



AGL Energy Limited

T 02 9921 2999

F 02 9921 2552

agl.com.au

ABN: 74 115 061 375

Level 24, 200 George St

Sydney NSW 2000

Locked Bag 1837

St Leonards NSW 2065

Essential Services Commission

Level 1 / 151 Pirie Street

Adelaide SA 5000

18 June 2019

Submitted online: <https://www.escosa.sa.gov.au/consultation/send-a-submission>

AGL Energy (AGL) welcomes the opportunity to comment on the Essential Services Commission of South Australia (ESCOSA) draft Charter of Consultation and Regulatory Practice (draft Charter).

The revised Charter will be a key document on the processes and activities the Commission will follow in collaborating with industry, consumer advocacy groups and other energy stakeholders to improve outcomes for South Australian energy consumers in an important period of energy sector regulatory reform.

While the review has sought to simplify the Charter, the overall objectives and approach of ESCOSA continue to be reflected to ensure better regulation practice and tailored engagement with stakeholders.

We commend ESCOSA on their referencing to Promoting Better Regulation under the revised Charter. AGL support and encourage regulators to adopt better practice regulation principles to ensure that decisions are fair, balanced and in line with regulator objectives and commitments under relevant legislation.

We are therefore supportive of the overall objective identified by ESCOSA being the "...protection of the long-term interests of South Australian consumers with respect to the price, quality and reliability of essential services". However, we note that the commitments to financial, competition and economic efficiency considerations, as required by the ESC Act have been removed from the draft Charter. While we have no doubt that ESCOSA will continue to be guided by the Act, we consider a balanced Charter should recognise both the overall objective as well as the guiding principles and relevant considerations necessary to making appropriate and balanced decisions.

We also encourage ESCOSA to continue to reflect their commitments to broader policy work and demonstrating the impacts of ESCOSA's analysis, identify potential issues which may require policy consideration or response and work with others to achieve the best outcomes, as described in the current Charter.¹

ESCOSA has maintained positive and proactive engagement with stakeholders, such as the Inquiry into the licensing arrangements for generators in South Australia² ESCOSA's processes in managing documents relevant to the lifecycle of the policy and making these publicly available for review and reference is a welcomed practice. In particular, we value the way feedback is captured and responded too in decision documents makes final decisions more accessible and transparent.

The current Charter states that a review will be completed at least every three years. We would encourage a similar statement to be included in the revised Charter. While the core responsibilities of ESCOSA are likely to continue, understanding and experience of better practice regulation and consultation will continue to

¹ See p4 of the current Charter of Consultation

² [Inquiry into the licensing arrangements for generators in South Australia](#)



evolve and timely reviews can ensure ESCOSA remain an industry leading body in Australia with their approach to stakeholder engagement.

Should you have any questions or comments, please contact Kathryn Burela on (03) 9273 8654 or kburela@agl.com.au.

Yours sincerely

[Signed]

Con Hristodoulidis

Senior Manager Regulatory Strategy