

# ECA Grants Program

Roundtable  
30 April 2021



## Why is ECA reviewing the grants program?



- 2019 KPMG review for Energy Ministers
  - found program was positively considered
  - recommended improving transparency and better measuring impact
- The energy market transformation is placing new (and increasing) demands on advocates to engage in decisions

## Review : stakeholder feedback

- Over 70 one-one interviews with an independent reviewer - he heard:
  - Demand for consumer engagement is increasing – submissions, working groups etc – and it's difficult to work out where to commit resources
  - Environment is more complex
    - and decision-makers are time poor so it is hard to engage well
  - We're not seeing much expansion from small number of organisations with a full-time energy expert
  - Researchers and consultants don't fit the grants program
    - grants seen as not providing timely assistance – and too small for research
- Non-financial support from ECA was seen as helpful



## ECA reflections – as advocate and grant-maker



- Systems change is HARD – it's complex, takes time and requires us to build a constituency for change
- High impact is therefore more likely with
  - evidence base - relevant and robust
  - whole-of-organisation commitment
    - potentially more than one collaborator
  - clear strategy and outcomes
    - Theory of Change
    - Adaptive
    - Identifies the decision-maker and where there are opportunities to drive change

# Evolution, not revolution



- Guiding principles
  - Impact – helping support and demonstrate how grant funding is contributing to consumer outcomes
  - Transparency – making it easier to understand what’s more likely to be funded
  - Sustainability – providing a platform that supports advocacy in a transforming market
- The program design reflects strengths of advocates and ECA experience
- We are refining the program to focus on advocacy that demonstrates better consumer outcomes

# Revised Grants Programs



- Four sub-Programs:
  - CEO Grants (to be re-named **Participation Grants**)
  - **Advocacy Grants**
  - **Collaboration Grants**
  - **Gill Owen Scholarship** – funding to support international travel/engagement (unchanged).

# Key differences

Each program type is designed to fill a different need



- **Participation Grants** - revises the current CEO grants program to support advocacy by organisations or individuals into current policy and regulatory decision-maker processes
  - Removes requirement that it only apply to urgent processes
  - Potential to increase the amount of a grant
- **Advocacy grants** refines the current program to support organisations develop more complex projects aiming to shift energy market behaviours and practices to deliver better consumer outcomes
- **Collaboration Grants** – developed to address more complex projects aimed at system change
  - application process for both Advocacy and Collaboration has changed
  - Help to develop the Theory of Change
- **Research** must be grounded within an advocacy or collaboration project – we're not funding stand-alone research grants
- **Resources to support** organisations
  - ECA to work with stakeholders to identify *Opportunities for influence*
  - ECA can provide 'in-kind' support from own resources where useful

# Grant sub-programs

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# Participation Grants (formerly CEO grants)

Supporting timely consumer voice in current decision-making processes

- **How do I apply?**

- Online automated form
- 2-3 week turnaround

- **What can be funded?**

- Travel expenses to engage in decision-making forums (not sitting fees)
- Resourcing to support making a submission to a process
- Collaboration with colleagues around a decision through a workshop

- **How do I demonstrate impact?**

- Fill in a simple online form outlining your view of impact made through contribution
- Attach any documentation, e.g. submissions, evidence reports, workshop outputs

## Examples

- Travel interstate to attend AER public forum
- Using organisation's experience and expertise to draft a submission
- Engaging a consultant to provide targeted technical expertise to a submission
  - QCOSS' engagement in QCA regulated pricing decisions
- Convening a workshop with advocates on an issue or to build advocacy capability
  - COTA's workshop to empower its energy advocates
- Building advocacy expertise through a masterclass

# Participation Grants governance

- Participation Grants likely to be decided by the CEO
  - According to guidelines set by the ECA Board
  - And with amounts capped by the ECA Board.
- The model that we're proposing to the Board could have caps that align with the activity - for example:
  - Travel (to a decision-making forum or workshop) – max. \$1K
  - Workshops – max. \$10K (to cover venue hire, catering, etc)
  - Submissions – max. \$35K
  - Technical expertise to support a submission - max. \$25K
- One model is that CEO delegation capped at \$15K – other raises to \$40K
- Board will want some oversight for higher grants – welcome feedback.
- Need to ensure ECA grants are not used to meet expenses that the decision-maker should be meeting. Sitting fees therefore not included, and we will track expenditure to report back to market bodies/industry.

# Advocacy Grants

Supporting more complex advocacy projects change energy market behaviours and practices to deliver better consumer outcomes

- **How do I apply?**



- Lodge application anytime through 3 stage process
  - EOI (2 pages) outlining project objective, timing, and your capability for influence (internal/external)
  - scoping workshop, potentially with other relevant stakeholders, to develop the Theory of Change
  - full application when ready will be sent to ECA Board for decision

- **What can be funded?**

- Advocacy projects that deliver benefits to energy consumers, especially households and SMEs
  - Research will be funded as part of an advocacy project

- **How do I demonstrate impact?**

- Theory of Change will define success, and measures of impact.

## Examples of Advocacy Grants

- Engage in a network revenue determination – attend meetings, draft submission with technical expert, hold workshops with other advocates to work through issues eg.
  - Brotherhood of St Lawrence work on VIC network determination
- Rule change to amend National Electricity Rules e.g.
  - TEC work around DER integration)
- Developing a network of new consumer voices eg.
  - Work done by Sydney Alliance with CALD consumers)

# Collaboration Grants

To support projects aimed at major systems change – more complex, longer, and requiring a constituency for change

- **How do I apply?**

- Lodge application anytime through 3 stage process
  - EOI (2 pages) outlining outlining project objective, timing, and your capability for influence (internal/external)
  - scoping workshop with other relevant stakeholders to to develop the Theory of Change
  - full application when ready will be sent to ECA Board for decision

- **What can be funded?**

- Multi-year grants
- Project can include multiple grants to cover a range of activities/ deliverables – research, communications etc
  - project “leader” – an organisation responsible for project management and maintaining momentum

- **How do I demonstrate impact?**

- The Theory of Change will define success, and measures of impact.

- Envisage that these projects will be adaptive, where strategy can evolve to meet environmental changes

## Examples of potential Collaboration Grants

- Building a coalition to ensure access and affordability considered in energy market transition eg.
  - ACOSS’ work to ensure equitable and affordable energy transition)
  - Advocates working closely with market bodies and government on post-2025 market design

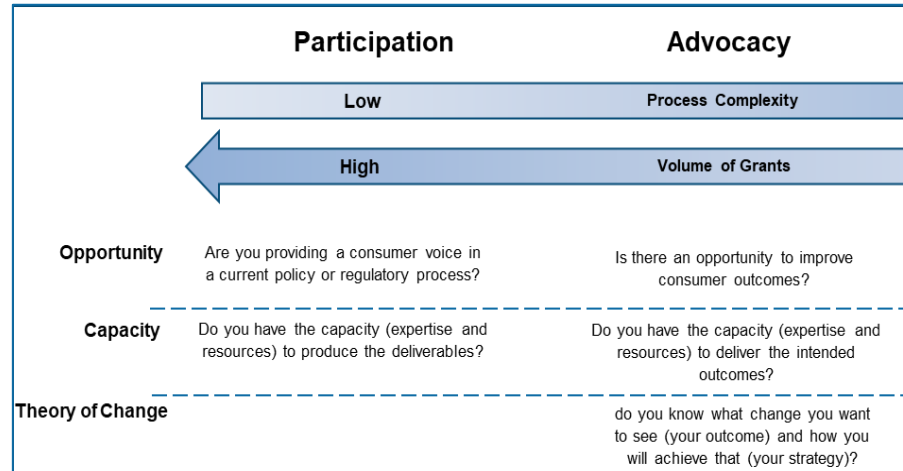
## Complementary resources to support advocacy



- Access to a panel of potential facilitators to develop a Theory of Change
- Collaboration with sector to identify where there might be near to medium term opportunities for advocates to influence market outcomes, decisions or behaviour
- Better alignment with ECA business plan to leverage our resources

# How will ECA support advocacy around network revenue determinations?

- ECA Grants will continue to support advocacy around network determinations given their impact on energy bills
- Advocates envisaged to be funded usually through a Participation or an Advocacy grant as advocacy activities and projects will be framed by requirements of the regulatory process (ie engagement in forums, submissions to AER papers or response to industry proposal)
  - Participation grants will support an organisation (or individual) to participate in public forums or workshops, or make a submission at a stage of the process
  - For projects that are more complex (build a coalition, require significant technical expertise or research to respond/input to a process) we anticipate that Advocacy Grants will be more appropriate



## Refining the selection criteria: who is a consumer advocate?



- An organisation with a mandate to represent consumers through their organisation's purpose or activities
  - OR
- An individual who can demonstrate a mandate through their network or activities.
- Only organisations can apply for Advocacy or Collaboration Grants.

## Refining the selection criteria: what's the expected level of co-contribution?



- Organisations should commit resources – financial or in-kind – to a project.
  - Where organisations don't “buy in”, projects are much less likely to be successful.
- Level of co-contribution funding should be proportionate to its resources and align with the project size.



## Process for finalising program

- Consultation with advocates, closing 21 May 2021
  - sharing that document with senior officials and market bodies
- One-on-one briefings to advocates that are regular grant recipients
- ECA Board approving program and implementation schedule at June meeting
- Aiming for
  - Participation grants beginning 1 August 2021
  - Advocacy grants Q4 2021
  - Collaboration grants piloted Q4 2021

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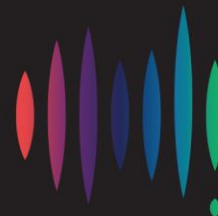
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