

From: Tracey Cooke [<mailto:t.cooke@cardinia.vic.gov.au>] **On Behalf Of** Martin Teplik
Sent: Wednesday, 1 July 2015 3:44 PM
To: VICElectricity2016
Cc: Michael Ellis
Subject: AER public lighting submission - Cardinia Shire Council

Dear Mr Pattas,

Council officers have considered the three scenarios available and the preferred scenario is Number 2. The reasoning behind this is set out below:

Scenario 1: This scenario does not provide any advantage to Council as it is currently unclear of what a 'fair' OMR charge would be and it is unclear how this scenario would be covered under the Local Government Act for procurement.

Scenario 2: market testing for the OMR charges would ensure that Council was receiving the best price. The preferred way to market test would be through a bulk buy group and for the OMR charges to be kept together and not split into the individual components.

Option 3: owning dedicated street lighting infrastructure means that Council takes on the risk associated with this asset, without the expertise to deal with it.

Please note: that due to the tight timelines for feedback, Council has not considered these scenarios.

Cheers

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