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the **SOCIALDECK**

Integrated Energy Plan: Pathway to Electrification

Summary report: Stakeholder and community forum

August 2023



This artwork was designed and produced by Gubbi Gubbi and Githabul artist, Shauna Hill for The Social Deck.

Acknowledgement of Country

This report was compiled on the unceded lands of First Nations peoples. The Social Deck acknowledges the traditional custodians who have lived on and cared for Country for thousands of generations, and recognises their continuing connection to land, waters and community. We pay our respects to them and their cultures, and to Elders past and present.

Contents

Acknowledgement of Country	2
Event overview	4
Things that need to be considered to support a successful transition to electrification in the ACT	5
Issue 1: Developing the future energy network and sharing the costs	7
Barriers and benefits to taking a consumer-led approach to transition in Stage 1 of the IEP (2024-203)	7
Issue 2: Electrifying our community	10
Encouraging electrification among households that have the means to do so	10
Types of support that could be provided for low-income households or those who can't transition themselves	12
Issue 3: Electrifying complex buildings	12
Ways to help to ensure a smooth transition for those living in complex buildings	12
Issue 4: Electrifying business	14
Transition issues that impact small to medium businesses	14
Issue 5: Electrifying industry and heavy transport	15
Things that need to be considered to transition niche industrial, commercial and transport applications away from fossil fuel gas	15
Issue 6: Skills and workforce	16
Other thoughts, ideas and concerns	17

Event overview

Date:	10 August 2023
Time:	2:15pm – 3:30pm AEDT
Location:	Online (Zoom)
Type of event:	Webinar
Purpose of event:	This webinar provided information, in a focussed setting, about the Integrated Energy Plan (IEP). The associated Position Paper was discussed in detail, and participants were asked for feedback on particular issues. The panel format allowed for facilitated discussion between panel members, some interaction and data capture from participants via an online engagement tool called Mentimeter. The webinar covered the following: • an overview of the broader context – Pathway to Electrification. • an outline of the Integrated Energy Plan framework, including the main issues identified in the Position Paper • discussion and feedback on some of the main issues identified in the Position Paper • perspectives from panel members relevant to stakeholders and households in the ACT • other ways to provide feedback through the public consultation. Key questions/prompts were provided throughout for participants to provide relevant input against specific parts of the Position Paper. Interactivity was encouraged using the Q&A function and questions in Mentimeter.
Panellists:	Michael Hopkins – CEO of Master Builders (MBA) ACT Dr Devin Bowles – CEO of ACT Council of Social Services (ACTCOSS) Rachael De Hosson – Executive Branch Manager, Net Zero Transformation
Social Deck presenter:	Jess Baxter, Engagement and Change Lead
Participant/s:	45 Registrations 33 Participants, including: • 6 homeowners • 3 renters • 1 landlord • 2 people who work in the gas industry • 3 people who work in the gas fitting industry • 3 who work in the building/development or construction industry • 1 large gas user • 1 trade union representative • 6 community organisation • 10 who registered as ‘other’
Menti data	32 people contributed to questions in Mentimeter.

Things that need to be considered to support a successful transition to electrification in the ACT

Panellist insights

The two webinar panellists, Dr Devin Bowles, CEO ACTCOSS and Michael Hopkins, CEO Master Builders ACT, began by providing their insights into what they think needs to be considered to support a successful transition to electrification in the ACT.

- Providing support to those who face additional barriers, including low-income households and renters is critical to a fair and equitable transition.

'It's great to see equity already being prioritised in the government's thinking. It is going to be an absolutely crucial element of the transition. Due to limited financial resources or being renters, the risk that they have of being caught in a gas network where prices keep increasing. And also, many people actively want to be transitioning to a zero carbon lifestyle and so enabling them to do that will be crucial.' Dr Devin Bowles, CEO ACTCOSS

- The workforce challenges and opportunities associated with the transition will have a significant impact on the building industry.

'There are both challenges and threats to the workforce, particularly if you've just finished a gas fitting qualification. But at the same time, there's all sort of opportunities for electricians, electrical engineers, specialists in retrofitting buildings and changing them from gas to electricity.'

'There'll be a whole lot of opportunity that comes out of this for our industry, but I know we need 7,000 more workers just to keep up with the status quo over the next few years.'
Michael Hopkins, CEO Master Builders ACT

- Ensuring electrical infrastructure can cope with the volume of all electric builds, particularly complex buildings.

'A big one is also making sure that the electricity infrastructure is there for us when we do build new buildings to make sure that when we plug everything in, the system is going to work.' Michael Hopkins, CEO Master Builders ACT

Participant insights

Participants were asked to identify the things they think need to be considered to support a successful transition to electrification in the ACT. Participants reported a number of key considerations:

- Ensuring a fair and equitable approach that supports low-income households to participate in the transition. Equity was also mentioned in the context of the overall costs of the transition, particularly potential costs to future generations.

‘A measured and equitable approach that facilitates low income homeowners and renters needs to be considered first.’

‘Inter-generational equity, because what we do today should not cost future generations. Maintaining cost equity and equality is of utmost importance.’

- Make sure new technologies and appliances are accessible to vulnerable cohorts, including people with disabilities and the elderly.

‘Supporting vulnerable people with barriers to accessing, using and maintaining electric vehicles and devices, including charging infrastructure and household appliances.’

‘Many modern electric cars and devices are being designed in ways that are inaccessible to people with disabilities and older people – this needs attention.’

‘We also need to prioritise reliability and stability for people reliant on lifesaving electrical devices as there are more drawdowns on baseload power.’

- Increased education and training opportunities to build a skilled workforce for the transition. This includes opportunities to skill in more than one trade.

‘Expanded education, training and certification are needed to develop the skilled workforce to support the new energy economy and to help ensure transitions are fair and people-centred.’

‘Harmonise between disciplines – like electrical engineers learning about mechanical disciplines.’

- Financial incentives, such as rebates and interest free loans.

‘Need to provide monetary assistance and zero interest loans, particularly to people on low incomes, renters and in multi-unit housing.’

- Community education and engagement to promote the objectives and benefits and to help households map out their electrification pathways.

‘Start making consumers more aware that when their appliances die, they need to electrify.’

‘Clear communication for the community. Need to bring people along for the ride.’

- Giving early consideration to electricity network upgrades in preparation for increased demand. This includes cutting red tape.

‘A more efficient government approvals process for Evoenergy connections. The timeframes for both are going to slow down as demand increased and frustrate consumers and businesses.’

- Complex buildings that are hard to electrify need to be considered early in the transition.
- Support for small business, particularly those who are heavily reliant on gas (e.g. commercial laundries).
- Staying informed about new technologies and innovation.
- The role of other alternative energy sources. One participant emphasised they would like to see nuclear energy investigated as a viable option.
- One participant disagreed with the transition and emphasised that it should be rejected on economic and engineering principles.

Issue 1: Developing the future energy network and sharing the costs

After being provided with an explanation of a **consumer-led transition** versus a **staged transition**, the panel members and participants were asked to provide their views on the barriers and benefits of taking a consumer-led approach to the transition for Stage 1 of the IEP.

Barriers and benefits to taking a consumer-led approach to transition in Stage 1 of the IEP (2024-2023)

Panellist insights

Overall, panellists agreed that a consumer-led approach followed by a staged transition is a fair approach. They also highlighted some barriers and benefits to both.

The barriers discussed by panellists were:

Barriers

- Recruiting and training the skilled workforce needed for the transition.

‘I think some of the issues that might require a staged approach are some of the bigger picture issues, like how to we train the workforce, which is going to fundamentally change

because of this policy shift. That's something that needs to be staged over the next couple of decades with some detailed thought.' Michael Hopkins, CEO Master Builders ACT.

- Managing infrastructure upgrades.

'Our utility providers will naturally prefer a staged approach so they can think about how they can manage it over a longer period of time.' Michael Hopkins, CEO Master Builders ACT.

- There is a risk a consumer-led approach won't have the expected uptake, particularly without the right incentives or community education.

'We're talking about climate change here. We should be conscious of that. One of the main risks is that without enough incentives or information the potential benefits of a consumer-led approach will not be realised. It would be a wasted opportunity if over the next few years, consumers replace old gas infrastructure with new gas infrastructure in their homes.'

Benefits

The benefits discussed by panellists were:

- A consumer-led approach has already been happening for a while and overall it's been a success, particularly in the new suburb of Ginninderry.

'We've already got a good example of a consumer that approach, which has been happening for a few years and that's in Ginniderry where good joint venture partners there of both the ACT government and private developers tried building a new suburb with no gas connections and there wasn't as much community resistance as some may have feared. I think we've learned a lot from that because it's started the consumer education early about how they can build a house without gas, and in fact how easy that transition is for a new build.' Michael Hopkins, CEO Master Builders ACT

- A consumer-led approach will avoid wasting current gas appliances and infrastructure that still have significant operating life left.

'I think one of the chief benefits is that it minimises the waste of built infrastructure that's currently in place and has a reasonable amount of time left. It gives consumers the opportunity to let current infrastructure reach the end of its natural life.'

Participant insights

Barriers

The barriers reported by participants were:

- Costs associated with disconnecting from the gas network, upgrading appliances and installing solar and batteries.

- Lack on financial incentives currently available.

‘Customers still don’t have the tools to electrify. The problem for them is too difficult and the financial incentives are not enough to encourage electrification.’

- Gaps in knowledge about what technologies are currently available.

- Lack of infrastructure such as EV charging stations.

‘Lack of infrastructure is a major issue. Already the EV charger roll out is way behind schedule in the city with the highest per capita EV uptake.’

- Potential burden on the electricity network as it’s difficult to predict the pace of consumer-led approach.

‘It’s such a big network – starting on a staged approach now makes more sense than letting consumers pick.’

‘What if people go too fast or too slow with their de-gasification? You can’t control the speed in a consumer-led approach.’

- Lack of accessible and affordable technology for people to buy.
- Vulnerable households who don’t have the means to transition themselves.
- Mis-information being spread about the transition could slow it down.

Benefits

Participants reported that the benefits of a consumer-led transition for IEP 1 are:

- those who have the means and are motivated to transition will
- it allows for technology advancements over the next few years, which means it may make electrifying more affordable for those that cannot transition themselves now
- it minimizes waste of working physical infrastructure
- there is a potential to regulate market support.

‘Consumer led means those who care and can will and those who don’t care or can’t, won’t.’

'The provider marker will not respond to the needs of the vulnerable consumers on its own – government needs to regulate or lever industry to step up.'

Issue 2: Electrifying our community

Webinar panellists and participants were provided with an outline of some of the key considerations for electrifying the ACT community. They were then asked to share their views by answering two questions in Mentimeter.

Encouraging electrification among households that have the means to do so

Panellist insights

Suggestions from panellists were:

- Provide accessible information to consumers, including at point of sale and other practical support so they can make informed choices.

'I think it's about information being widely accessible and front of mind who people who are in a position to make the decision is key and this could include for instance point of sale measures.' Dr Devin Bowles, CEO

- From a building industry perspective, it will be important to look at solutions for retrofitting existing homes.

'I think the building industry is really going to be thinking at the moment about the challenge of retrofitting existing homes. There is a lot of work to be done to learn about what is the most cost-effective, efficient, method to take gas out from a home and replace it with electricity. And it would be great to find a way to showcase and advertise to the rest of the industry so they can learn from those experiences.' Michale Hopkins, CEO Master Builders ACT

Participant insights

Participants made a number of suggestions for things that can be done to encourage electrification among households that have the means to do so:

- Provide clear education and awareness through media campaigns and trusted sources that promote the benefits, cost savings and electrification pathways.

‘Campaigns aimed to educate and inform of the importance of the transition for a sustainable future and promoting the financial benefits from doing so.’

‘More advice and a simple process to undertake the activities or set them on the path to electrification.’

- Offer financial incentives such as rebates and loans. One participant also mentioned a disincentive to maintain gas network connections.

‘Support the community through finance that doesn’t add to mortgage stress (e.g. through rates and electricity bills).’

- Use case studies and pilot programs to showcase successes.

‘A suburb wide pilot that also connects people with incentives and information.’

- Provide consumers with point-of-sale information and education.
- Regulate to make sure technology, including for both EV’s and appliances, is accessible to all in the community.

‘Regulation to ensure electric cars and charging infrastructure is accessible to people with disability.’

‘We also need manufacturers to make their heaters and appliances more accessible to people with disability.’

Types of support that could be provided for low-income households or those who can't transition themselves

Panellist insights

Panellists emphasised that finding solutions that will encourage or incentives landlords to transition will be crucial.

'Finding a solution that's going to nudge landlords towards making these changes is going to be absolutely critical. There is the possibility of government, incentivising that or requiring that and that I think especially as we go forward in time and, fossil fuel gas prices continue to increase is going to be increasingly comparative.' Dr Devin Bowles, CEO ACTCOSS.

Participant insights

All participants who responded to this question in Menti reported that **financial assistance and incentives** through subsidies, zero interest loans, upfront payments and grants is the most effective way to provide support to households who can't transition themselves.

'Financial – There isn't much other support that would help. You can try to convince someone to transition, but if they don't have the money, they simply can't.'

'There should be a waiver of the gas abolishment fee, subsidies for renters and low income people for electric appliances.'

'Provide upfront finance, possibly led through a pilot, where other ways of paying back are considered E.g. through rates or bills.'

Issue 3: Electrifying complex buildings

Participants and panellists were provided with an overview of some of the issues to electrify complex buildings, they were asked to share their views on what would help to ensure a smooth transition for those living in complex buildings.

Ways to help to ensure a smooth transition for those living in complex buildings

Panellist insights

- Panellists strongly agreed that the administrative issues are often the most difficult to overcome in complex buildings. They emphasised that collaboration, ongoing learning and government intervention, particularly to support negotiations and agreement between multiple stakeholders with different interests and investment priorities is critical.

‘These are complex because we might be dealing with a hundred or more individual owners that make up an apartment building and think through the probability of trying to get a hundred different owners to all agree on one plan or one strategy one approach on how to deal with. This needs a lot more thought.’ Michael Hopkins, CEO Master Builder ACT.

‘Certainly there are some tech improvements that are needed for the transition, but much of the complexity in complex buildings is social. For instance, getting the body corporate of a complex with 100 units to agree a way forward, especially if the financially situation of owners is fairly different from one another. The government could look at intervening or changing the terms on which those bodies make their own rules.’ Dr Devin Bowles, CEO ACTCOSS.

- It was also emphasised the need to think about the social goals of the transition, including ensuring complex buildings are accessible for everyone in the community.

‘It’s also important to think about accessibility of complex buildings for everyone in our community, including, for instance, people with disabilities, and making sure that that transition, doesn’t leave anyone behind.’

Participant insights

Participants suggested the following ideas to ensure a smooth transition for those living in complex buildings:

- Collaboration between body corporates, strata managers and other stakeholders for consistent messaging and understanding of electrification.

‘Government needs to work with strata corps and real estate agents/property managers and other relevant intermediaries. Currently real estate agents recommend replacing old gas appliances with new ones.’

- Mandate minimum rental requirements to include electric appliances
- Provide incentives to landlords, which includes a no rent increase clause for a period of time.
- Update strata laws so homeowners and residents can make more autonomous decisions.

‘Make it easier for residents and owners to make individual modifications without need approval from strata.’

‘There should be strong support for EV chargers in these building types – there are many solutions but a tendency to resist by the building managers.’

- Learning from others who have successfully electrified.

‘Use case studies that show how to get off gas systems in big apartment buildings so we can copy it.’

Issue 4: Electrifying business

During this session, participants were asked to share what they think are some of the transition barriers that impact small to medium businesses. Panellists also provided their reflections.

Transition issues that impact small to medium businesses

Panellist insights

Panellists highlighted that the transition for each small to medium business will look different. For some it will be relatively easy, for others it will be a burden for financially and operationally, and this needs to be taken into consideration for transition timeframes and financial support.

‘It will impact every business differently. Hospitality and restaurants are going to be one particular sector that will struggle, but other small businesses such as those in a small office, it will be relatively easy. So we need to be talking about generous transition timeframes.’

‘Some support through subsidies to allow small business to make these adjustments would be good, and also trying to take advantage of the big businesses who transition and have the capacity is a good idea.’ Michael Hopkins, Master Builders ACT.

Participant insights

Most participants who responded to this question in Menti, reported **cost** as the main barrier to businesses electrifying and that financial incentives will be needed to support businesses.

‘Price of electricity and cost of the new technologies.’

‘Following the pandemic, many small businesses are still clawing their way back to breaking even. Even if they wanted to transition, many businesses simply cannot.’

‘It’s said that many incentives which help small businesses with transition are available, but I’ve never heard of any. Government outreach is critical.’

Other issues reported were:

- gaps in knowledge and understanding of the opportunities the transition presents
- preference for gas cooking.

'I think the issues of gas vs induction cooking is a matter of habit. Some are already transitioning to induction cooking but obviously, the cost is an issue too and they need assistance to transition.'

Issue 5: Electrifying industry and heavy transport

During this session, panel members and participants were asked to share what things they think need to be considered to transition niche industrial, commercial and transport applications away from fossil fuel gas.

Things that need to be considered to transition niche industrial, commercial and transport applications away from fossil fuel gas

Panellist insights

Panellists discussed the following considerations to transition niche industrial, commercial and transport industries:

- For this specific issue, panellists suggested that the ACT could look to and learn from other states and territories with much bigger heavy industries.

'I wonder whether for this one it's opportunity for the ACT to learn from other states and territories, because other states like Victoria and New South Wales are going to have much greater challenges in this area because they have a lot more heavy industry base and are a lot more reliant on heavy transport than probably the ACT is. This challenge is going to be much higher on their radar I imagine than it will be for the ACT '

'Ultimately, I think this will come down to needed specific individual industry transition plans to deal with these specific uses.' Michael Hopkins, CEO Master Builders Australia.

- Addressing the policy complexities created by the ACT's geographical location and the risk of losing industry to nearby towns in NSW.

'The ACT is to its great credit, signaling a much greater level of ambition in transitioning to zero carbon, but is the risk or possibility of some of these businesses shifting over the border. There are some costs associated with that. One is of course the loss of business for Canberra and jobs in Canberra. Another is that we presume that New South Wales will catch up to the ACT at some point and so what we wouldn't particularly wanna see is just kicking the can down the road.' Dr Devin Bowles, CEO ACTCOSS.

Participant insights

Participants reported a number of considerations for electrifying niche industrial, commercial and transport applications away from fossil fuel gas:

- Clearly communicate what green gas is and what its role will be, if any.
- Leverage the expertise of academics and engineers to help support the transition with the latest technologies, including retrofitting ICE vehicles.

‘Heavy vehicles like Tesla trucks retrofit of electric motors is the way forward just due to the efficiency of electric motors vs hydrogen.’

- Provide education and support, including through demonstrations of new electric technologies so businesses know what is available to them.
- Introduce clear regulation requirements for industry to transition.

Issue 6: Skills and workforce

In the final webinar session, panel members and participants were asked to share their views they think the government can support gas workers to transition their skills to things like electrical trades, EV auto servicing and sustainable buildings.

Panellist insights

- Careful considerations should be given ways of supporting and re-training gas fitters.

‘It is really important in a context where a trade is going to be much less needed or phased out that government actively intervene and incentivises people to stay in the trade and then to be able to transition.’ Dr Devin Bowles, CEO ACTCOSS

- Industry and government collaboration will be important, including looking at:
 - additional funding for Registered Training Organisation’s
 - ways to overcome the barriers to people skilling in other trades, through incentives and condensed courses.

‘What we found in more recent years when we looked at current supply chain challenges that our industry is facing is the reskilling in our industry is actually really difficult.’

It's hard to convince a carpenter to become an electrician. Because for them it means going back and starting an apprenticeship all over again, which is not very attractive if you're 10 years into your career.

‘People might have heard of concepts like micro credentials. Where we might take an existing base apprenticeship but instead of forcing someone back to do another 3 years of study, they can do some smaller shorter courses to add on to their existing trade, which gives them the skills that they need to maybe do some of the electrical work or whatever the need might be.’

Participant insights

Participants strongly agreed that gas the government needs to provide support for **subsidised or free education, training and re-skilling in these other areas, particularly EV auto servicing**. Some participants also suggested collaborating with unions, training providers and industry for knowledge sharing about how they are supporting the transition of coal workers in a similar way.

‘Re-education and financial support through the transition. Workers should not have to bear the brunt of the transition without significant or other financial support.’

‘EV auto trades need a lot of support to skill up. There seems to be a shortage of highly qualified teachers to assist with this transition though.’

‘For sustainable buildings we need a much stronger green building code so we build with double glazing as standard. Workers need to be trained properly to do this.’

‘Work with unions, economists, CIT and industry. The Australian Institute has also done some good work on the transition of coal workers which might apply.’

Other thoughts, ideas and concerns

A number of participants offered additional things for consideration in the context of the IEP and the broader Pathway to Electrification. These were mostly related to support for the ACT Government’s commitment to net zero, that the transition is the right (and urgent) thing to do and that promoting energy reduction should also be a key message in the transition.

‘Really pleased the ACT Government has made the move off gas, and can only say keep at it – we can do this!’

‘Don’t slack off in the transition. We are in a climate crisis and while everyone talks about 2050, we don’t have that long to sort this out. More education is critical’

‘Electrification needs to happen – for the good of the environment and for the health and well-being of all.’

‘While promoting electrification it should also promote reducing energy consumption.’