



Energy Consumers' Council

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Dr. Patrick Walsh
Chairperson
Essential Services Commission of SA
GPO Box 2605
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Dear Dr Walsh

Re: Response to ESCoSA Draft Decision on Envestra Access Arrangement Application

The Energy Consumers' Council (ECC) is a body established by the Minister for Energy in 2002 to directly provide high level policy advice on energy policy issues, including pricing and the reliability of supplies and services in the South Australian energy sector.

The initial review by ECC of the Envestra gas access arrangement application showed that Envestra was seeking a large increase in tariffs to provide the services it is required to do under its licence as gas distributor in South Australia. We are pleased to see that our initial views have been investigated by Essential Services Commission of South Australia (ESCOSA) and that ESCOSA proposes to require Envestra to reduce its claimed increases significantly.

Our investigations into other recent regulatory decisions have indicated that there has been a trend for reductions in tariffs (especially in Victoria and NSW) as well as the electricity distribution tariffs in South Australia. The significant adjustments required of Envestra by ESCOSA in its draft decision would lead to a similar outcome for SA gas consumers.

The ECC has investigated the Draft Decision by ESCOSA on the Envestra Access Arrangement Application for provision of gas distribution services within South Australia. Our view is that we consider that ESCOSA has carried out an appropriately thorough investigation of the provision of these services and that the recommended changes to the Envestra Application sought by ESCOSA are fully supported.

Yours sincerely

Owen Covick
CHAIRPERSON
Energy Consumers' Council

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