

## TEMORA SHIRE COUNCIL

Our reference:

GCL:NMS:R/03/06

8 August 2014

Mr John Skinner Director AER Networks **GPO Box 3648** Sydney NSW 2001 NSWACTelectricity@aer.gov.au

Dear Mr Skinner,

Temora Shire Council wish to strongly object to the Public Lighting Proposal submitted by Essential Energy (Attachment 8.1) for consideration by the Australian Energy Regulator. Essential Energy is requesting approval to increase public lighting charges by an average 64% across the area covered by the provider from 1 July 2015.. The increase is not uniform across the state with increase ranging from 18% to 123%. In the case of Temora Shire Council the proposed increase is 118% (\$31,478).

An increase of this magnitude is unacceptable in the extreme, creating significant hardship for our council, particularly against a backdrop of restricted revenue options caused by the rate pegging in place in NSW.

Of particular concern is the magnitude of the Essential Energy proposed increase compared to other providers such as Ausgrid (13%) and Endeavour who have shown restraint and have requested increases more in line with CPI.

It is the opinion of Temora Shire Council that the Essential Energy submission is based on long term inefficiencies and a lack of action by the organisation to address the inherent cost pressures within the organisation. This, added to a reluctance, despite assurances to the contrary, to implement a proper program of replacement and upgrade of luminaires to modern energy efficient standards appears to be a root cause of the problem.

From a local perspective, it is unreasonable to expect the Temora community to accept an increase of 118% to cover failings within Essential Energy. The proposed increase makes a mockery of the regular review process and cannot be considered reasonable or acceptable. Temora Shire Council respectfully request that the proposal to increase public lighting by Essential Energy, as presented, be rejected by The Australian Energy Regulator.

Yours faithfully

GC Lavelle

GENERAL MANAGER

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