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#### **SUBMISSION TO THE**

Retailer Energy Productivity Scheme (REPS) 2026-2030 31 March 2025

### Submission authorised by

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### Prepared by:

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### Introduction

COTA SA welcomes the opportunity to contribute to the consultation on the Retailer Energy Productivity Scheme (REPS) 2026–2030 issue paper.

COTA SA is an older people's movement run by, for and with older people. We represent the rights, interests, and futures of around 700,000 older South Australians. Our work is informed by extensive engagement with older South Australians, including those in regional, remote, and metropolitan areas, and particularly by vulnerable older people and those on low and fixed incomes. Our policy and advocacy activities are shaped by the lived experiences of older South Australians including by the volunteer members of our Policy Council and its Climate Change Group, which takes an active interest in a range of areas including energy.

REPS is an important mechanism for delivering energy productivity improvements that reduce energy costs and greenhouse gas emissions, particularly for low-income households. We are pleased to provide feedback on matters that can enhance REPS in its next five-year period, ensuring that older South Australians benefit from increased energy efficiency and cost savings.

### **Endorsement of REPS Objectives**

COTA SA supports the overall objective of REPS to improve energy productivity for households and businesses, with a focus on low-income households. We strongly advocate for measures that reduce energy costs, mitigate climate change impacts, and enhance the resilience of vulnerable households, particularly older South Australians on fixed or low incomes.

# **Set Higher Targets and Increase Subtargets for Priority Groups**

COTA SA recommends increasing both the overall REPS2 targets and the subtargets for priority group households to ensure that more low-income and vulnerable households benefit from the scheme. Many older South Australians fall within this priority group, including those receiving the SA Energy Bill Concession, renters, and those participating in hardship programs.

More efficient appliances and improved energy productivity can reduce electricity costs, which is critical in the context of increasing heatwaves and extreme weather events exacerbated by climate change. Setting higher subtargets will deliver stronger outcomes for priority group households and reduce cost-of-living pressures.

COTA Australia's State of the Older Nation (SOTON) 2023 Report found that 52% of older Australians identified the cost of living as their primary challenge in 2023, with electricity and gas bills being the most commonly overdue<sup>1</sup>. Improving energy productivity through REPS can significantly reduce these pressures.

Given that REPS targets have been consistently met, COTA SA recommends increasing the ambition of REPS2 targets. Higher targets will drive deeper energy productivity outcomes and ensure that the scheme delivers greater system-wide benefits. Stretch targets should include:

- Higher annual energy productivity targets to reflect evolving energy use patterns.
- Increased sub targets for priority group households to ensure equity in energy savings.

Setting stretch targets will provide greater incentives for innovation and deeper community impact.

### **Improved Communication and Awareness**

Despite the benefits of REPS, awareness of the scheme remains low among older South Australians. COTA SA recommends:

- Increasing targeted promotion of REPS through trusted community organisations, including COTA SA, Local Government and regional libraries.
- Leveraging partnerships to promote REPS to older people who may benefit from energysaving activities.
- Research shows that CALD and regional communities face significant barriers to digital inclusion, highlighting the need for targeted communication strategies to ensure equitable access to energy-saving opportunities<sup>2</sup>. Ensuring that culturally and linguistically diverse (CALD) communities, regional residents, and digitally excluded populations are included in outreach efforts. Greater public awareness will ensure that the benefits of REPS are accessed by those most in need.

<sup>&</sup>lt;sup>1</sup> State of the (Older) Nation - COTA Australia

<sup>&</sup>lt;sup>2</sup> Digital inclusion gap - Inclusive homes and communities - Australian Institute of Health and Welfare

# **Climate Change Considerations**

Like Australians of all ages, many older people are concerned about climate change, viewing it as a significant and real threat to our national interests and livelihood. COTA SA takes the threat of climate change seriously and our passionate Climate Change Group is focused on the actions that can be taken at a policy, organisational and personal level. Our <u>Statement of Interest</u> on Climate Change outlines our commitments to climate change action.

COTA SA recognises the critical link between energy productivity and climate adaptation, particularly for older South Australians who are more vulnerable to extreme heat and cold. Many older people rely on air-conditioning to maintain safe indoor temperatures during extreme weather events. Research by the University of Adelaide reported more than 80% of older South Australians relied on air-conditioning to cope in a 2008 heatwave, highlighting the need to replace inefficient systems with energy-efficient alternatives that reduce costs and improve safety<sup>3</sup>. Additionally, the research found that people aged 60+ spend approximately 75–80% of their time indoors, reinforcing the importance of ensuring that homes are equipped with thermally and energy-efficient solutions to provide safe and comfortable living conditions.

This need is even more urgent for renters, who often have limited control over their housing conditions. A recent international study involving researchers from the University of Adelaide and University of Essex found that each year spent in private rental accommodation reduces life expectancy by approximately two weeks, highlighting the serious health implications when thermal comfort is not prioritised<sup>4</sup>.

We recommend that REPS prioritise activities that enhance climate resilience, such as:

- Installing energy-efficient heating and cooling systems.
- Supporting thermal upgrades to rental properties.
- Promoting community-based solutions like virtual power plants and community batteries.

COTA SA's Firm Energy Reliability Mechanism Submission emphasised the importance of thermal efficiency and climate-safe housing<sup>5</sup>. We recommend that REPS continue to prioritise activities that improve thermal comfort, particularly for renters and older people in low-income households.

### **Recognition of Retailer Achievements**

COTA SA supports public recognition of retailers that exceed their targets under REPS. Highlighting the contributions of retailers can build public trust and demonstrate the scheme's positive impact on cost-of-living relief and climate change adaptation. Public acknowledgement of achievements will incentivise continued excellence and innovation in meeting REPS targets.

<sup>&</sup>lt;sup>3</sup> <u>Soebarto V, Bennetts H, Arakawa Martins L, van Hoof J, Visvanathan R, Hansen A, Pisaniello D, Williamson T, Zuo J. 2021.</u> <u>Thermal comfort at home: A guide for older South Australians. The University of Adelaide</u>

<sup>&</sup>lt;sup>4</sup> Clair, A., Baker, E., Kumari, M., (2023) 'Are housing circumstances associated with faster epigenetic ageing?' Journal of Epidemiology & Community Health October 2023. DOI 10.1136/jech-2023-220523

<sup>&</sup>lt;sup>5</sup> Submission to the Firm Energy Reliability Mechanism • COTA SA

# In closing and for future discussion

COTA SA welcomes the opportunity to shape the future of REPS and ensure that it continues to deliver positive outcomes for older South Australians. We advocate for ambitious targets, enhanced awareness, and strengthened support for vulnerable groups. We look forward to ongoing engagement and collaboration with the Department for Energy and Mining to ensure that REPS remains a key mechanism for addressing both cost-of-living pressures and climate change adaptation.

We welcome the opportunity to contribute further. Please contact Chief Executive, Miranda Starke in the first instance.

## **Acknowledgement of Country**

COTA SA acknowledges and respects Aboriginal people as the traditional custodians of the land of South Australia. We honour Aboriginal peoples' continuing connection to Country and recognise that their sovereignty was never ceded. We pay our respects to First Nations Elders past, present and emerging and extend that respect to all Aboriginal people.