

21 November 2019

Mr Adam Wilson  
Chief Executive Officer  
Essential Services Commission of South Australia  
Level 1, 151 Pirie Street,  
Adelaide SA 5000.

Submitted by email: [escosa@escosa.sa.gov.au](mailto:escosa@escosa.sa.gov.au)

Dear Sir

### **Strategic Direction 2020 - 2023**

Thank you for the opportunity to provide a submission to assist with the development of the Essential Services Commission of South Australia (ESCOSA) Strategy 2020 – 2023.

Momentum Energy is a 100% Australian-owned and operated energy retailer. We pride ourselves on competitive pricing, innovation and outstanding customer service. We retail electricity in Victoria, New South Wales, South Australia, Queensland and the ACT. We offer competitive rates to both residential and business customers along with a range of innovative energy products and services. We also retail natural gas to Victorian customers.

Momentum Energy is owned by Hydro Tasmania, Australia's largest producer of renewable energy.

Our comments in this submission are limited to the energy related functions of ESCOSA which have been delivered in an effective manner during the current strategy period. We note the goals established for the period 2017 – 2020 that are largely still relevant for the 2020 – 2023 period. ESCOSA has successfully conducted a monitoring role on electricity solar feed in tariffs since they were deregulated in 2016 and monitored the impact of the default market offer (DMO) specifically for SA. These activities have added value to the SA consumers and not unduly impacted the benefits of having nationally consistent energy regulation.

Care should be undertaken not to duplicate activities already conducted by the national regulators and rule makers the AER and AEMC as this will only add costs to energy consumers. ESCOSA should continue to monitor and review new regulatory provisions, that could have negative impacts, until such time as they are satisfied with the outcomes.

The Retailer Energy Efficiency Scheme (REES) administration causes concern for Momentum as it is relatively burdensome to manage compared to other state based certificate schemes. We realise this has been instituted by government policy but we urge ESCOSA to highlight its deficiencies and the increasing costs to achieve the allocated energy efficiency targets. We appreciate that ESCOSA conducts reviews of the operation of the REES scheme from time to time.

Hence we believe that the strategy for the period 2020 – 2023 should not be too dissimilar to the current strategy.

Should you require any further information with regard to these issues, please don't hesitate to contact me on 0478 401 097 or email: [randall.brown@momentum.com.au](mailto:randall.brown@momentum.com.au)

Yours sincerely

[Signed]  
Randall Brown  
Regulatory Manager