



**Warringah
Council™**

26 April 2002

Independent Pricing and Regulatory Tribunal of New South Wales
PO Box Q290
QVB Post Office
NSW 1230

Dear Sir/Madam

Re **Submission on the Interim Report
entitled "Electricity Undergrounding in New South Wales"**

Thank you for the opportunity to comment on the above report.

Warringah Council is concerned that the report underestimates the benefits to electricity suppliers of an undergrounding of powerlines throughout New South Wales, and therefore underestimates the relevant costs that the electricity suppliers should contribute.

The report also fails to emphasise that undergrounding of powerlines is carried out as a matter of course in new developments and therefore is accepted as an industry best practice. Accordingly, the electricity supply companies should be accepting more responsibility to implement this best practice across their existing above ground networks.

Electricity supply companies, as responsible corporate citizens, should also be focusing on the "triple bottom line" and implementing works that have social, financial and environmental outcomes. Clearly the undergrounding of powerlines would be a practice that a responsible electricity supplier should be implementing as a matter of practice.

Electricity supply companies should be providing an increased focus on ensuring reliability of supply to their customers. It is felt that the Interim Report underestimates these benefits eg with the increased focus on working from home, and the essential use of Internet services for home businesses and students, reliability of supply is an essential component for all electricity supply companies and their customers. The much greater reliability of supply offered by an undergrounding of powerlines is an objective that the electricity supply companies should be more rigorously pursuing.

In terms of the revenue collection from customers of the costs involved in undergrounding, Warringah Council does not believe that it is appropriate for local government to be used as a revenue collection agency. It is the electricity supply companies' infrastructure that is being moved underground, and they should be fully responsible for the revenue collection required.

The undergrounding of electricity powerlines has been the subject of community concern and discussion for decades. It is to be expected that the electricity supply companies have already made provision in terms of financial reserves for the inevitability of undergrounding. Such reserves would have been financed by the electricity tariffs historically charged to consumers across New South Wales.

Yours faithfully,



Stephen Blackadder
GENERAL MANAGER