

Climate Change Position Statement



Issued 2021

As South Australia's sole electricity distributor, we play a critical role in the energy sector. We not only deliver power to around 1.7 million customers, we are actively seeking to accelerate the State's transition to a low carbon economy.

Climate change is real. We are already experiencing the devastating impacts of a warming climate, and these impacts - which pose serious risks to our natural and built environments, our communities and economy — will get worse if action is not taken to rapidly decarbonise.

We support the goal of governments around the world seeking to limit greenhouse gas emissions and acknowledge that to achieve the ambition of the Paris Agreement we will need to transition to net-zero emissions of greenhouse gases before mid-century.

Challenges — but also opportunities

Our changing climate is already resulting in increased frequency and intensity of heatwaves, drought, storms and bushfires, all of which are significant challenges for our business to prepare for and manage. While the impacts of climate change are concerning, there are many proactive things that we can do, and are already doing, to mitigate or adapt to climate change.

The transition to renewable energy sources also provides opportunities to improve energy affordability, and a decarbonised electricity sector could readily be leveraged to decarbonise other sectors such as transportation and industry. This will add value to both our business and the community.

Our approach — leadership, collaboration and innovation

SA Power Networks' purpose is to Empower Tomorrow. Working with our customers and stakeholders, we will develop and implement a range of mitigation and adaptation initiatives to manage the risk posed by climate change. We are proud to be part of the South Australian community, and are passionate about the role we can play in advancing our State's future prosperity through supporting the decarbonisation of our economy.

Our strategy also positions our business to capitalise on the significant opportunities presented by the transition to a low carbon economy. It bolsters the actions of our customers and communities, further enhancing collaboration on opportunities with Government and stakeholders, and protects the natural environment. It comprises four objectives with supporting initiatives as summarised below:



Objective 1: Lead our customers, community and State through the transition to a low carbon energy system

We will:

- Make it easy for customers to connect sustainable energy sources to the grid.
- Support the South Australian Government's aspiration to reduce greenhouse gas emissions more than 50% below 2005 levels by 2030 and achieve net-zero emissions in South Australia by 2050.
- Bolster and facilitate the installation of distributed energy solutions such as solar and batteries.
- Make it easy for councils and customers to upgrade to LED public lights.
- Prepare our network for and encourage growth in the electric vehicle sector.

Objective 2: Address climate change risks

We will:

- Ensure our network is well prepared for the start of bushfire season each year and consider options to further reduce bushfire risk.
- Maintain the ability to quickly respond and restore service after extreme weather events.
- Select, design and manage our assets and infrastructure to improve efficiency and resilience.
- Prepare and equip our workforce so they can work safely during high stress periods like heatwaves and extreme weather events.

Objective 3: Achieve net-zero greenhouse gas emissions by 2050

We will:

- Continue to monitor and report on our greenhouse gas emissions every year.
- Identify and implement initiatives to reduce our environmental footprint, including:
 - Increasing the use of renewables via the installation of solar panels at our sites;
 - Minimising our waste going to landfill and explore circular economy opportunities;
 - Reducing our use of sulfur hexafluoride (SF6), a greenhouse intensive insulating gas in some of our equipment;
 - Continuing to facilitate the uptake of renewable energy sources within our electricity network to reduce the greenhouse gas emissions stemming from distribution line losses; and
 - Rationalising our vehicle fleet and select more fuel-efficient and environmentally friendly vehicles.

Objective 4: Engage constructively with employees, customers, regulators and other stakeholders

We will:

- Identify, assess and manage climate-related business risks and provide clear and useful advice and leadership in partnering with stakeholders.
- Proactively advocate for better understanding and action on climate change by engaging with customers, governments, peers and regulators.
- Provide regular updates to stakeholders on our climate change adaptation and mitigation journey.
- Influence policy makers and regulators to develop regulatory approaches that encourage and support climate change initiatives.