

## **Ioenergy submission on the AER's proposed delay – 27 April 2020**

I am writing regarding the invitation for submissions on the AER proposal to delay the final revenue determination for SAPN 2020-25 as a result of the impacts of COVID-19 in RBA inflation forecasts.

I acknowledge the importance of inflation forecasts in the modelling, and that they may be impacted by COVID-19. However, the delay by 1 month is significant in that it halves the time between the final determination being made, and it taking effect.

Particularly in the case of SA which is substantially reforming its tariff structure, these changes adversely effect business planning.

IO Energy is planning on bringing innovative products to market to allow electricity consumers to capitalise on the new ToU residential tariff structures. Delaying this decision adversely effects our ability to plan, raise investment, and market to customers.

I believe that instead, the determination should be released as it currently stands, but subject to final adjustment of the inflation assumptions. This gives businesses the benefit of an extra month of time to prepare for the changes, while allowing for appropriate adjustments.

The inflation figures, while important, have a relatively small impact on the tariffs when compared to other changes. Therefore it is prudent to release the determination on time, and make a final adjustment later.

Yours faithfully

The logo for ioenergy, with 'io' in a bold purple font and 'energy' in a lighter purple font, all in a lowercase, sans-serif typeface.

**IO Energy Pty Ltd**  
Lot 14, North Terrace  
Adelaide SA 5000