



29 July 2014

by email: NSWACTelectricity@aer.gov.au

Mr John Skinner
Director
Networks
Australian Energy Regulator

Jemena Electricity
Networks (Vic) Ltd
ABN 82 064 651 083

321 Ferntree Gully Road
Mount Waverley VIC 3149
Locked Bag 7000
Mount Waverley VIC 3149
T +61 3 8544 9000
F +61 3 8544 9888
www.jemena.com.au

NSW Electricity Distribution Determination—public lighting confidentiality claims

Dear John

Jemena Electricity Networks (**JEN**) welcomes the opportunity to make a submission on the AER's process under section 28ZB of the National Electricity Law regarding the confidentiality claims made by NSW distributors for certain public lighting information.

JEN submits that the AER should accept the confidentiality claims made by the NSW distributors regarding contract tender prices for materials and services. In JEN's view, both JEN and ultimately JEN's customers would suffer detriment if the AER chose to publicly disclose the confidential information.

The confidential information in question comprises the prices of materials and services, which are procured in a competitive market, and are an input to delivering public lighting services. These unit costs are ultimately passed onto customers in public lighting charges.

JEN runs tenders to procure similar input materials and services, both for JEN's own purposes and on behalf of JEN's large customers (often councils)—for example, to provide them the opportunity to market test the price of energy efficient lights and the associated installation work. This helps ensure transparency of pricing and value for money for the customer.

JEN is currently working with eight councils to replace approximately 31,000 lights (representing 70 percent of the lights in minor roads on JEN's network). These lights are scheduled to be installed by the end of 2015. About 5 percent of the lights in minor roads are currently fitted with energy efficient lights.

The AER's proposed publication of the confidential information, through disclosing detailed unit costs, could enable the suppliers of the relevant materials and services to engage in anti-competitive pricing practices. This, in turn, would jeopardise JEN (and other distributors) achieving lowest sustainable costs for these customer-focused and contestably-appointed works.

The AER has not explained in its request for submissions what benefits it is pursuing in seeking to publish the information. To the extent that qualified interested parties require access to this information, such access could be provided on a targeted basis under confidentiality undertakings.

If you have any questions about this submission, please contact me on 03 8544 9036 or anton.murashev@jemen.com.au.

Yours sincerely

Anton Murashev
Manager Asset Regulation & Strategy