#### VULNERABLE HOUSEHOLDS AND SMART GRIDS

Ian Rowlands presentation on Session 2C: Addressing Challenges Faced by Low-Income Communities





#### DRAWING FROM THIS REPORT ...



#### Vulnerable Households and the Smart Grid in Ontario

Emerging Challenges and Opportunities

by Ian H. Rowlands and Gord Stephen



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#### PURPOSE

 To catalyze discussion regarding linkages between two sets of issues in Ontario – namely, advocacy and analysis on the part of vulnerable households and increased attention being given to smart grid developments

3

# OUTLINE

#### Context

- » Vulnerable households
- » Smart grid developments
- Connections
  - » Electricity data
  - » Electricity partnerships
  - » Prosumers
  - » Sharing economy
- Recommendations and discussion



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# CONTEXT

- Vulnerable households some relevant context
  - » There is currently no definition of "vulnerable consumers". LIEN recommends that this term should be clearly defined in the OEB Act and that the definition should encompass low-income households, including single-parent led families, the disabled, seniors, and those in receipt of social assistance. (January 2015)



Low-Income Energy Network



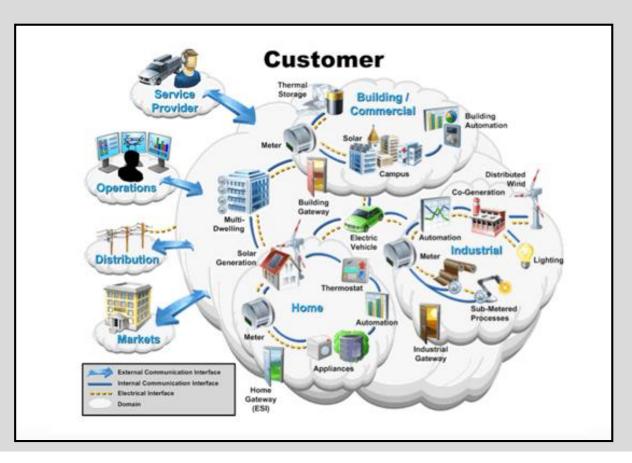
# CONTEXT

- Low-income households some relevant data
  - » 11.6% of Ontario's 4.9 million households are 'low-income'
  - » 20.4% of Ontario's 453,000 lone-parent family households are 'low-income'
  - » 25.7% of Ontario's 1.4 million renter households are 'low-income'
  - » Put another way: while 28.4% of all households rented in Ontario in 2011, 63.2% of low-income households did.



## CONTEXT

• Smart Grids





#### CONNECTIONS



Provides assistance to low-income families and individuals who need financial assistance to pay their heating and hydro bills, to avoid the consequences associated with an inability to manage utility arrears.

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http://communityservices.regionofwaterloo.ca/en/communityProgramsSupports

/resources/EnergyAssistanceflyer.pdf#EnergyAssistance Flyer;

http://www.ieso.ca/PublishingImages/Pages/Ontario's-Power-System/Smart-Grid/default/smart-home.gif



#### CONNECTIONS: MORE ELECTRICITY DATA





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Electricity Summary

Off-Peak

\$\$.76kWh

Mar 19, 2012 to Mar 30, 2012

Mid-Peak

29.24 iWh

Links

Total: 107/13 kWh

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#### CONNECTIONS: MORE ELECTRICITY DATA

- Pros
  - » 'better' energy management



- Cons
  - » privacy and security issues





#### CONNECTIONS: ELECTRICITY PARTNERSHIPS

 growing and deepening network of relationships among various actors





#### CONNECTIONS: ELECTRICITY PARTNERSHIPS

• attractiveness of the electricity account?





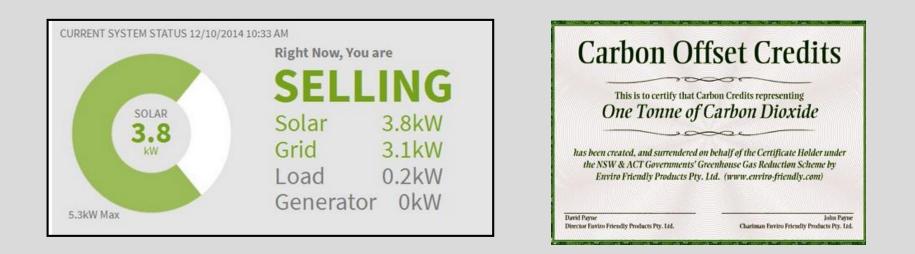
http://www.thestar.com/news/gta/2013/04/09/peel\_region\_services\_for\_poor\_st retched to limit.html;

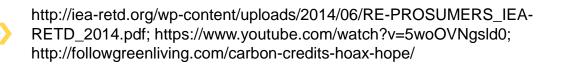
http://www.thestar.com/news/queenspark/2013/11/12/ontario\_affordable\_housi ng\_waiting\_lists\_still\_climbing.html



## **CONNECTIONS: PROSUMERS**

- Definition of prosumer:
  - » The term "prosumer" refers to consumers who also produce commodities or services.







# **CONNECTIONS: PROSUMERS**

#### potential risks

- » inability to access inexpensive capital may be a barrier to entry
- » lack of resilience in the face of uncertainty may be a barrier to entry
- » lack of tenancy may be problematic
  - no 'agency' on the surrounding built environment
  - living the problematic 'split incentive' situation (vis-à-vis the landlord-tenant relationship)



## CONNECTIONS: THE SHARING ECONOMY

 What might the 'uber-isation' and/or the 'air bnb-isation' of the electricity industry look like?



An online marketplace for energy; a world first in The Netherlands

vandebron



## CONNECTIONS: THE SHARING ECONOMY

- What is thus important?
  » engagement in a transformed system
- Low-income neighbourhoods' influence in energy siting decisions
- What happens if grid defections increase, and the 'utility death spiral' becomes a reality?
  - » utilities re-examine and potentially re-invent themselves?



## RECOMMENDATIONS

- Keep the 'value proposition' for vulnerable households clearly in sight
- Engage vulnerable households in smart grid development
- Take a holistic approach in energy poverty / sustainable energy policy-making



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# METCALF FOUNDATION





## SUMMARY AND DISCUSSION

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