

ACT

Mr Warwick Anderson
General Manager
Network Investment and Pricing
Australian Energy Regulator

Dear Warwick

I am writing to you as I am very concerned about the AER report on electricity pricing in the ACT. While, as an electricity consumer I want to pay as little as possible for my energy supply and believe ACTEWAGL could perhaps be more efficient, I do not want to reduce costs at the expense of safety and reliability.

I am confused as to why ACTEWAGL has been told to reduce prices so significantly that I believe operational costs will be reduced to those in 2000 when the population of Canberra was 311,000. Canberra's population is now over 380,000 and growing with many new suburbs currently being built, creating much more demand on ACTEWAGL.

If we, the consumers in the ACT pay the lowest electricity prices in the country, why do we need to have such large cuts especially when our population is increasing with subsequent need for increased demand for electricity services. I am very concerned if such draconian cuts go ahead that this will put at jeopardy our overall safety and good response times when emergencies occur.

Also I find it quite strange that there is talk of backdating implementation without giving ACTEWAGL time to adjust. Such changes will most likely lead to heavy staff cuts, which in turn will lead to redundancies having to be paid. How does the cost of these redundancies fit into the equation?

I have been told that the type of model used for these proposed cuts does not adequately reflect all the issues and I feel that all the issues and the model itself needs to be looked at.

I am not an expert on electricity pricing but common sense says that with a growing population, with an efficient service that is the cheapest in the country already, how can such dramatic cuts be justified and how can they go ahead without a significant reduction in service and therefore safety?



Glenys Patulny
13 February 2015