



Strategic direction - consultation

Your say on our strategic direction

We would like your views on:

- ▶ What matters to consumers, now and over the coming three years, in terms of price, quality and reliability of essential services? How should the Commission take into account and balance those considerations?
- ▶ What matters to providers of essential services, current and potential? How should the Commission take into account and balance those considerations in developing, implementing and reviewing the effectiveness of regulatory frameworks?
- ▶ Given changing market structures and new and disruptive technologies (across all industries), what challenges and potential impacts are there for the Commission and its work?
- ▶ How we might better engage and communicate with the community and our stakeholders?

The Commission’s objective is to protect the long-term interests of South Australian consumers with respect to the price, quality and reliability of essential services. We do this through both our regulatory and our advisory work.

We are currently developing our Strategic Plan for the coming three years, which will shape and guide our work and the approach that we take to it.

A critical input to that plan is the views and advice of our stakeholders on matters relevant to the services we regulate and the advice that we provide.

We welcome your views on the questions, commitments and strategic influences described below, on how we might better engage the

community and stakeholders and on any other issues relevant to the Commission, its work program and its objectives.

We are particularly keen to get your views and advice on:

- ▶ What matters to consumers, now and over the coming three years, in terms of price, quality and reliability of essential services? How should the Commission take into account and balance those considerations?
- ▶ What matters to providers of essential services, current and potential? How should the Commission take into account and balance those considerations in developing, implementing and reviewing the effectiveness of regulatory frameworks?
- ▶ Given changing market structures and new and disruptive technologies (across all industries), what challenges and potential impacts are there for the Commission and its work?
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The Commission’s roles

We have two roles: economic regulation and the provision of economic and regulatory advice.

Our economic regulatory role encompasses various licensing, consumer protection, service standard, pricing, monitoring, compliance and public reporting functions across the water and energy sectors. For the water sector, our regulatory regime encompasses each of those areas for all water and sewerage service providers. Our role is much more limited in the energy sector, as the majority of regulatory responsibilities lie

with national regulatory bodies, such as the Australian Energy Regulator.

We also have a strong economic regulatory role in relation to access to essential infrastructure: ports and rail (both intrastate and interstate).

Our advisory functions have two aspects: we provide advice to the Treasurer on request and we can conduct public inquiries at the request of the Treasurer or an industry Minister, or in the case of the industries we regulate, if we believe the conduct of an inquiry is necessary.

Current and emerging themes

Through our planning to date, we have identified five areas which may influence our regulatory frameworks and on the advice we provide in the coming three years. Those are:

- ▶ changing community expectations and views on standards of service and access for essential services
- ▶ the role that regulation can or should play in the market
- ▶ changing (and evolving) market and industry structures, including the impacts of new and potentially disruptive technologies
- ▶ the overall South Australian and Australian economic climate and trends, and
- ▶ developments in practices and thinking in the field of economic regulation, nationally and globally.

- ▶ Are there any other strategic influences or other related matters which you would like the Commission to consider in preparing its Strategic Plan?

Our commitments

We understand the impacts of regulation on the community – both consumers and service providers. Where regulation is effective and well implemented, it provides benefit. If it is poorly targeted or ineffective it can add costs.

The Commission therefore commits to:

- ▶ engaging openly, transparently and genuinely with all of our stakeholders, at all times

- ▶ given rapid changes in the industries we regulate, ensuring that our regulatory frameworks are responsive and fit-for-purpose over time
- ▶ a better regulation approach, which identifies problems and, through transparent processes, identifies appropriate solutions – including non-regulatory responses, and
- ▶ holding to account those we regulate, ensuring strong compliance, and facilitating accountability and engagement from regulated businesses to their customers.

We are not alone - the broader context

The Commission operates in an environment of multiple regulatory agencies and broad policy considerations. We are a regulatory and advisory body within that context, with defined roles and functions.

We continue to work closely with other agencies to ensure a consistent regulatory approach, focussed on the long-term interest of consumers.

An overview of our strategic planning approach

Each year, the Commission prepares a strategic plan, with a three-year timeframe. The next Strategic Plan will cover the period July 2018 to June 2021.

In undertaking strategic planning, the Commission captures the issues and themes that are important to stakeholders. This ensures that the Commission's strategic direction and priorities are responsive to consumers' needs in the broader regulatory, economic, social, legal and policy environment.

The Commission's current Strategic Plan can be found at www.escosa.sa.gov.au/about-us/strategic-plans.

How can you provide feedback?

If you would like to provide feedback, you can:

- ▶ contact us directly on (08) 8463 4444 to meet, discuss and provide your input
- ▶ provide a written submission, by 1 November 2017, and send to escosa@escosa.sa.gov.au.