

12 November 2012

Mr Vince Duffy
The Executive Director
Energy Markets and Programs Division
Department for Manufacturing, Innovation, Trade, Resources and Energy
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Dear Mr Duffy

While the South Australian Farmers Federation (SAFF) supports the intent of the South Australian Residential Energy Efficiency Scheme (REES), we are concerned that to date country areas appear to have been largely forgotten and farming families virtually ignored.

REES was designed particularly to assist low income families reduce their energy bills. Unfortunately the statistics continue to show that in many of South Australia's smaller country towns there are families on very low incomes. If REES continues, there needs to be a concentrated effort to increase the audits in these areas.

As those providing the auditing have specific targets to achieve, they tend to concentrate on metropolitan areas. To encourage these providers to visit rural areas there needs to be a weighting for every country household visited, and this weighting could increase with distance from Adelaide.

To further encourage coverage in country areas, there needs to be concerted local promotion. Local councils could be notified and they could even be involved to facilitate the gaining of all the REES benefits by country people. Also the local rural press or country radio needs to be tapped.

There are reports that some audits are often not fully carried out. Some of the comments that SAFF have received include:

- *A big problem is the energy companies sub-contract the door-knockers and these are often not well trained nor do they respect cold-calling regulations or do-not-knock signs etc ...they just want to get as many ticks off as possible so they can go back to Adelaide!*
- *They often do not go into houses but hand over pile of globes and ask for a signature....old and short can't change globes anyway.*
- *They certainly don't educate, or offer the other options eg low flow shower heads, energy audits and energy efficiency tests, or inform about other power saving devices on the market.*

Obviously there needs to be a checklist and a policing of the checklist to ensure that these audits are correctly carried out and are actually useful for the householders.

There is also the problem of repeat servicing of certain households by different companies, particularly when a household switches energy retailer. Maybe REES should register the recipient household so that another company cannot count it in their target if it is already done.

In relation to farming families, while appreciating to date that REES was not targeted at them, SAFF calls for audits of electricity usage on farms, especially targeting those that are value-adding and that are relatively high users, such as dairying and intensive irrigation.

While the average cost of electricity for broad acre operations is estimated to be between 2% to 3% of operating costs, the cost for dairying and intensive irrigation is estimated to be between 5% and 10% (excluding the cost of water). There is a strong case to expand REES to specifically include agricultural businesses which would be of significant benefit not only to the sector, but to achieve the aims of REES to cut greenhouse emissions.

Yours sincerely



Deane Crabb
POLICY MANAGER