Institute for Energy Economics and Financial Analysis
ieefa.org

Unit 3, 15 Clarence Ave
Dee Why, NSW 2099

aus_@ieefa.org

6 November 2026

To: Secretary of the Select Committee on Energy Affordability and Competitiveness in South Australia
Re: Expression of Interest to present to The Committee

Thank you for the opportunity for the Institute for Energy Economics and Financial Analysis (IEEFA) to provide input to the Select Committee on Energy Affordability and Competitiveness in South Australia.

IEEFA is an independent energy finance think tank that examines issues related to energy markets, trends and policies. The Institute's mission is to accelerate the transition to a diverse, sustainable and profitable energy economy.

Numerous areas of IEEFA's work are relevant to the Committee's terms of reference. As such, we wish to submit an **expression of interest** to present evidence to the Committee.

We have summarised a list of topics that IEEFA would be well-placed to speak to in a committee hearing. If the committee is interested in inviting IEEFA to present evidence, kindly let us know which of the following topics are of most interest, so that we can ensure the right experts are available to present.

- **Large-scale energy generation technologies in South Australia.**

  IEEFA has tracked the rollout of renewable energy across Australian states and territories, finding that South Australia has more than enough renewable capacity in the development pipeline to achieve national targets, but only 23% of the required capacity is actually under construction.

  We have also analysed future scenarios for gas power generation (GPG) in a high-renewables system, finding that GPG utilisation rates are expected to be very low in future, carrying particular risks.

  IEEFA has also analysed the potential impacts of nuclear power in Australia – finding that recent nuclear projects in countries comparable to Australia have experienced significant cost and timing blowouts, and that power bills in South Australia would likely have to increase by an average of $607/year for nuclear power to be viable.

- **Household electrification and energy efficiency in South Australia.**

  IEEFA has undertaken significant modelling of household electrification and energy efficiency at a state level. South Australians face some of the highest residential gas prices in the country, yet have some of the weakest policy supports for household

Unit 3, 15 Clarence Ave
Dee Why, NSW 2099
aus_@ieefa.org

electrification. We find that a typical gas-consuming household in Adelaide could save $800/year by switching to efficient electric appliances.

Household energy upgrades – including electrification, but also thermal efficiency upgrades, solar and batteries – present the most immediate opportunity to lower energy bills at scale, while also addressing energy security through reducing electricity or gas demand.

- **Affordable energy for South Australian renters.**

  More than half of South Australian households have rooftop solar, but renters disproportionately miss out on efficient, affordable-to-run home upgrades.

  South Australia has no minimum energy efficiency standards for rental properties, such as those implemented in Victoria, being considered in New South Wales, and are standard in many European countries.

  IEEFA's analysis has found that deploying minimum rental standards to deliver improved insulation, efficient electric appliances and rooftop solar could save South Australian renters $9 billion by 2050. Supportive financing mechanisms for landlords could ensure the savings outweigh the costs from day one.

- **Cost-efficient electricity and gas networks.**

  Network costs make up 40% of a total electricity bill in South Australia, contributing considerably higher costs than any other region in the National Electricity Market (NEM). Between 2014 and 2023, regulated electricity networks Australia-wide made profits that were $15 billion above their regulated allowance.

  However, consumer energy resources now provide services that can compete with networks. For this to translate to lower bills for consumers, electricity network regulation needs to be reviewed from first principles.

  Similarly, 60% of the price South Australian households pay for their gas goes towards recovering costs for the gas network. Regulated gas networks made profits that were nearly double their regulated allowance between 2014 and 2022, including an estimated $183 million in revenue that AGN "over-recovered" from South Australian consumers.

  There is an urgent need for governments to plan for the future of gas networks now that electrification is a far more cost-competitive alternative. IEEFA has engaged with the Australian Energy Market Commission (AEMC) regarding its processes to seek improved regulatory outcomes. The South Australian government's recent decision to delay adoption of the National Gas Rules so it could maintain cross-subsidies for new gas connections carries significant risks for households in the state.

Unit 3, 15 Clarence Ave
Dee Why, NSW 2099

aus_@ieefa.org

- **The potential for commercial and industrial solar and storage in South Australia.**

  IEEFA has analysed the potential for greater uptake of solar and storage in commercial and industrial businesses in Australia, identifying a range of key barriers including business investment challenges, complex network tariffs and difficult grid connection processes.

- **Industrial competitiveness in South Australia.**

  IEEFA is well positioned to comment on the implications of the Safeguard Mechanism and broader federal climate policies on industrial competitiveness in South Australia. This could include key drivers of success and challenges for businesses with particular energy use profiles.

Kind regards,

Jay Gordon, Energy Finance Analyst, Australian Electricity
James Bowen, Lead Analyst, Australian Industrial Decarbonisation