

A Preliminary Guide to Equitable Energy Programs

Citation for this guide and frameworks:

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The three frameworks developed in Phase 1 of the Energy Equity Work Program are proposed as key components of a national, co-ordinated strategy to address energy hardship. Policymakers and others in the energy sector can use the frameworks to measure, assess, strengthen, and track energy hardship.

The frameworks build on a more comprehensive understanding of energy hardship, which differentiates between vulnerability and four distinct levels of hardship. These new insights can support policymakers to better design and target programs based on household needs.

New definitions of energy hardship and vulnerability inform the energy equity strategy.



Figure 1: Differentiating between vulnerability and energy hardship

Rather than define households by the difficulty they have paying their bills, the research identified a clear distinction between energy hardship and vulnerability to energy hardship.

- **Energy hardship:** When a household is unable to use energy services in the home to live a comfortable, dignified and healthy life without restricting other essential needs.
- **Energy vulnerability:** When households are at risk of suffering energy hardship.

The strategy – at a glance



Measure: a comprehensive range of factors associated with energy hardship

Drivers, Indicators and Outcomes take us beyond simplistic income-based metrics



Assess: different levels of energy hardship based on severity and duration

Based on the factors detected, identify the levels of hardship that need addressing



Strengthen: select appropriate initiatives based on household needs

Based on the levels of hardship, select *Prevention*, *Support*, or *Relief* strategies



Track: evaluate program outcomes and monitor energy hardship over time

Repeat *Measure* and *Assess*, report the impact, and *Strengthen* appropriately

1. Measure: a comprehensive range of factors associated with energy hardship



The DIOs represent a more complete set of warning signs associated with energy hardship than simple income-based metrics. Understanding a wider range of warning signs can help us detect energy hardship, grouped as **Drivers**, **Indicators** and **Outcomes**.




 Drivers	 Indicators	 Outcomes
Household income Energy cost Home energy efficiency Health status Unique energy needs Financial/energy literacy Access to services Size of household Type of dwelling Poor retailer behaviours Low cognitive bandwidth	Thermal comfort Mould/damp/rot/leaks Indoor temperature Unusually high or low bills for household size / Heating/cooling expenditure Bill compared with income (e.g., 10%+) Under-consumption Difficulty paying bill	Forgoing essential needs Payment difficulties Worsened health status Disconnection Limited social interaction Poor living conditions Stress/anxiety/depression Suicide ideation Avoiding contacting retailers Non-energy debt Shame

Figure 2: Drivers, Indicators and Outcomes (DIO) Framework – a comprehensive set of energy hardship warning signs

Until Phase 2 develops robust metrics, program designers can use the DIOs to guide their professional judgement when designing and evaluating energy hardship programs.

- Which DIOs are evident in the households you're aiming to assist?
- Taken together, do they indicate vulnerability, or relatively mild or severe hardship?
- How long have these issues been endured?
- How can you measure them? Consider both qualitative and quantitative approaches, subjective feelings as well as objective facts.

2. Assess: different levels of energy hardship based on severity and duration

The ABATE hardship framework further deepens our understanding of energy hardship by identifying four distinct hardship states using the DIOs to assess the severity and duration.

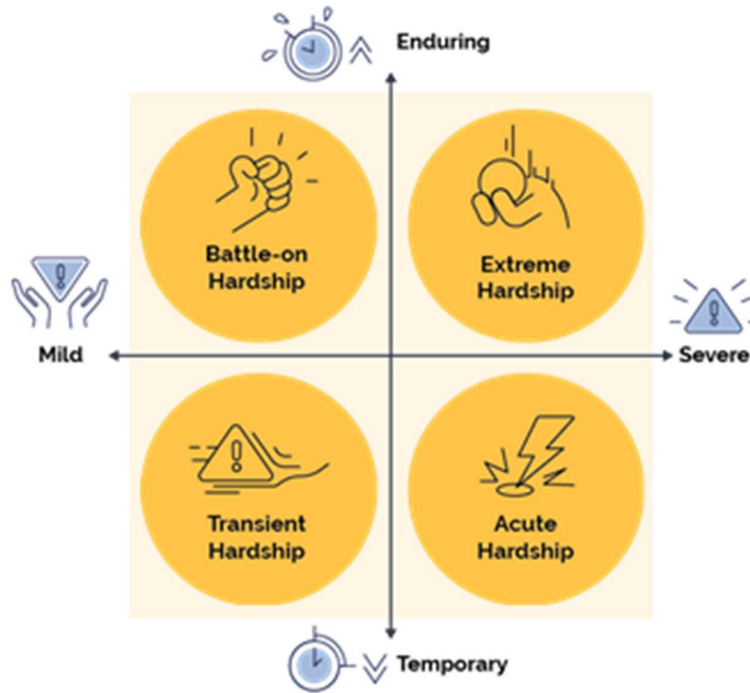


Figure 3: The ABATE Energy Hardship Framework: Four states of hardship by duration and severity

The ABATE framework supports program designers to identify and fill gaps in the assistance available and to tailor effective responses to household needs.

Households exhibiting a greater number of DIOs are likely to be less resilient. This accumulation of barriers can amplify energy hardship, through both structural barriers, *e.g.*, housing quality, retailer behaviour and energy prices, and personal circumstances, *e.g.* language, disability and landlord-tenant relationships.

Less resilient households can more easily slip into hardship, move quickly from temporary or mild hardship to enduring or extreme hardship, and are likely to need more help to get out of hardship.

3. **Strengthen:** use the most appropriate type of initiative based on household needs



The *Prevention-Support-Relief* (PSR) framework supports the design and targeting of initiatives to address energy hardship depending on the levels of hardship identified.

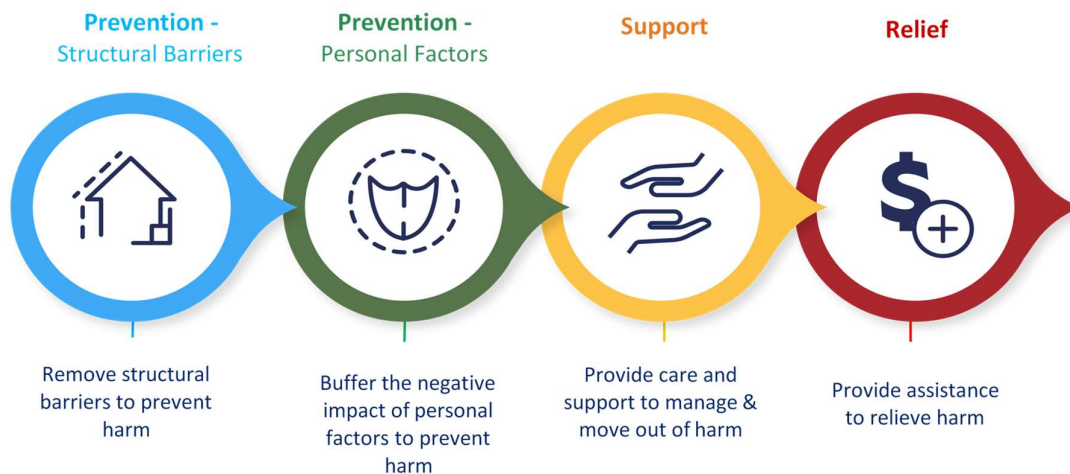


Figure 4: PSR Framework – addressing energy hardship based on household needs



Prevention initiatives target structural barriers and build resilience

Most suitable for vulnerable households at risk of falling into energy hardship



Support initiatives help households manage energy use and exit hardship quickly

Most suitable for households experiencing either transient hardship or persistently battling on through relatively mild enduring hardship



Relief initiatives provide respite for households suffering acute hardship

Most suitable for households suffering either acute or extreme hardship

4. **Track:** evaluate program outcomes and monitor energy hardship over time



It is essential to build evaluation into the design of initiatives to enable evaluation, so program designers can re-assess levels of energy hardship and assistance needed.

Tracking program outcomes simply means repeating the steps undertaken when designing the program to *Measure* and *Assess* energy hardship, and comparing the results with the DIOs and levels of energy hardship observed before the program started.