

January 30 2015

Mr Sebastian Roberts
General Manager
Australian Energy Regulator
GPO Box 520
Melbourne Vic 3001
Email: AERInquiry@aer.gov.au

Dear Mr Roberts

The South Australian Financial Counsellors Association (SAFCA) supports the Financial Counselling and Low Income Support sectors in South Australia. SAFCA's Vision is to help alleviate poverty in South Australia by providing key leadership in advancing the financial counselling sector.

SAFCA has worked with some twenty agencies around South Australia to put together a comment on the SA Power Networks revenue proposal for the years 2015 – 2020. These agencies are those that employ financial counsellors and therefore have a clear understanding of the effect of high electricity prices on people who are financially vulnerable and facing difficulties.

Please note that where the submission refers to the SAFCA consortium, it is the view of all of the agencies that are a party to it.

In summary, our submission states that:

- the cost to consumers of electricity distribution in SA is too high and should be reduced;
- thousands of South Australian households are in financial distress and do not have the capacity to pay their energy bills. In our view, the SAPN 2015-20 Regulatory Proposal provides a level of service that is unaffordable and must be pared back to a more prudent proposal that can be afforded by the *whole* community. SA electricity has increased 85% above inflation since the start of the national market;
- the cost of electricity distribution in South Australia must return to levels that existed during the 2005-2010 Regulatory Period and prior to the effects of the Global Financial Crisis (GFC);
- the National Electricity Objective (NEO) will be best reflected in the AER's Determination by emphasising *prudence* as well as efficiency.

SAFCA would like to acknowledge the assistance we have received in preparing this submission from Mr Mark Henley Uniting Communities, Mr Andrew Nance SACOSS Energy Consultant, Ms Sharon Maslen and Ms Cherith Pryer The Salvation Army, Ms Roslyn Williams Uniting Care Wesley Bowden,

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and the financial counsellors of the consortium agencies who provided data and case studies in support of our position.

The agencies below support this submission which is attached. We thank you for the opportunity to comment of SA Power Network's proposal and trust that this representation on behalf of the South Australian's who are struggling with high electricity prices will be considered.

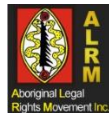
Regards



Wendy Shirley
SAFCA Executive Officer



South Australian Financial Counsellors
Association Inc



Aboriginal Legal Rights Movement Inc



AC Care



Anglicare SA



CareWorks SA



Centacare Catholic Family Services
Country SA



Central Community Legal Service SA



Consumer Credit Law Centre SA

Legal Advice and Services
Credit • Debt • Financial Counselling



Lifeline South East



Lutheran Community Care



Marion Life Community Services Inc



Northern Community Legal Centre



Relationships Australia SA



The Salvation Army



St Vincent de Paul Society (SA) Inc



UCare Gawler



UCare Kapunda



Uniting Care Wesley Bowden



Uniting Care Wesley Country SA



UnitingCare Wesley Port Adelaide



Uniting Communities