

20 August 2021

Ms Rebecca Knights
Department for Energy and Mining
Energy and Technical Regulation Division
GPO Box 320
Adelaide SA 5001

Dear Ms Knights

Stand-Alone Power Systems – South Australian Implementation Consultation Paper

The South Australian Chamber of Mines and Energy (SACOME) welcomes the opportunity to make this submission to the Department for Energy and Mining (DEM) Stand-Alone Power Systems – South Australian Implementation Consultation Paper (the Paper).

SACOME is the peak industry body representing companies with interests in the South Australian minerals, energy, extractive, oil and gas sectors and associated service providers.

SACOME notes the Paper's focus on implementation of a new regulatory framework enabling Distribution Network Service Providers (DNSPs) to provide stand-alone power systems (SAPS) to existing customers connected to the electricity grid as an alternative to continuing the provisions of costly grid connections.

The new regulatory framework will:

- enable DNSPs to supply their existing customers via SAPS, where SAPS offer a lower cost substitute to investing in, and maintaining, traditional network solutions; and
- ensure customers who receive SAPS will retain all of their existing consumer protections, including access to retail competition and reliability standards.

Energy affordability and reliability are critical considerations for SACOME member companies in making operating/investment decisions.

The Far North, the Eyre Peninsula and Yorke Peninsula have significant existing resources sector operations; and future exploration and project development potential. Energy infrastructure is an essential requirement for the future development of these provinces and investment in this infrastructure is a necessary enabler.

South Australian Chamber of Mines & Energy

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[https://sacom.sharepoint.com/Team Data/S2 - Submissions/2021/SACOME_SAPS South Australian Implementation Submission.docx](https://sacom.sharepoint.com/Team%20Data/S2%20-%20Submissions/2021/SACOME_SAPS%20South%20Australian%20Implementation%20Submission.docx)

SACOME supports DNSPs having the ability to offer SAPS as an economic alternative to existing resources sector operators, where the SAPS reduce costs, increase reliability and facilitate project development for operators.

SACOME also understands the new regulatory framework does not impact on power connections for new resources sector projects, where connecting to the electricity grid or SAPS continue to be options available to operators. SACOME supports the status quo in this regard.

SACOME provides the following responses to the questions raised in the Paper:

- SACOME supports the implementation of the SAPS framework in South Australia.
- SACOME supports a state-wide application of the framework that offers greater benefit to resources sector operators rather than the initial trial option focused on Cape Du Coudeic, Cape Borda, Cape Donington and Cape Banks in Carpenter Rocks, as identified by South Australian Power Networks in the Paper.
- SACOME does not support another implementation option in lieu of either a state-wide application of the framework or an initial trial commencement.
- SACOME does not propose any additional jurisdiction protections for SAPS customers outside those raised in the Paper noting these protections encompass: access to energy concessions, retail pricing, safety of electricity supply, DNSP land access rights, reliability standards and guaranteed service levels.

SACOME thanks the DEM for the opportunity to provide feedback to the Paper and remains committed to ongoing dialogue with the DEM in relation to these matters.

Kind regards



Rebecca Knol
Chief Executive Officer