was also reduced from the amount originally proposed by Aurora.




Figure 5: Trends – households and small businesses 2015-22





**ENERGY
CONSUMERS
AUSTRALIA**

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