

7 May 2020

Mr Adam Marafioti  
Parliamentary Officer  
Economic & Finance Committee  
efc.assembly@parliament.sa.gov.au

Dear Mr Marafioti

*Re – Inquiry into Embedded Networks in South Australia*

We welcome the inquiry by the Economic and Finance Committee of the SA Parliament into Embedded Networks in South Australia.

COTA SA is concerned about the treatment of some older people in embedded networks. Older people are likely to represent a significant proportion of those accessing energy through embedded networks including as residents in retirement villages.

Many older people live on low and fixed incomes, with the control of living costs the focus for ensuring they are able to maintain lifestyles and meet financial obligations.

The feedback from customers of embedded networks to COTA SA mirrors that of the Australian Energy Market Commission (AEMC) which found that “the current regulatory arrangements for embedded electricity networks are no longer fit for purpose, resulting in some customers not being able to access competitive prices or important consumer protections.” As a result in 2019 the AEMC recommended a substantial overhaul of the protections available to consumers who are part of embedded networks.

It is not possible for COTA SA, especially in the short time required by this inquiry, to ascertain the extent of the issues currently being experienced. However, we understand that there has been an increase in the number of embedded networks. This is of considerable concern to us given the reforms recommended two years ago have not yet been enacted.

We welcome the Committee’s inquiry. We particularly urge that steps are taken to ensure the updated regulatory framework for embedded networks recommended by the AEMC are given priority by the Energy Ministers and are put into effect in SA.

Yours sincerely



**JANE MUSSARED**  
Chief Executive