

20 December 2023



Justin Ward
Department for Energy and Mining
Level 4/11 Waymouth St
Adelaide SA 5000

Via email: dem.consultation@sa.gov.au

Dear Mr Ward,

Thank you for the opportunity to respond to the proposed amendments to the *Electricity (General) Regulations 2012*, which propose the introduction of a new electricity planning and forecasting function for the Technical Regulator in South Australia.

Business SA is South Australia's Chamber of Commerce and Industry. We are a not-for-profit, membership-based organisation representing the interests of the state's businesses. Our primary goal is to make South Australia the best place to do business.

Given that South Australia has a large electricity grid supporting a relatively small population and we currently use renewables for 70% of our electricity generation, we often have different requirements compared to other National Electricity Market participants. Therefore state-based planning and forecasting on electricity supply makes good sense. While we are predominantly supportive of the new amendments, we would like to raise a few concerns about the proposed new function of the Technical Regulator.

Firstly, we understand that the Australian Energy Market Operator (AEMO) already has certain planning functions for South Australia, that are funded by South Australian customers through licence and participant fees. Given the myriad of ever-escalating costs for businesses, including energy prices, insurance premiums, wages, superannuation and ReturnToWork SA premiums, we anticipate the new function of the Technical Regulator would not lead to the introduction of new customer fees or charges. Alternatively, if the new function is set to replace the planning and forecasting AEMO is currently already funded for, we would expect the net cost to customers to remain the same. It is not clear from the proposed amendments and the discussion paper whether the new function of the Technical Regulator would be *in addition to* or *in the place of* the advice currently provided by AEMO.

Secondly, we are concerned whether the Technical Regulator would have the same capacity as AEMO, specifically in terms of skills and resources, to perform this function. We would appreciate greater detail about how the State Government plans to ensure the Technical Regulator's capacity in this regard.

Thirdly, we have a comment about the Technical Regulator's reporting requirements under the new function, which include a confidential report to the Minister for Energy and Mining at least twice a year and an annual public report. Whilst we appreciate that the ministerial report may contain sensitive and confidential information, we believe a public version also needs to be released at the same time in the interests of

transparency, accountability and public interest. Sensitive and confidential information could be redacted. As you may be aware, Business SA represents the business community on a number of energy related committees including the SA Power Networks' Tariff Working Group, the ElectraNet Customer Advisory Panel and the ESCOSA Consumer Advisory Committee. Having this information regularly available to us would greatly enhance our ability to appropriately represent the business interests in the state.

Lastly, we would like to recommend that industry organisations, such as Business SA, be involved in the development of the proposed South Australian Electricity Development Plan, to enable the government's comprehensive understanding of the needs, challenges and issues of South Australia's business community, including in consultations for the development of any new proposed infrastructure, such as for the hydrogen industry.

If you would like to discuss any of the points we have raised in our submission or address any of our concerns, please contact Kendall Crowe, General Manager, Policy, Advocacy and International Services on 0423 382 488 or via kendall.crowe@business-sa.com. We look forward to working with you in the future.

Yours sincerely

A handwritten signature in blue ink that reads "Andrew Kay". The signature is fluid and cursive, with a large loop at the end of the last name.

Andrew Kay | Chief Executive Officer
Business SA Chamber of Commerce and Industry South Australia