

Submission to

NSW Independent Pricing and Regulatory Tribunal (IPART)

Draft report and determination on changes to regulated retail electricity prices from 1 July 2011

Physical Disability Council of NSW St Helens Community Centre 3/184 Glebe Point Road, Glebe NSW 2037

Contact: Ben Williams (Assistant policy Officer)

Freecall: 1800 688 831 Phone: 02 9552 1606 Fax: 02 9552 4644

Web: www.pdcnsw.org.au
Email: admin@pdcnsw.org.au

Who is the Physical Disability Council of NSW (PDCN)?

The Physical Disability Council of NSW (PDCN) is the peak body representing people with physical disabilities across New South Wales. This includes people with a range of physical disability issues, from young children and their representatives to aged people, who are from a wide range of socio-economic circumstances and live in metropolitan, rural and regional areas of NSW. This is approximately 937,000 people.¹

The objectives of PDCN are:

- To educate, inform and assist people with physical disabilities in NSW about the range of services, structure and programs available that enable their full participation, equality of opportunity and equality of citizenship
- To develop the capacity of people with physical disability in NSW to identify their own goals, and the confidence to develop a pathway to achieving their goals (ie self advocate).
- To educate and inform stakeholders (ie about the needs of people with a physical disability) so they are able to achieve and maintain full participation, equality of opportunity and equality of citizenship.

Comments on the Draft Determination and Report

As part of its report the Independent Pricing and Regulatory Tribunal (IPART) makes a series of recommendations to the NSW government regarding energy pricing and regulation. PDCN has additional recommendations regarding

- the social impact of the higher price rises
- the hardship programs

In its draft determination IPART discusses the issues faced by those that are low income high energy users. The Public Advocacy Centre and PDCN identified an addition group in a

¹ PDCN website http://www.pdcnsw.org.au/index.php/General/what-is-life-long-physical-disability.html

recent Focus Group². This is, those who have cut back on essentials to reduce their energy bills. This group has been incorrectly identified as low income low use. PDCN is concerned about the impact of their choices on their physical health, mental health and overall wellbeing

In its discussions with the Focus Group participants, it became apparent that people are reducing electricity bills by:

- Cooking less food. They believed that cooking fresh ingredients from scratch would cost significantly more in energy use than using the microwave. This may cause nutritional issues impacting negatively on people's health.
- Reducing the use of heating, cooling and lighting. The reduction in heating and cooling can exacerbate temperature sensitive health conditions causing an increase in symptoms that may result in hospitalisation. People discussed their attempts to limit energy use though leaving lights turned off as long as possible. The lack of appropriate lighting in the home can put people at greater risk of falls providing a clear physical health risk to many people with physical disability.
- Deciding to stay at home rather than going out. As a part of their strategy to reduce their energy bills, members of the focus group mentioned their decisions to stay at home rather than go out in an effort to save money. This included discisions to not visit their family because of expenses associated with travel PDCN believes that as energy prices increase the risk of social isolation for those struggling to pay their energy bills will rise. Social isolation has been shown to have a significant impact on mental health being linked to depression and anxiety related disorders.³

Since July 2010 rise in energy prices there has been an increasing emphasis by government on the need of individuals to reduce their energy costs. PDCN is concerned that the focus of the strategies identified are not necessarily applicable for people with physical disability:

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² PDCN and PIAC's Energy and Water Consumer Advocacy Program Focus Group, April 2011 http://www.pdcnsw.org.au/images/stories/documents/pdcn%20focus%20group%20flyer%20electricity.pdf

³ "Anxiety", Royal Brisbane and Women's Hospital: Metro North Health service district, 2009 www.health.qld.gov.au/rbwh/docs/anxiety.pdf

1. Change the times that you use energy to off peak time.

It seems that this is perceived as strategy that can be used by all. It has been promoted strongly by many energy retailers as a method people can use to significantly reducing their energy bill. It involves using high energy appliances during off peak times. However there are a number of issues that significantly impact the ability of some people with a physical disability to use this strategy:

- Some people with physical disability use disability specific appliances such as motorized wheelchairs. The batteries for motorised wheelchairs need to be charged for long periods that could extend into peak times. Motorised wheelchair use is essential for some members of the community to combat social isolation.
- For some people with physical disability using appliances at off peak time is not viable. People express concern that if they use noisy appliances at cheaper times, they may disturb their neighbours, and this could possibly jeopardise their housing arrangements.
- Heating and cooling are essential for people with medical conditions that prevent their bodies from maintaining a healthy temperature. It is impossible for them to only heat and cool their homes at cheaper times.
- Personal care services and home care services are offered at set times that fall in peak and shoulder times. Because of the times these services are available it is not possible for people with physical disabilities to use their high energy appliances during off peak times.

2. The purchasing of high efficiency appliances

This energy saving strategy that has been promoted can be extremely effective at lowering energy cost. However, for some with a physical disability there are significant issues in purchasing high efficiency products. Some of these include:

- The higher price for energy efficient appliances is seen as a barrier.
- The ability to shop around for affordable appliances can be hampered by accessibility of retail outlets.
- Some people with physical disability cannot always access the internet to shop around.
- The higher purchase price for major appliances means making payment arrangements that have impacts on disposable income. For example, costs of interest free loans, high interest for short term loans and repaying Centrelink for an advance can mean reduced fortnightly income.

Recommendations

Considering some of the issues that are unique to people with a physical disability, the comments provided to PDCN by people with disability, and the issues raised at the Focus Group PDCN has the following recommendations:

Recommendation 1

Provide information on power consumption in a variety of formats.

People with physical disability are very receptive to energy consumption information. They believe that it has the potential to help them move from victims of the price rise to proactive actors in the energy issue. PDCN believes that the key to this is making information available in as many formats as possible.

Recommendation 2

Providing information, and fact sheets, through community organisations, clubs, general practitioner surgeries, and shopping centres.

People with physical disability identified that their main avenues of gaining information was through the various clubs and organisations they belonged to. PDCN believes that the best way to get information on energy saving strategies to the widest group of people is through diversifying the distribution of information, fact sheets, community workshops and information sessions.

Recommendation 3

Require energy transmitters to contribute to hardship and/or energy education programs.

PDCN believes that adopting such a measure it will provide greater equality in the energy market. As, the transmitters are the largest single component of the increase price, contributing 10% of the 18% percent price rise in this draft determination.