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**Conservation Council
of South Australia Inc**

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**Re: Discussion Paper: Monitoring the Development of Energy Retail
Competition in South Australia**

With limited resources and significant concurrent activity on related electricity issues, this submission will be necessarily brief.

Of interest and concern was the statement that:

"... the long term interests of South Australian Consumers ... is now based on the premise that competition will ultimately provide the best protection for consumers ..." (Discussion Paper p1)

Counter to this is the observation that many (exact numbers unknown) of concession eligible householders that took up the SA Government offer of a \$50 switching rebate did so to move to contracts that contained the same price as the standing contract. However these actions are being factored into measurements of switching rates and hence levels of competition yet the only benefit received was provided from 'outside' the market (and farcically, paid for by themselves and other consumers from the public purse).

Such artificial drivers of 'competition' must be acknowledged.

Brief comments on Indicator 6: Impacts on Low-Income Groups:

Affordability is central to the impacts on Low Income groups and the time-lag of reliance on ABS data has been raised with ESCoSA on previous occasions. While, as indicated, information will be drawn from indicators 2,4,5 - to understand the impact on electricity affordability for households it is necessary to analyse income, price and consumption together. This report (noting the infrequency of the Annual Performance report) would provide a useful place to report the following statistics from retailers:

- No. of households participating retailers hardship program by post code.
- Disconnection figures by post code.
- Reconnection figures by post code.
- Percentage of bills paid by credit card by post code.
- No. of households with an energy debt by post code.
- Ave debt by postcode.
- Ave residential consumption by postcode.
- No. of cases that are referred to third party debt recovery agencies by post code.
- Average usage of concession recipients by postcode.

- Average usage of households on a debt re-payment plan by postcode.

Currently retailers report against Code obligations yearly. However, this contributes to the issues of time lag. For example the June 2003 quarter resulted with a sharp rise of 30 percent for disconnection notices and extended payment arrangements. Data to monitor this indicator is not available until later this year. A more regular reporting requirement is necessary however to monitor the impact of price increases on vulnerable groups. Currently Victorian retailers are required to report every six months.

CCSA acknowledges the limitations placed on ESCoSA by the relevant legislation. However, it is our view that advocating legislative amendments to clarify priorities etc is part of delivering its primary objective of 'protection of the long term interests of consumers ...'. In this regard, **CCSA would argue that affordable access to sufficient energy to maintain a decent standard of living and transitioning to a 'clean energy' future are very much in the long term interests of consumers.**

Sincerely,

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July 30th, 2004