



Backing bright ideas

Grants Program Annual Report Supplementary Information 2019-20



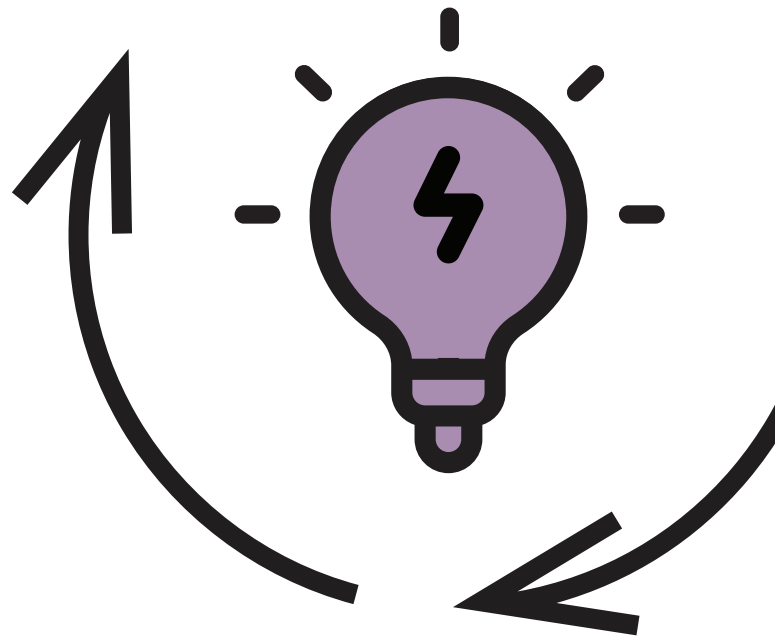
Figure 1: Grant funding by theme 2014–2020



Energy Consumers Australia's Grants Program supports advocacy and research that drive better outcomes for households and small business in the National Energy Market.



Grants enable advocates and researchers to deliver high quality analysis and policy recommendations, and bring a strong, evidence-based voice to energy market decisions.



Grants typically track emerging issues and current policy and regulatory decisions in the market, and support a broad diversity and breadth of work by consumer organisations and researchers for households and small business.

2019/20 Grants

Grants approved in 2019/20 supported a broad range of activities. The following provides an overview of the grants approved in 2019/20, as well as an indication of how this financial year aligns within historical trends in funding.

Consumer futures and optimised system

Around a third of total grants funding was approved for advocacy and research projects that aimed to put consumers at the heart of decision-making in this transforming market.

Through grants, advocates have been able to dive into the complexities of market design, working closely with government, regulators and industry.

- Led by the Australian Council of Social Service, engaging with other small end-user groups, the coalition of consumers working together around the Energy Security Board's post-2025 market design developed principles to guide decision-makers, and worked to keep consumers front of mind in market design.
- Advocates built dialogues with industry on the integration of distributed energy resources, making sure that consumers' investment in solar panels and batteries is maximised. Renew was given funding to lead a dialogue with networks to develop practical and whole-of-system solutions.
- The Total Environment Centre and ACOSS lodged a rule change to optimise the benefits of distributed energy resources.
- And consumer organisations are helping plot the future – ACTCOSS received funding to represent ACT consumers in the transition from gas.



**43
APPLICATIONS
TOTTALLING
\$4.48m**

In 2019-20, Energy Consumers Australia received 43 applications for new grants –funding went to major projects focused on the energy market transition, as well as supporting advocacy in policy and regulatory decisions.



**22
GRANTS
APPROVED
TOTAL VALUE
\$2.3m**

The total value of grants approved in 2019-20 was just over \$2.3m, in line with previous years. Multi-year funding was provided to grants working on projects and processes that will be completed in future years.



Grants focusing on pricing issues comprised 27% of total funding in 2019/20

Minimising prices – affordability and networks

Affordability continue to be a high priority for consumer advocacy organisations. Grants focusing on pricing issues comprised 27% of total funding in 2019/20.

Grants supported engagement across a range of regulatory decisions that impact energy prices.

- The Tasmanian Council of Social Service and Queensland Council of Social Service actively engaged with jurisdictional regulators in price decisions.
- In Victoria and Queensland, where there were network revenue determination processes underway, grants supported coalitions of advocates, led respectively by the Brotherhood of St Laurence and QCOS, to make well-targeted representations for households.
- The St Vincent de Paul Society Victoria's tariff-tracker continued to provide unique and valuable oversight into prices across the NEM.

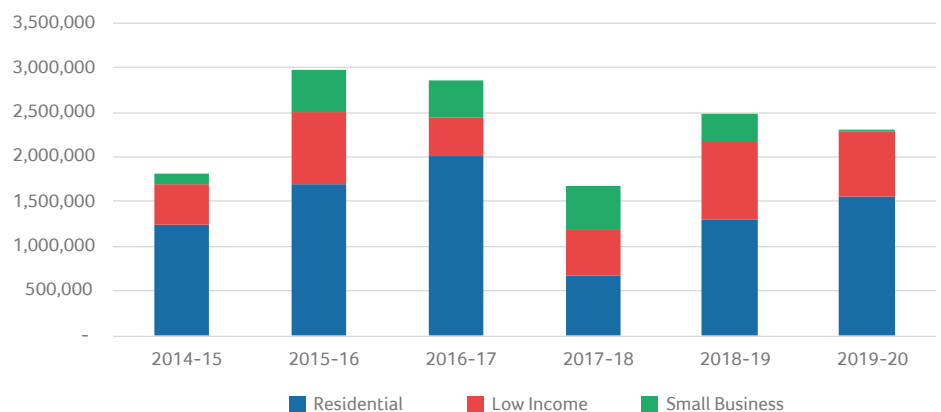
Amplifying consumer voices - building capacity

Just under 20% of funding was approved for advocacy and research that supported a diversity of voices.

In 2019/20, we continued to see innovative and imaginative ways of engaging consumers.

- The Sydney Alliance continued its work with communities in Sydney through its Voices for Power project, culminating in 700 people coming together to talk about energy.
- The National Irrigators Council was given a grant to help its members identify their energy priorities, and develop a strategy to help address their issues.
- The Consumer Action Law Centre took the evidence from its legal and financial counselling practices to help shape decisions that would assist low-income households.
- The University of Sydney and Queensland University of Technology grant will identify how to communicate better with CALD consumers.

Figure 2: Trends – households and small businesses 2015-20





Mark Byrne from the Total Environment Centre presents the findings of his work at Foresighting Forum 2020

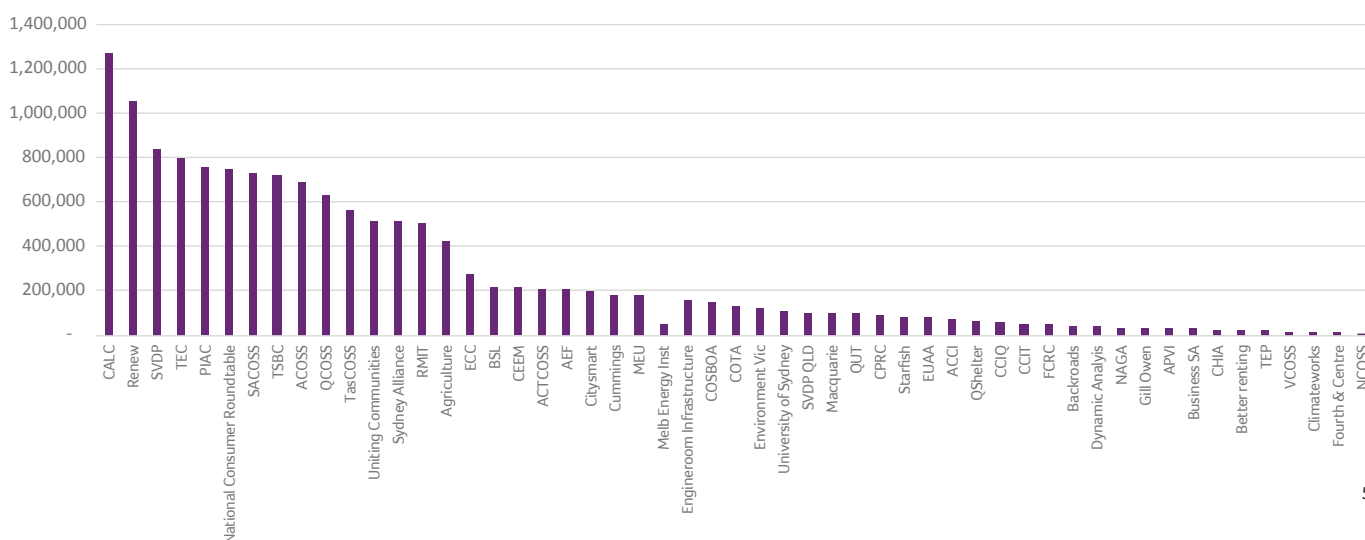
We received fewer applications from small business consumer organisations in 2019/20, with only two grants given from four applications, both to agribusiness peak bodies. One likely reason for the drop in small business demand was COVID-19, which saw a range of consumer organisations recalibrate their priorities.

The distribution of funding provided in 2019/20 aligned with that of previous years. A few consumer advocacy groups that have embedded energy advocacy as part of their core business have received a number of grants over

the life of the program. That funding has created a cadre of advocates with experience and expertise, that can engage in a range of policy and regulatory decisions, at a national and jurisdictional level.

Growing the diversity and expertise of advocates will be particularly important as the energy market transforms, and with the disruption of traditional energy business models. Ensuring that solutions are consumer-centric and consumer-led requires strong consumer voices.

Figure 3: Value of grants distributed, by organisation 2014-20





Retail markets - helping building trust

In 2019/20, grant funding supported projects to rebuild consumers' trust in the energy market. 15% of total funding was provided to projects that aimed to deliver practical assistance to vulnerable and disadvantaged consumers.

- The Australian Energy Foundation built a dialogue with networks to develop better planning for life support customers.
- The Consumer Action Law Centre raised credit issues with the Australian Competition Tribunal review of the New Energy Tech Code.
- The South Australian Council of Social Service and the Australian Council of Social Service are working with other advocates to research alternative ways of delivering assistance to consumers through energy concessions.

Empowering consumers

Digitalisation and decentralisation in the energy market offers the opportunity to put control back in the hands of consumers, to give them the tools and services to manage their energy usage and energy bills. That must include lifting the energy performance standards of Australian homes and addressing similar issues for small business premises.

In 2019/20, grant funding supported advocacy and research that will help unpack those benefits.

- Renew received funding to engage with the review of regulations and codes aimed at improving the energy performance of new and existing housing.
- The Australian Council of Social Service received funding to support consumer participation in the COAG-initiated process to improve existing housing.
- Dr Mike Roberts at UNSW received funding to look at UK measures to assess new opportunities for consumers to manage their energy usage and bills.

Gill Owen Scholarship



Gill Owen Scholarship

A very important part of the Energy Consumers Australia Grants Program is the Gill Owen Scholarship. Gill was an inaugural Board member and a tireless advocate for consumers, who sadly passed in 2016.

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.

We were pleased to announce at the 2020 Foresighting Forum that the 2020 Gill Owen Scholar was Joel Dignam, CEO of Better Renting. Joel's proposed area of study is the lessons from US in phasing out natural gas use in the home, with the aim of informing the research and policy agenda in the ACT. COVID-19 deferred the trip, which should take place in 2020/21.



Joel Dignam

2019 Gill Owen Scholar Ash Salardini

In February 2020 we published the report of the inaugural 2019 Gill Owen Scholar, Ash Salardini. His report *Maximising Outcomes From Retail Electricity Markets* is based on extensive interviews with experts, regulators and advocates in the UK, Texas and Australia, recommending:

- a better definition of consumer outcome and new metrics in the NEM
- a stronger focus on innovation in the retail electricity market
- new approaches to energy hardship and
- new market arrangements for rural and regional consumers.



Ash Salardini

Looking forward - ensuring impact, transparency and sustainability

As part of our response to the recommendations from the review of Energy Consumers Australia, we undertook to conduct a review of the Grants Program, in close consultation with stakeholders. The starting point was delayed due to COVID-19 but will begin in early 2020/21.

Grant program trends

In 2019-20, the Board approved funding for 22 projects, totalling \$2.3 million funding.

Of grant funding approved in 2019/20, 84% of funding went to advocacy grants. In line with our previous experience, the majority of projects focused on issues that jointly covered both gas and electricity (such as work around consumer protections) or electricity. There were only two grants that focused on solely on gas consumer issues, reflecting that there were fewer policy or regulatory decisions that focused exclusively on gas in 2019/20.

The budget has been almost fully expended each year since our establishment, reflecting consistent high demand. Understanding the likely drivers of future demand will be an important part of the Grants Program review.

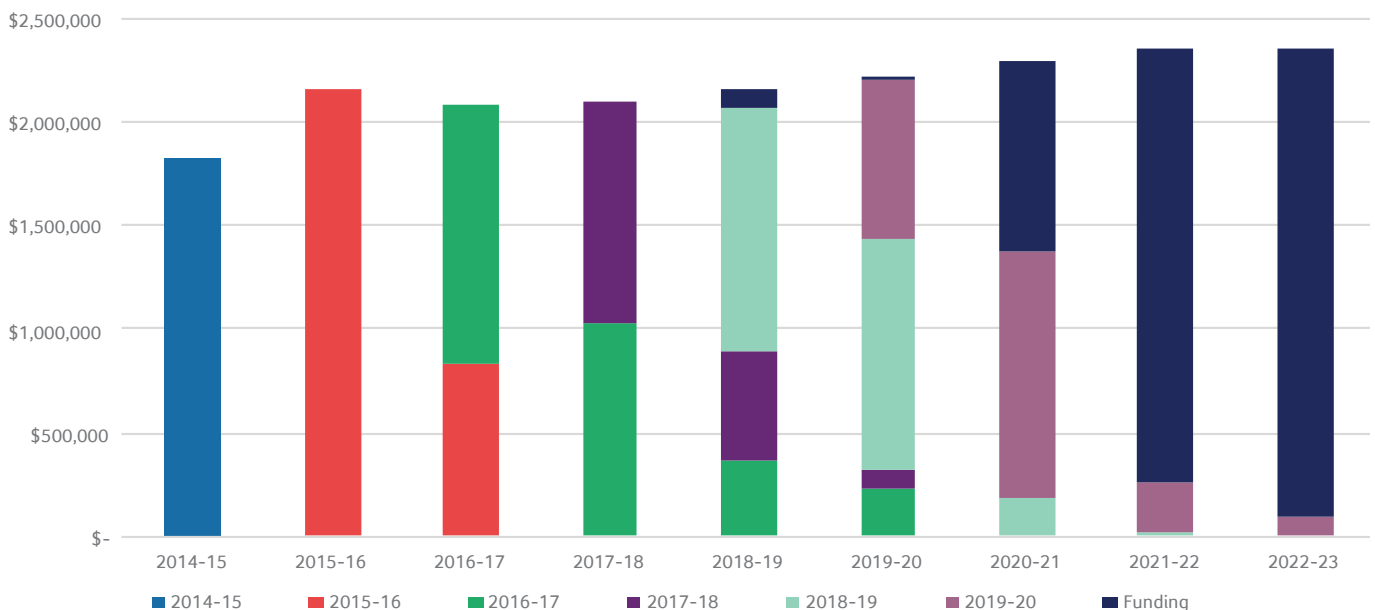
Supporting consumer engagement

In December 2019, we agreed to commit a certain proportion of the Grants Program budget to consumer engagement, through the CEO Grants sub-Program, to fund travel costs for advocates to engage in post-2025 market design processes. The COVID-19 crisis meant travel and face to face consultation were no longer possible. The subsequent underspend in the 2019/20 budget will be carried over as additional grants funding for 2020/21.

Supporting advocacy in jurisdictional and national decisions

In 2019/20, 60% of grants funding went to projects with a national focus, similar to previous years. Funding for jurisdictional processes increases in years where there are network revenue determinations underway.

Figure 4: Annual Financial Commitments 2015- 2023



Supporting grant recipients

We worked closely with grant recipients to help them communicate the results of their research including, as appropriate, using our resources. In 2019/20, those activities included:

- A workshop with Total Environment Centre and ACOSS to help develop its communications strategy.
- Convening a webinar with advocates, government and industry to communicate the research findings from Macquarie University's research on the needs of older consumers.
- Using our Board Stakeholder Forums to showcase grant findings.
- Using our digital channels to showcase grant decisions and results.

- ✓ *Grants Program funds support high quality projects*
- ✓ *Grant outcomes are published*
- ✓ *Grant insights and impacts are promoted with stakeholders*

Home Energy Management Service Project





Providing the right support to advocates

Changing market regulation, policies and practices is rarely a short-term task.

The Grants Program therefore provides the capacity for multi-year funding arrangements, with some funding partly committed in future years. That also provides grant recipients with greater funding certainty.

Figure 5 below shows the number of multi-year grants approved in each year of the Grants Program. Grants approved in 2019/20 include:

- Advocacy projects that will roll out over 2 or more years, such as ACTCOSS's work on the transition away from natural gas, or ACOSS's work around the energy transition.
- Research projects that are doing a deep dive into the needs of consumers, such as University of Sydney's work with CALD consumers.

Figure 5: National & jurisdiction advocacy and research project funding 2015-20

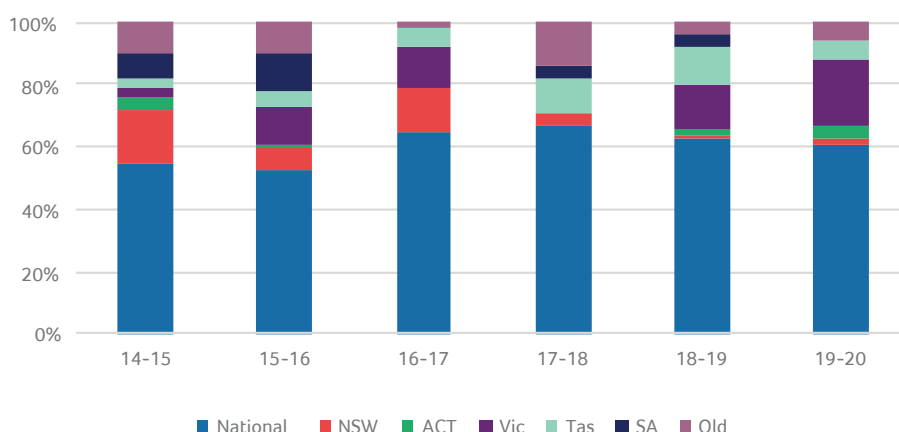
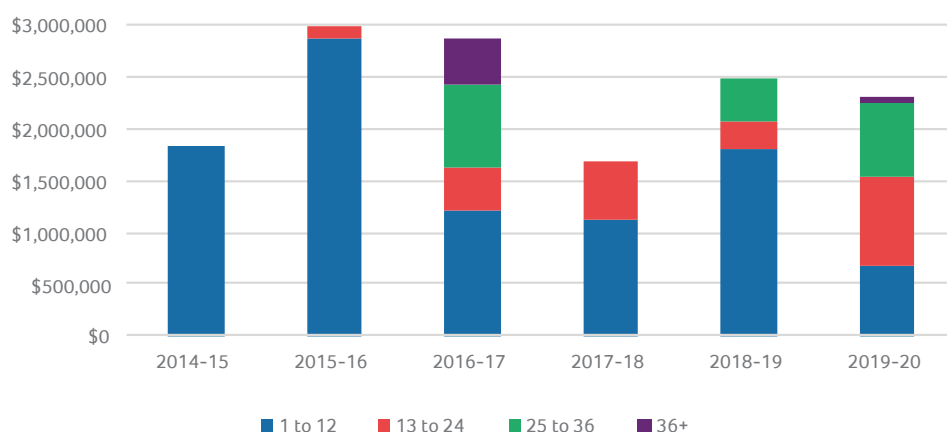


Figure 6: Value of grants funding by duration (months)



Grants Governance

We created this supplementary report to our Annual Report to highlight the Grants Program outcomes 2019/20, and to include more detailed reporting as requested in the Energy Consumers Australia review. The full list of applications, and all grant outputs - reports, submissions, presentations and other resources - can be seen on our website. We also publish the grants decisions data, on our website to support analysis of grants funding trends.



ENERGY CONSUMERS AUSTRALIA

About us Projects Publications News **Grants** Tools For consumers

Grants

Energy Consumers Australia is committed to working effectively with consumer advocates to be a strong and effective voice on National Energy Market issues of importance to energy consumers.

One of the ways that we support energy consumer advocacy is through our Grants Program. This program seeks to fund high quality and innovative research and advocacy initiatives that have potential to deliver outcomes that will benefit the long term interests of energy consumers in the National Energy Market.

Understand what grants are available, then develop and submit your application.

Applicants

Resources, materials and information for grant recipients.

Recipients

Grant funded bright ideas and projects.

Great Grants

For applicants

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Supporting applicants

We provide advice to applicants on our website including the eligibility and selection criteria, application due dates and procedures, as well as more detailed information about the sub-programs.

A feature of our Grants Program is our willingness to spend time with applicants to help them understand the program, discuss their application and, where appropriate, connect them with other advocates or researchers with similar agenda. Where grants were not successful, we offered them the opportunity for further feedback to help them shape any future applications.

This year, we also considered how we provide more detailed guidance to applicants – we issued guidance notes

on the grant sub-programs and offered program briefings to applicants and groups like the National Consumers Roundtable on Energy.

We understand that grant applicants want to understand the areas of priority to enable them to tailor their proposals. As part of our current work to re-set our business plan and impact reporting performance framework, we intend to identify priority and emerging areas for the Grants Program beyond 2020 and will communicate that with stakeholders. How we communicate that information to applicants will be included in the Grants Program Review.

We are also considering further improvements to ensure our grant application process approach is best practice, including how to improve information to applicants.

Grants recipients present findings of their work at Foresighting Forum 2020.

Thuy Nguyen, Sydney Alliance



Yolande Strengers, Monash University



Kellie Caught, ACOSS





Robyn Robinson with volunteers of the COTA Energy Advocacy National Workshop project

Impact of COVID-19

The COVID-19 pandemic changed the way government, industry and regulators consulted with consumers and advocates. Face to face meetings and public forums ceased from March 2020. As a result, there were far fewer CEO Grants than in previous years, reflecting the change to consultation.

Given the impact on households, we anticipate greater calls on the grants program in the next 1-3 years – household energy bills continue to be a primary concern, particularly as more people struggle to find employment or are working from home.

We will actively engage with small business organisations to identify areas where there is a need to support their advocacy or research.

We will see more people seeking assistance from consumer and community agencies, and an ongoing role for those organisations to represent their clients. Small businesses will be particularly hard-hit by the downturn – high energy bills will only hamper their recovery.

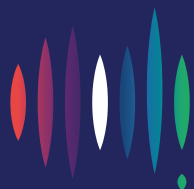


Great grants 2014-20

The work undertaken by advocates and other organisations through the Grants Program is having influence, improving outcomes for energy consumers. The Great Grants listed here showcase important work that has built new evidence or demonstrated impact.

	Project	Code/ Organisation
Networks	<ul style="list-style-type: none"> Inconvenient guests – the consumer experience of administrative review for electricity pricing (consumer participation in limited merits review processes) 	752, 800, 801 Public Interest Advocacy Centre
	<ul style="list-style-type: none"> Analysis of SAPN tariff reforms through its proposed TSS in relation to impacts on small business 	787 Business South Australia
	<ul style="list-style-type: none"> Networks & batteries: what's best for consumers? 	795 TEC
	<ul style="list-style-type: none"> An evaluation of the role of accelerated depreciation in regulation of electricity and gas networks 	807 Engineroom Infrastructure Consulting
	<ul style="list-style-type: none"> Electricity pricing and managing heatwaves at home: mitigating health and financial risks for heat-vulnerable household consumers 	813 RMIT
	<ul style="list-style-type: none"> Assessing and improving consumer outcomes of network pricing reform 	840 Renew
	<ul style="list-style-type: none"> Tariff Assessment Tool 	814, 944 UNSW
	<ul style="list-style-type: none"> Living Deliberate Negotiate Agree (DNA) 	853 Uniting Communities
	<ul style="list-style-type: none"> AER TasNetworks Revenue Proposal - Small Business advocacy 	915 Tasmanian Small Business Council
	<ul style="list-style-type: none"> Fair outcomes for low income and vulnerable consumers – Queensland Electricity Networks Revenue Determination 2020-25 	946 QCOSS
	<ul style="list-style-type: none"> Tariff Reform workshop for consumer advocates 	987 COTA Queensland
Affordability	<ul style="list-style-type: none"> Households in the Dark: Mapping electricity disconnections in the NEM 	712 St Vincent de Paul Society
	<ul style="list-style-type: none"> Interaction between energy supply and residential rental housing arrangements 	791 QCOSS
	<ul style="list-style-type: none"> Research and Advocacy materials on the feasibility of rural electricity users in Queensland going off-grid and irrigators in particular 	832 Bundaberg Regional Irrigators Group
	<ul style="list-style-type: none"> Photovoltaics on Apartment Buildings 	841 UNSW
	<ul style="list-style-type: none"> The lived experience of Tasmanian consumers – energy consumer advocacy project 	849 TasCOSS
	<ul style="list-style-type: none"> Response to Queensland Competition Authority Scoping Paper 	862 QCOSS
	<ul style="list-style-type: none"> Evaluating energy management options in community housing multi-unit dwellings to reduce energy costs for community housing tenants 	876 Q Shelter
	<ul style="list-style-type: none"> Empowering irrigation consumers to improve their long-term electricity purchase arrangements 	892 National Irrigators Council
	<ul style="list-style-type: none"> The impact of energy costs on the Australian agriculture sector 	910 Australian Farm Institute

Affordability (continued)	• Irrigators – the flow on benefits of regionally embedded generation	942 Cotton Australia
	• Future proofing small business energy bills	964,1004 COSBOA
	• Advocacy for low energy homes	966 Renew
Consumer futures	• Smart home control: exploring the potential for enabling technologies in vulnerable and disadvantaged households	788, RMIT Centre for Urban Research
	• Understanding the changing needs of residential energy consumers in the information age and the implications for tariff reform	821 CitySmart
	• Use your power – optimising the financial outcomes for consumers with solar systems	883 Moreland Energy Foundation Ltd
	• Exploring the nexus of energy use, ageing, health and wellbeing amongst older Australians	887 Macquarie University
	• Our Grid - Concepts, strategies and relationships to engage energy consumers in the Future Grid	935 RMIT
	• Equitable, Affordable Inclusive Energy Transition Advocacy Project	985 ACOSS
	• Training materials for low income energy affordability	995 Fourth & Centre
Empowering advocacy	• Voices for Power – a multicultural movement advocating for low income and migrant energy consumer needs	865 Sydney Alliance
	• Systemic advocacy training & support for representatives of older energy consumers	870 COTA Australia
	• COTA Energy Advocacy National Workshop	AP 1034 COTA
Optimised system	• Planning future grids together: improving engagement between network planners and local government	815 Northern Alliance for Greenhouse Action
	• The role of distributed energy resources in facilitating the equitable and efficient decarbonisation of the NEM	904, 983 Total Environment Centre
	• Consumer Scrutiny of the proposed RiverLink Interconnector	969 The Energy Project
	• DER Export Management Advocacy Project	AP 1014 Renew
Retail market	• Retail Tariff Tracker project	713, 794, 898 St Vincent de Paul Society
	• Power Transformed: Understanding consumer decision making in the complex and transforming energy market	758 CALC
	• Research and analysis supporting irrigator submissions into the ACCC Retail Electricity Pricing Inquiry	893 National Irrigators Council
	• Tasmanian Small Business Advocacy to ACCC Inquiry into Retail Electricity Prices	894 Tasmanian Small Business Council
Wholesale market	• Study of the Tasmanian wholesale market and its impact on small business	873 Tasmanian Small Business Council
Gas market	• Response to the AEMC's gas pipeline review	902 Major Energy Users



**ENERGY
CONSUMERS
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