

Manager Economic Regulation  
Locked Bag 14051  
Melbourne City Mail Centre VIC 8001



[By email 2021-25EDPR@ausnetservices.com.au](mailto:2021-25EDPR@ausnetservices.com.au)

16 April 2019

Dear Manager,

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**RE: Draft Electricity Distribution Regulatory Proposal 1 January 2021 to 31 December 2025**

As the peak body for the health and community services sector in South Australia, the South Australian Council of Social Service (SACOSS) has an established history of interest, engagement and provision of proposed advice on the supply of essential services including electricity. We thank AusNet Services for the opportunity to make a submission on the *Draft Electricity Distribution Regulatory Proposal 1 January 2021 to 31 December 2025*.

SACOSS research shows that the cost and supply of basic necessities like electricity have significant and disproportionately greater impacts on vulnerable people. SACOSS advocacy is informed by our members and direct consultations with consumers and other consumer organisations: organisations and individuals who witness and experience these impacts in our community.

SACOSS notes that AusNet Services has run an extensive engagement process in the lead up to lodgement of the Draft Regulatory Proposal. SACOSS has to some extent been involved in this, mainly due to our interest in the New Reg model being trialled in this determination process. SACOSS met with AusNet Service to discuss the trial on 10 April 2018 and 18 October 2018. The meeting on 18 October included representatives from the Customer Forum.

During the 18 October meeting, SACOSS felt some concerns at the discussion around reliability. SACOSS was concerned that there was too much focus on individual customer's reliability and little consideration given to questions around reasonableness, appropriateness and non-network and deferral options. SACOSS' reading of the Draft Proposal and the Customer Forum Interim Engagement Report has done little to assuage SACOSS' concerns.

In its Interim Engagement report, the Customer Forum described a telephone survey that AusNet Services commissioned among customers within the areas serviced by the Clyde North and Doreen zone substations. SACOSS notes that the reporting of the survey work that has been undertaken in relation to augex proposed at Clyde North and Doreen raises more questions than it answers, as details of the approach used to assess willingness to pay are not provided and there does not appear to be any assessment of willingness to pay outside of the proposed zones.

SACOSS has reviewed Guidance note 9 developed by the AER in response to the Draft Proposal and Interim Engagement Report. SACOSS believes that the comments in relation to the information and factors that AER staff would consider in assessing AusNet's augex projects highlight the need for strong scrutiny by the AER of the augex elements in the Regulatory Proposal. SACOSS is not convinced that on their own the Customer Forum and AusNet Services are able to sufficiently interrogate these augex proposals.

We thank you in advance for consideration of our comments. If you have any questions relating to this submission, please contact Jo De Silva on [jo@sacoss.org.au](mailto:jo@sacoss.org.au) or 08 8305 4211.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R Womersley', enclosed in a thin black rectangular border.

Ross Womersley  
Chief Executive Officer