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7 August 2008

Mr Mike Buckley  
General Manager  
Network Regulation North Branch  
Australian Energy Regulator  
GPO Box 3131  
CANBERRA ACT 2601

Email: [aerinquiry@aer.gov.au](mailto:aerinquiry@aer.gov.au)

Dear Mr Buckley

**RE: SUBMISSION TO ENERGY AUSTRALIA'S PUBLIC  
LIGHTING PRICING PROPOSAL 2009-2014**

I wish to advise that Council is concerned about Energy Australia's proposal to AER for a significant increase in general lighting charges.

The proposal would result in a 38% real increase in capital and maintenance charges for general public lighting over the next 5 years and a 90% real increase in network distribution charges for public lighting over the same period. These increases also apply to new energy efficient lighting being implemented across the street lighting network.

These proposed increases in charges are clearly inequitable and follow very significant increases in capital and maintenance charges since 2005.

It should be noted that Energy Australia's public lighting charges are considerably higher than Integral Energy public proposed lighting charges, which includes pricing for new energy efficient lighting.

Energy Australia should consider an alternative model for cost transfer to Council particularly as Council is restricted to rate capping in the order of 3.5%.

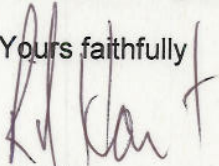
It is further noted that the Roads & Traffic Authority subsidy for traffic route lighting is not keeping up with proposed increases and would result in a further monetary gap for Council.

The proposed rate increases will load significant burden on Council and its ratepayers and I strongly recommend that the AER not accept the proposal of Energy Australia. The fundamental change in street lighting pricing should be subject to detailed regulatory scrutiny. More broadly I note that there is a continuing lack of clarity about the basis of the street lighting service for both councils and Energy Australia.

Despite several years of discussion with Energy Australia, Councils and the community continue to face widespread street lighting service difficulties that have important implications for the safety and security of our residents. Any proposed increase in charges should be linked to productivity increases and better level of service.

Warringah Council is one of 34 Councils participating in the SSROC Street Lighting Improvement Program. The SLI Program will be making a detailed submission and we request that the general issues raised in our submission and the more detailed issues raised in the SLI Program submission received careful scrutiny.

Yours faithfully

A handwritten signature in dark ink, appearing to read 'Rik Hart', written over the typed name below.

Rik Hart  
**GENERAL MANAGER**