2021 State Election Joint Statement on Energy Affordability

Energy is an essential service. It is critical to individual, family and community health and wellbeing, as well as to overall economic activity. All Tasmanians, regardless of their means, have the right to reliable, safe and affordable energy.

Our shared goals:

- 👉 Improving energy affordability for Tasmanian households to ease cost of living pressures.
- Lower electricity prices.
- ✓ Investment in energy efficiency measures targeted to low income households.
- ◆ Basic standards for rental properties so they are healthy to live in.

We estimate there are 59,000 households in Tasmania experiencing energy poverty. That is the equivalent of the entire northern region of our state. Living in energy poverty forces low income households to restrict energy use by avoiding activities like showering, cooking or using heaters, which often leads to significant health and wellbeing impacts. It also results in spending high proportions of income on power bills and going without other basic goods and services.

Lower electricity prices

The State Government has committed to delivering "the lowest 'regulated' electricity prices in Australia by 2022."² This target is inadequate for Tasmanian households with research identifying that most customers elsewhere in Australia access 'market offers' which result in power prices that are lower than 'regulated' prices.³

In addition to paying higher prices, Tasmanian households also use more electricity than mainland households, resulting in higher electricity bills. This is due, in part, to our older housing stock with poor energy efficiency performance.

By ensuring Tasmanians are paying the lowest electricity prices in Australia (market or regulated) and investing in household energy efficiency initiatives to reduce electricity consumption, energy affordability for Tasmanian households will be improved, resulting in lower power bills.

Basic standards for rentals

Properties that are provided for rental in Tasmania should meet basic energy efficiency standards. Minimum energy efficiency standards will ensure Tasmanians who rent, benefit from healthier homes and lower power bills.

The former COAG Energy Council agreed to a national framework for minimum energy efficiency requirements for rental properties by mid-2022.⁴ We are calling on the next State Government to commit to implementing minimum energy efficiency standards for rental properties. This aligns with the Premier's Economic and Social Recovery Council's (PESRAC) Final Report recommendations which included a call for energy efficient housing.⁵

¹ Estimate based on <u>Brotherhood of St. Laurence energy and poverty report</u>.

² Hon Guy Barnett MP 2020, <u>Delivering low cost, reliable clean power for Tasmanians</u>, media release, 22 June 2020.

³ TasCOSS 2020, <u>Submission to the Draft Tasmanian Renewable Energy Action Plan 2020</u>, p. 6-7.

⁴ COAG Energy Council 2019, Report for Achieving Low Energy Existing Homes, Commonwealth of Australia.

⁵ Premier's Economic and Social Recovery Council Final Report 2021, recommendation number 32.

⁶ Renewables Tasmania 2020, *Tasmanian Renewable Energy Action Plan*, Department of State Growth, p. 40.

⁷ TasCOSS 2021, <u>Household Energy Efficiency Initiatives: creating jobs, stimulating our economy and lowering power bills</u>, Budget Priorities Statement.



2021 STATE ELECTION JOINT STATEMENT ON ENERGY AFFORDABILITY

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"The [State] Government will continue to help low income households lower their electricity bills by helping them invest in energy efficiency products for their homes."

— Tasmanian Renewable Energy Action Plan⁶

The undersigned seek a commitment from all candidates and parties to the following:

To improve energy affordability and lower electricity bills for Tasmanian households, in particular, low income households.

This will be achieved by policies and actions that lower the price of electricity and improve the energy efficiency performance of housing, including:

Lower electricity prices

→ Delivering the lowest electricity prices (regulated or market) in Australia.

Household energy efficiency

- Investing in the *Household Energy Efficiency Program*, that will deliver:
 - Finergy efficiency upgrades for all Tasmanian social housing;
 - ★ A grants program for homeowners to invest in energy efficiency upgrades; and
 - ★ An incentives program targeted to landlords to improve the energy efficiency standard of rental properties.
- ◆ Increasing funding to NILS Tasmania to enable more Tasmanians to access energy efficient appliances.

Basic standards for rentals

full Introducing mandatory minimum energy efficiency requirements for rental properties.

