



2009 in review and looking ahead to 2010

Community Energy Action has continued to be the leading player in tackling the problems of fuel poverty and delivering a range of services to the Canterbury community in a time of major changes. This year has been one of huge growth, with the challenge of retaining our core values while doubling staff numbers and investing significantly in the future.

At the beginning of the year a new, innovative and potentially high impact service delivered by CEA was opened – the Home Energy Advice Centre. We also moved teams into Kaikoura to try and insulate the town in 3 months! Meanwhile we continued to work closely with health services and General Practitioners to warm up the homes of people with cold-related health conditions.

In June the government launched its Warm Up New Zealand: Heat Smart programme (WUNZ:HS) and CEA picked up the challenge to significantly increase the number of houses being installed with insulation and heaters. We were especially pleased that the programme included provision for energy efficient heating, something we have been advocating for several years. The huge increase in heaters we installed in 2009 is testament to the need that exists.

While supportive of the Warm Up New Zealand programme, CEA does not view it as the full solution to household energy poverty. Many households are still unable to install insulation even with the higher level of subsidy. For this reason we drew from our reserves to create the CEA Discretionary Fund, to be used to assist those most in need to improve insulation and heating in their homes. Allocations from the fund began in October 2009, assisting many households that would not otherwise

have been able to afford to proceed. We are delighted with the result.

In 2009, CEA achieved a number of significant milestones. We celebrated our 15th anniversary and, in November, marked the occasion at a function for staff and stakeholders, with (then) Green Party Co-leader Jeanette Fitzsimons as keynote speaker. During the function a new CEA logo was unveiled and we said goodbye to CEA co-founder and long-time trustee Delle Small.

By the end of the year, we had insulated 2282 houses and installed 541 heaters – an all time record for CEA! To achieve that, our operation grew rapidly, and CEA now employs over 40 people. As a charitable trust, being able to hire extra staff in this time of recession is a very positive side-effect. The other impact of our growth was a move into new, better and much larger premises – but that is a matter for next year's Annual Report.

The rapid growth, and the large and time-limited insulation programmes, placed strains on staff and we thank them for their tremendous contribution. Our sponsors and donors also share in the success of 2009. We acknowledge the support from Orion, Meridian, Canterbury Community Trust, Canterbury District Health Board, Partnership Health Canterbury, MainPower, and the Ministry for the Environment. Thank you all. You are assured that your contributions have been used wisely and will have immediately and significantly improved the quality of people's lives.

2010 will see WUNZ:HS 'bedded in' and the huge level of public interest likely to continue. With our emphasis during 2009 being on managing large workloads, there was little time to develop new programmes. Now, the greater turnover evident in our financial report, and increased surplus at year end, provides CEA with new opportunities. Programmes to improve energy efficiency in low income households remain the focus of CEA's endeavours and, in 2010, we hope to expand existing programmes and consider innovative initiatives to address that concern.

Stephen Lewis
Chair

Bede Martin
Chief Executive

Insulation and heating

During 2009, we doubled the number of households assisted with insulation and heating as a result of significant new government funding for retrofitting.

In total, CEA installed insulation in 2282 homes. More than half were low income households and/or homes of people with health conditions. Heating was installed in 541 homes, again mostly in the homes of those on low incomes, through our partners Nova Systems and Placemakers.



Launched late in 2008, Warm Families was a regional programme funded by the Energy Efficiency and Conservation Authority (EECA), MainPower Ltd, Orion NZ Ltd, the Canterbury District Health Board and Partnership Health Canterbury. This project focused on those most at risk – people with health problems and those on low incomes, identified in the main by health professionals. By 30 June 2009, 385 homes had received fully funded insulation and heating and by the end of the year around 800 houses had participated as Warm Families came under the umbrella of the Warm Up NZ programme.



On 1 July, the nationwide Warm Up New Zealand: Heat Smart programme started, with subsidies for both insulation and heating. CEA was approved as a provider for general customers and was one of very few organisations in Canterbury approved as a provider for customers with a

Community Services Card, who are entitled to a higher subsidy. This new scheme consolidated all EECA funding into one programme.

The majority of the work we carried out during the year was funded by these two programmes, but we also installed insulation and heating under earlier EECA schemes – the EECA Loans and Grants Project for middle income households, and an Energy Efficiency Community Network (EECN) contract with EECA for rental properties housing tenants who

have a Community Services Card. CEA also took part in a joint venture with MainPower in Kaikoura (described elsewhere). We were grateful for third party funding from Orion, Partnership Health Canterbury, MainPower, Meridian and the Canterbury Community Trust, which ensured even higher subsidies than those provided by EECA. Insulation and heating was also installed for those on higher incomes.

Warm-up Kaikoura Project

In May, CEA embarked on a major retrofit project in Kaikoura, in partnership with MainPower and EECA. Over the next three months we insulated 343 homes; over one quarter of houses in the township.

The project was initiated by MainPower, who recognised the benefits to residents of having warmer and healthier homes with reduced energy costs. *'We chose Kaikoura because it is a Green Globe Town and "Warm up Kaikoura" would assist the town to build on its Green Globe success factors'*, explained Julie Battersby, Community Relations Manager for MainPower.

The project was novel for CEA in a number of ways. It involved a wide range of staff, from those in the administration in Christchurch to the assessors and installers who worked on site in Kaikoura. The existing level of insulation in the town was markedly different from that found in Christchurch: assessors usually find that many of the homes CEA deals with in Christchurch have too thin a layer of insulation; in Kaikoura, many of the homes had no insulation at all. And, for the team of installers, the intensive nature of the project created a distinctive experience, in which they received overwhelming hospitality from the people of Kaikoura. *'We often got coffee and scones and were taken on hunting and fishing trips,'* said team leader Mike Limmer.



This highly successful venture provided valuable knowledge on delivering large retrofitting projects 'at a distance' and we hope it will lead to similar projects in future.

Bede Martin (CEA, at left) and Julie Battersby (MainPower) deliver insulation to householder John Crampton

CEA flagship projects

CEA continued to deliver a series of projects designed to relieve fuel poverty and provide advice and education. These include the Warm Babies and Elderly Health Programmes, which deliver an integrated package of insulation and heating to those most vulnerable to the cold; the newly set-up CEA Discretionary Fund, which provides extra funding for vulnerable people who cannot afford insulation and heating; the Curtain Bank; and the Community Outreach projects.



The Warm Babies project assists families with newborn babies or pre-schoolers with health problems. The aim of the project is to protect the health of at-risk children by providing home insulation, heating and curtains to make their homes warm, dry and healthy.

In 2009 CEA installed 62 insulation retrofits and 25 heat pumps to 69 homes in total, a similar level of support to that provided in 2007 and 2008.

The difference that the Warm Babies Project makes to people's lives was illustrated in an article in the June 2009 edition of 'North and South' magazine. The family featured had not only saved \$30 a week on energy, but had seen health benefits to their three children after the insulation and heating retrofit: *'Bethany's only seen the doctor once in the last year. Before, she'd go at least every month.'*

This project has run since 2000 with sponsorship support from Meridian Energy Ltd. In 2009, we introduced more flexible payment options to ensure that the funding from Meridian is able to reach those most in need. We also carried out a review of the project, involving all stakeholders, which will enable us to further improve the scheme in the future.



The Elderly Health project installed 152 insulation retrofits and 81 heat pumps into the homes of at-risk older people, and expanded the range of the project to assist people in the greater Christchurch area, Banks Peninsula, Rangiora, Rolleston, Leeston and Rakaia Huts. The project assisted 175 households in 2009, a significant increase from the previous year. The number of heaters installed increased by approximately 80% over previous years as a result of increased funding (partly due to the extension of the government WUNZ:HS programme to include heating) and increased participation in general. The project had its biggest month in history this year: in September, 41 households received insulation and 17 households received heating under the project.

This project has run since 2004, with sponsorship from the Canterbury Community Trust. As a result of funding available from the Warm-up New Zealand insulation programme, this year CEA was able to use Canterbury Community Trust funds for the Elderly Health Project in more strategic ways.

We were pleased to be able to extend our relationship with the Wellington School of Medicine by supporting their research project, Warm Homes for Elder New Zealanders. This valuable research is investigating the relationship between indoor temperatures (and other indoor environmental factors) and the health of the elderly with chronic obstructive pulmonary disease (COPD). To support this project, CEA provided free insulation to ten participants.

In our review this year, we identified a number of ways in which we can further improve the Elderly Health Project and we look forward to implementing those changes.



Reproduced with kind permission of The Press.

CEA Discretionary Fund

The CEA Discretionary Fund was set up in October 2009 in response to concern that some households could not access the Warm Up New Zealand: Heat Smart grants because they were unable to meet the householder contribution component. The Fund provides for additional advice and financial

assistance for these households. The approach taken is to negotiate a range of options with the homeowner (including mortgage top-ups, Work & Income New Zealand interest-free loans, or extended payment periods), which usually results in a solution. When cost remains a barrier, the shortfall is covered by CEA via the Discretionary Fund.

In the short time of its operation to the end of 2009, we assisted 17 households with insulation or heat pumps, and in some cases with both. Almost 90% of the households assisted faced health issues that may be adversely affected by living in a poorly insulated and or under-heated home.



2009 was the busiest year ever for the Curtain Bank, now in its 15th winter of operation. Between March and November, CEA provided free, recycled curtains to 342 households. This year we began to provide curtains for bedrooms as well as living rooms, in recognition of the positive impact on health of warm bedrooms, and we will continue this in 2010.



The work of the Curtain Bank is possible only because of the generosity of the Christchurch community – both those who donate curtains, and the dedicated team of volunteers who donate many hours to this project.



Home Energy Advice Centre

The Canterbury Home Energy Advice Centre (HEAC) opened in March 2009, joining advice centres in Wellington and Auckland as part of a national network. The Centre was officially launched by Hon. Minister Gerry Brownlee, with over 80 stakeholders attending the event.

The HEACs are an initiative of the Energy Efficiency Community Network (EECN), founded by CEA and other community based charitable trusts working in energy efficiency. Each HEAC provides free, impartial advice on household energy efficiency through an 0800 free phone service, community outreach seminars and home energy checks.

With the early onset of winter, the Canterbury HEAC quickly became the busiest in the country, employing 3 advisors. By the end of the year the service had responded to 1700 enquiries from over 1500 different customers and carried out 32 home energy checks. A review by Opus International confirmed the value of the service: 84% rated the service as good or very good, 62% acted to improve energy efficiency following advice from the HEAC, and 59% agreed their house was noticeably more comfortable following this action.

In 2009, CEA was the major funder of the HEAC, supported by MainPower and the Ministry for the Environment. For 2010, CEA is seeking sponsorship to ensure the long term future of the service.



Community Outreach and Education

CEA continued to provide education and advice to a broad mix of local government agencies, community groups, health providers and householders.

The adult education models used in outreach

sessions continue to be consolidated and refined. These include an informal workshop for small groups, an energy efficiency game show quiz, and two PowerPoint presentations which include information about using energy wisely and how to manage dampness and condensation. One highlight was conducting an unruly Energy Efficiency Game Show Quiz at Hei Hei Broomfield Community Trust. The participants and audience were clearly enthusiastic: *'This is better than Shortland Street!'; 'It was so much fun – a real hoot!'* CEA also provided home energy advice workshops for an innovative competition for students called "Eco My Flat" run by the University of Canterbury.

The CEA website continued to be a popular site for information, with a hit rate more than double that in 2008. We also contributed regularly to Age Concern ('Keeping On') and Canterbury District Health Board ('Health First') publications, and to energy efficiency-related articles in The Press

Benefits of insulation and heating retrofits confirmed

Research in 2009 confirmed the health and economic benefits of insulation and heating retrofitting for those who are most at risk.

The Canterbury District Health Board surveyed those assisted by the Warm Families Project (including those in the Elderly Health and Warm Babies Projects), all of whom were in low income households or households that included people with significant health problems. The survey identified a number of benefits: participants felt warmer, had fewer days off work or school, fewer visits to doctors, and experienced reduced concerns about mould, mildew and dampness. Many had also reduced power consumption.

including the 'Warming2You' series which focused on the winter comfort of several families.

A challenge for the future is to build the profile and reputation of outreach services amongst key stakeholders. This requires better marketing and a higher frequency of outreach sessions.

Energy Efficiency Community Network (EECN)

During 2009, the Energy Efficiency Community Network (EECN), a network established by CEA and other community based energy trusts, oversaw two projects in which CEA participated: the Home Energy Advice Centre (HEAC) project, and the EECA funded scheme to install insulation in rental properties with low income tenants. Since mid 2009, EECN has employed a full time executive officer based in Wellington to oversee EECN initiatives.

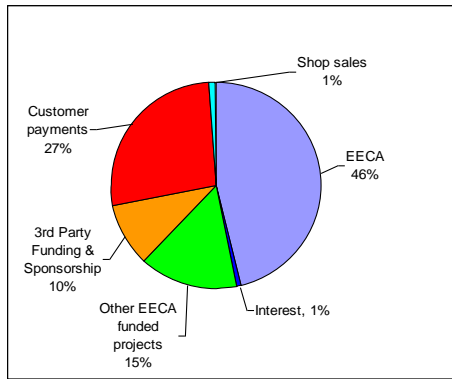


Retail

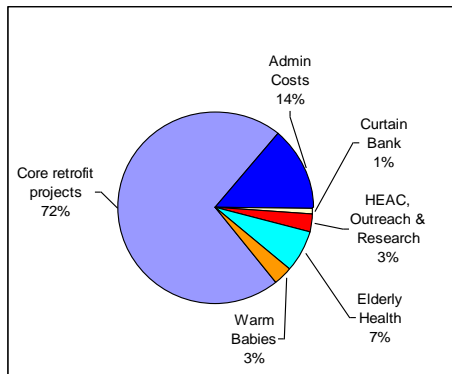
We continued to provide a range of DIY window insulation and associated products and door saunges, sold over the counter and on-line.

Financial Report

Where the money came from:



How the money was spent:



Over eighty-five percent of expenditure was on projects and other activities related to the charitable purposes of CEA. The balance of the expenditure was for other income earning activities where the surplus is used to support CEA's charitable projects.

In summary CEA's financial position for the annual period of 1 January to 31 December 2009 was:

Total income:	\$7,064,211
Total expenditure:	\$6,328,826
Surplus invested for future projects:	\$ 735,385

Independent Audit report

The information on this report has been summarised from the Annual Accounts of Community Energy Action for the year ending 31 December 2009. The auditor was Grant Thornton, Christchurch.

Staff and Trustees 2009

Staff

In 2009 the following staff were employed by CEA:

Phil Arps, Paul Auld, Carolyn Brown, Barbara Ching, Matthew Croton, Nick Evans, Ty Field, Jason Geddis, Kere Griffin, Jaimita de Jongh, Richelle Jorgensen, Gayle Katene, Alex Kim, Laura Knott, Brett Kupferman, Sarah Lacey, Mike Limmer, Joel McChesney, Hayley Mahanga, Bede Martin, Tamara Nicholls, Katie Nimmo, Les Norris, Paul Phillips, Cole Philpott, Max Potapov, Ricky Price, Adam Reid, Gary Robertson, James Rogal, Aaron Spicer, Chris Stevenson, Andrew Taylor, Robbie Sanders, Kerry Shanks, Daniel Smith, Kathryn Sutton, Craig Scott, Andrew Seque, Joshua Watson, Darci Westergard, Wayne Whitley, Stefan Willets, Kay Williams.

Trustees

Alan Christie, Stephen Godfrey, Sheila Hailstone, Stephen Lewis (Chair, 2010), Ian McChesney (Chair until December 2009), Ian McKenzie, Raewyn Moss, Delle Small (retired Feb 2009).

Sponsors and supporters

Sincere thanks to our sponsors and supporters without whose assistance the positive health, wellbeing, energy and environmental outcomes achieved in 2009 would not have been possible.



Community Energy Action

Mailing address: PO Box 13579
Christchurch
New Zealand 8141

Email: info@cea.co.nz

Website: www.cea.co.nz

CEA is a registered charitable trust under the Charities Act 2005. Registration number CC28706.

Mission statement:

"To provide equitable energy efficient solutions to achieve good health, good environmental outcomes and the relief of fuel poverty in our community."



community energy action
charitable trust