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Ref: AJ:KC

21 February 2017



Dear ACCC

## SACOME'S PROPOSAL FOR COLLECTIVE PURCHASING OF ELECTRICITY IN SA

Port Pirie Regional Council writes in strong support of SACOME's proposal for collective purchasing of electricity in South Australia. Council believes that the current energy system is in crisis and is having an impact on consumers and businesses in South Australia.

The high price, high volatility, and unreliability of the power network is impacting on the competitiveness of the State and the nation. This proposal aggregates sufficient load with an attractive term that will enable new or existing unutilised generation assets to be brought into the supply mix, which will increase competition amongst the electricity wholesalers in South Australia.

A robust efficient internationally competitive mining sector in South Australia is vital for the success of our region. Our region is currently in economic transition and mining is seen as an emerging industry to help diversify our industrial base. Council has been working with the mining sector to strengthen their future. Council has prepared a number of feasibility studies around increasing the utilisation of our Port and investigating fly-in-fly-out opportunities for our businesses and residents.

Thus given the importance of the mining sector to our region, Port Pirie Regional Council strongly supports SACOME's proposal for collective purchasing of electricity in South Australia.

If you require any further information or details in relation to this matter, please don't hesitate to me.

Yours sincerely

Dr Andrew Johnson
CHIEF EXECUTIVE OFFICER