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AS A MUNICIPALITY

22 FEBRUARY 1859

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A CITY 15T JULY 1990

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ABN: 77 362 844 121

12 January 2005

IPART PO Box Q290 QVB POST OFFICE NSW 1230

Dear Sir/Madam,

## Re: IPART's review of Energy Australia Public Lighting Prices

In response to IPART's invitation to comment on Energy Australia's proposal for public lighting prices, Randwick City Council notes strong concerns to the pricing increases.

Randwick City Council fully endorses the following issues raised in the SLI Program submission:

- 1. Councils urgently need IPART's regulatory protection, as there is simply no recourse to a contestable market for public lighting services with respect to the existing 246,000 lights owned by EA.
- 2. EA's proposed price increase appears to be based on inappropriate costing, and in fact, current prices already appear to exceed, by about 12%, the cost of public lighting services performed in a reasonably efficient manner.
- 3. EA's proposed prices for major lighting types are greatly in excess of the costs assessed by the Victorian Essential Services Commission (ESC) during the course of its review of public lighting charges.
- 4. Councils would appreciate the opportunity to comment on the specific details of EA's proposed 'transitional price path by Council' referred to as Appendix 3, but not published.
- 5. IPART approval of EA's proposed price increase would send a poor signal with respect to electricity sector reform.
- 6. EnergyAustralia Proposing Additional Charges for Removal of Highly Obsolete Assets.
- 7. While EA's proposed price increase is highly inappropriate, the SLI Program welcomes some of the changes that EA is beginning to undertake.

Should you have any questions regarding the above please contact Council's Manager Assets, Tim McCarthy on (02) 9399 0916 or Council's Ancillary Assets Engineer, Annie Shum on (02) 9399 0761.

Yours faithfully,

Ray Brownlee

GENERAL MANAGER

Per: