

7 July 2005

Independent Pricing and Regulatory Tribunal
Post Office Box Q290
QVB POST OFFICE NSW 1230



Dear Members of the Tribunal

Re: Energy Australia Proposal to Increase Public Lighting Prices

Willoughby City Council welcomes the opportunity to make a submission regarding Energy Australia's proposal to increase public lighting services by approximately 25% over the next 3 years with CPI adjustments.

As one of the 29 Councils participating in the Street Lighting Improvement Program administered by SSROC, Willoughby City Council reaffirms its position in regards to the issues raised in the submission lodged by the Street Lighting Improvement Program dated 14 January 2005 and on behalf of the Willoughby community would like to register its strong objection to the additional proposed cost for the supply and maintenance of public lighting equipment.

Energy Australia's current charges are perceived by the industry to be excessive for the level of service they deliver and the type of luminaries they provide. Council asserts earnestly that to burden the community with the cost of rectifying previous poor management practices is inappropriate and unacceptable.

The proposal currently being considered by the Independent Pricing and Regulatory Tribunal represents an increase of \$144,548 on Council's current annual street lighting costs or 0.51% of Council's income from general purpose rates.

Considering that Council only received a 3.5% increase in its rates income for 2005 – 2006, it is unacceptable that 14.5% of this increase be applied solely to increases in energy costs.

Given the monopoly that Energy Australia has over the provision of street lighting, the length of time they have had to amortise their capital costs and the high initial cost to Council of installing street lighting, the proposed price rises are totally unacceptable.

Reference: R03 -0021
Enquiries: Byron Figueroa
Phone: 9777 7709
Availability: 8.30am - 5.00pm

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Willoughby City Council

Council's stance is that Energy Australia's proposal to increase annual public lighting services over the next 3 years ought to be rejected in its entirety by the Independent Pricing and Regulatory Tribunal.

Yours faithfully



Nick Tobin
CORPORATE SERVICES DIRECTOR

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Enquiries: Byron Figueroa
Phone: 9777 1000
Availability: 8.30am - 5.00pm