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AER Regulatory Review



18 August 2010

Mr Chris Pattas
General Manager
Network Regulation South
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Dear Mr Pattas

AER's Draft Decision on Victorian electricity distribution network service providers - Distribution Determination 2011 - 2015

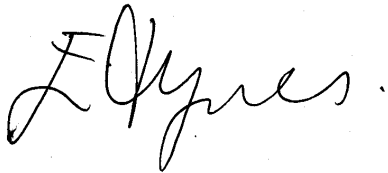
Darebin City Council would like to make the following comments on the above draft decision.

- We support the draft decision regarding charges affecting residential customers which will significantly reduce cost impacts for consumers.
- Whilst we note that the AER's draft decision OMRs are considerably lower than those proposed by the Distribution Network Service Providers we do not support the still significant increase in OMRs for standard (non energy efficient) lights. We ask that you reconsider this significant change as all Victorian councils will face similar increases.
- We are pleased to note however that the percentage increases in draft decision OMR prices for T5 lights are much lower than the percentage increases in OMR charges for 'conventional' street lights such as 80W Mercury Vapour lighting. We believe this is highly appropriate given the recent 2009 AER ruling for T5 lights and the lack of any additional data regarding T5 failure rates. Unfortunately in the absence of State or Commonwealth Government funding support for Councils to upgrade to energy efficient street lighting many Councils remain unable to resource the capital change and will be seriously impacted by the magnitude of the OMR charge increase for standard lights.

Darebin also welcomes the clarification in the AER's draft decision that ownership of new public lighting assets such as T5 luminaires need not be vested in Distribution Businesses

and that therefore both the installation of these new assets and the provision of the Operations, Maintenance and Repair services for these lights is contestable. We note our obligations under section 4.4 of the Public Lighting Code to obtain the DNSP's approval of the person to undertake these works. Please advise if we have misinterpreted this in any way.

Yours sincerely

A handwritten signature in black ink, appearing to read 'L. Hynes', with a small dot at the end.

Libby Hynes
Executive Manager, Environmental Sustainability

CC Ben Morris, Municipal Association of Victoria
Judy Bush, Northern Alliance for Greenhouse Action
Essential Services Commission
Kyle Garland, A/Manager Urban Sustainability, Environmental Policy and Climate
Change, DSE
Janet Bolitho, Chair Sustainability Accord