

Dear IPART

Thank you for the opportunity to make a submission regarding Energy Australia's proposal to increase public lighting prices by 27% (real) +CPI over the next 37 months.

1. Council is a member of SSROC and one of the founding members of the Street Lighting Improvement Program. As such, Council supports and endorses the submission made by the Street Lighting Improvement Program.

2. The scale of the increase is greater than the general increase in Council income. Council's primary income is through rates, and these are pegged at about 3% by the Department of Local Government. It seems incongruous that Council should on the one hand be restricted in generating income set by rate pegging, and on the other hand have to source funding to meet the proposed increase in costs.

3. EnergyAustralia has persisted with obsolete twin 20-watt fluorescent tubes for the last 45 years which is some 15-20 years longer than any other Australian utility. Council does not believe that it is fair that the cost in operating and replacing these highly obsolete assets be borne in totality by its ratepayers. Council would in effect be subsidising Energy Australia's poor asset management practices.

4. Council believes that there are significant cost savings in the provision of street lighting by Energy Australia available through new technology, and best practice in asset management and maintenance. As such, cost saving/increased service level outcomes should be pursued first, prior to major price changes. Price increases would not offer any incentives for Energy Australia to seek out efficient and best practice, and would be seen as a reward for their poor performance to date. In essence Council believes that any price increase would result in significant overcharging.

Should IPART require any further information please contact Council's Manager Engineering Services, Frank Tambosis, on 9330 9511.

Regards

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