

Auckland Regional Public Health Service

Rātonga Hauora ā Iwi o Tamaki Makaurau



Working with the people of Auckland, Counties Manukau and Waitemata

Auckland Regional Public Health Service

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Secretariat
Commerce Committee
Parliament House
Wellington

SUBMISSION ON THE ELECTRICITY (DISCONNECTION AND LOW FIXED CHARGES) AMENDMENT BILL

1. Thank you for the opportunity for the Auckland Regional Public Health Service to provide a submission on the Electricity (Disconnection and Low Fixed Charges) Amendment Bill.
2. This submission represents the views of the Auckland Regional Public Health Service ("the Service"). The Service provides public health services for the three district health boards in the Auckland region (Auckland, Counties Manukau and Waitemata District Health Boards), with the primary governance mechanism for the Service resting with Auckland District Health Board. This submission represents the views of the Service and does not necessarily represent the views of the three District Health Boards.
3. The Service **wishes to appear** before the Commerce Committee to speak to our submission.
4. The Service understands that all submissions will be available under the Official Information Act 1982, except if grounds set out under the Act apply.
5. Auckland Regional Public Health Service (ARPHS) has a statutory obligation under the Health Act 1956, to improve, promote and protect the health of people and communities in particular for the Auckland region.
6. The primary contact point for this submission is:
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General Comment:

7. The Service supports the **intent** of the Electricity (Disconnection and Low Fixed Charges) Amendment Bill.

Background:

8. The Service recognises that the majority of New Zealanders are dependent on electricity to provide adequate heating, lighting and cooking facilities in their homes. In some homes electricity is also essential to power water pumps that supply drinking water and sanitation systems.
9. It is recognised that damp, cold and mouldy houses can have a negative impact on health. Living in a cold and damp house exacerbates respiratory illnesses such as asthma and bronchiolitis and can also exacerbate mental health problems.¹ Cross-sectional epidemiological studies have established associations between damp and mouldy housing with recurrent headaches, fever, nausea and vomiting and sore throats. These and other medical conditions can be modified by having an adequately heated (and ventilated) house².
10. Some New Zealanders are dependent on water pumps and thus electricity to supply drinking water and sanitation systems. Not only is drinking water essential for human health, adequate sanitation is also fundamental for good health. Sanitation decreases the incidence of disease, increases the frequency of hygienic food preparation and washing and reduces the consumption of contaminated food.³
11. While the Service maintains that access to adequate heating, lighting, cooking facilities, water and sanitation is critical to maintaining the health of the general population, there are groups of people whose health is more vulnerable to disconnection of electricity because of underlying medical or physiological conditions. These include the elderly (older than 65 years), children less than 5 years, people with gastrointestinal disease, those with a terminal illness, people with skin infections/ eczema and people suffering from incontinence.
12. There are some specific situations where electricity is essential for the functioning of medical machinery such as haemodialysis or CPAP machines.
13. The overall aim of the New Zealand Health Strategy is to improve the health status of the population and to reduce inequalities.⁴ Adequate heating, cooking and sanitation facilities are required to create a healthy physical environment, which in turn is essential in maintaining health.

¹Krieger, J. and D. L. Higgins (2002). "Housing and health: time again for public health action." American Journal of Public Health **92**(5): 758-68.

² Ibid

³ Gleick, P. (1996). "Basic water requirements for human activities:meeting basic needs." Water International **21**: 83-92.

⁴ Ministry of Health. The New Zealand Health Strategy. Wellington: Ministry of Health; 2001.

14. The disconnection of electricity to low income consumers who are unable to meet the costs of electricity will contribute to increasing health inequalities in the New Zealand population.
15. The Service opposes the disconnection of low income consumers who have difficulties in meeting their electricity bills. The Service also strongly opposes the disconnection of electricity of any person at increased risk of medical complications from disconnection or those requiring the use of medical machinery to manage a medical condition.
16. The Service believes it is critical that electricity companies have clear processes in place to deal with vulnerable (including those who are medically dependent) and low-income consumers in order to ensure that the health of these groups is not compromised through the disconnection of electricity.
17. The Service recommends that a health risk assessment is undertaken prior to the disconnection of electricity to a household. This involves identifying the occupants and their health status and identifying the potential impact of disconnecting electricity on the occupant's health. These risks need to be adequately communicated to the occupants and the risks mitigated as much as possible. If significant risks to health are identified then the Service believes that the electricity should not be disconnected.
18. The Service recognises that the Electricity Commission has developed a guideline aimed to protect low income and vulnerable consumers from disconnection. However the Service believes that it is important that the Government has the statutory power to intervene if electricity companies do not adequately implement such policies (including undertaking health risk assessments) to protect vulnerable and low income consumers.

Specific Comments:

19. The Service therefore supports the amendments to Section 172 (D) (24 A), (25A), (25B), (25C). If these increased regulatory powers are to be used then careful consideration must be given to defining these "terms and conditions" as this will ultimately determine the influence of this legislation protecting public health and decreasing health inequalities. It is unclear in the Bill what form the terms and conditions will take. The Service believes a Health Risk Assessment should be incorporated into the regulations.
20. The Service supports the **intent** of the Amendment Bill, with regards to the Low Fixed Charge (LFC) tariff options for domestic consumers, to recognise different average electricity consumption levels in different regions, because of different climates, and thus electricity requirements. It is more equitable that the LFC should relate to local averages of consumption rather than national averages given the influence of climate factors on electricity use.
21. The Service therefore supports the amendment to Section 172B (2) and Section 172 (3).
22. The service recognises the actual savings for consumers, resulting from this change in legislation, are small.
23. The Service would be happy to provide clarification or further advice on any of the points raised in this submission.

24. Thank you once again for the opportunity to make a submission on the Electricity (Disconnection and Low Fixed Charges) Amendment Bill.

Yours Sincerely

Dr Julia Peters
Professional and Clinical Director
Auckland Regional Public Health Service