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Dear Ms Proudfoot

Cowell Electric Supply Pty Ltd – applications to the AER for an individual retail and network exemption – Iron Knob and Pimba

Thank you for your letter of 9 July 2019 regarding the applications made to the Australian Energy Regulator (AER) by Cowell Electric Supply Pty Ltd (Cowell) for individual retail and network exemptions in respect of operations at Iron Knob and Pimba.

By way of a background, the Essential Services Commission (Commission) continues to have a licensing role under the Electricity Act 1996 (SA) (Electricity Act) in respect of certain retail and distribution operations in South Australia, including operations which are not connected to the National Electricity Market. In that regard, Cowell currently holds an electricity distribution, retail and generation licence issued by the Commission under the Electricity Act for operations in regional South Australia.¹ While it is no longer licensed for retail operations in Iron Knob and Pimba, it continues to be licensed for its distribution operations in these locations. Those licensing arrangements will continue to apply to Cowell alongside any requirements that may apply under the National Electricity Law and National Energy Retail Law.

I confirm that the Commission does not have any specific comments in respect of the individual retail and network exemptions being sought by Cowell and note that those applications will be evaluated by the AER in accordance with the relevant assessment criteria.

A copy of the licence issued to Cowell, which specifies the locations of its licensed retail, distribution and generation operations is available at <a href="https://www.escosa.sa.gov.au/ArticleDocuments/1210/20180718-Electricity-RetailDistributionGenerationLicence-CowellElectric.pdf.aspx?Embed=Y">https://www.escosa.sa.gov.au/ArticleDocuments/1210/20180718-Electricity-RetailDistributionGenerationLicence-CowellElectric.pdf.aspx?Embed=Y</a>.

Should you wish to discuss these matters further, or seek any additional information on the licensing arrangements that apply to Cowell under the Electricity Act, please contact Ms Kate Thomas, A/Director Licensing, Monitoring and Reporting on

Yours sincerely

Adam Wilson

Chief Executive Officer