

NARROMINE SHIRE COUNCIL

ABN 99 352 328 405

"Times Change... Values Don't"



29 June, 2005

The Director,
IPART,
PO Box Q290,
QVB POST OFFICE, NSW 1230

Dear Sir,

Public Lighting Charges

Narromine Shire Council would like to again register its concerns with respect to the Energy Australia submission to increase prices for public lighting within its area of distribution, being the Illawarra, Sydney Metropolitan and Newcastle/Hunter regions. It is noted that the original submission was rejected by IPART and that an alternative proposal has now been submitted.

The reasons for objecting to these increases have all been clearly addressed in previous council submissions where it was noted that Energy Australia's proposed increase was based on highly inefficient and obsolete practices. They also refuted a proposal by Energy Australia to charge councils for assets that councils have historically funded themselves, double counting of some maintenance costs, and inappropriate accounting approaches. Councils maintain that Energy Australia's pricing proposal appeared to be inconsistent with the National Electricity Code, with recently approved street lighting prices in Victoria, and with councils' own detailed analysis of costs.

Whilst the increases in charges by Energy Australia does not directly impact on Narromine Shire Council, we are obviously concerned that an approval for significant increase in these charges will no doubt flow on to other suppliers in the electricity market.

We ask that the views of local government, on behalf of ratepayers who will ultimately bear the burden of inefficient services at inequitable cost, are taken into consideration when arriving at your decision.

Yours faithfully,



Paul Bennett,
General Manager.