



22 January 2013

Mr Warwick Anderson
General Manager - Network Regulation Branch
Australian Energy Regulator
c/o NSWACTelectricity@aer.gov.au

Dear Mr Anderson

Re: SSROC SLI Program Submission on Classification of Metering Services in NSW

I am making this submission on behalf of 34 Councils participating in the SSROC Street Lighting Improvement Program (SLI Program). These Councils constitute approximately 94% of all the street lights in Ausgrid's distribution area.

In the context of this submission, it is important to note that almost all of the 250,000 public lights in Ausgrid's region are owned and maintained by the DNSP. These lights sit on the asset register of the utility and the utility has responsibility for maintaining an accurate inventory.

With no physical meters on each street light, Councils understand that "type 7 metering services" refers principally to the energy data services provided to parties such as Councils with unmetered supplies like street lighting. In practice, "type 7 metering services" therefore refers primarily to the electricity consumption calculations performed by the DNSPs to prepare bills for these unmetered loads.

Councils' view is that:

- Type 7 metering services are a special case in being an energy data service integral to the management of public lighting rather than a physical metering service; and
- The underlying data required for the preparation of bills for unmetered loads such as street lighting comes directly from the asset inventories held and managed by the DNSPs. These inventories can only be reasonably maintained with any degree of accuracy by the DNSPs as they are the asset owners. It is therefore hard to see how another party could effectively take responsibility for providing the energy data services involved in type 7 metering.

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Councils therefore support the AER's proposal to keep the classification of type 7 metering services as standard control services. They do not see any prospect of a benefit from unbundling type 7 metering services from DUOS charges. Indeed, it is highly likely that unbundling would introduce additional cost and complexity to street lighting pricing and billing, an area that is already exceedingly complex for both councils and DNSPs. Councils agree with the AER that there is no other classification which is clearly more appropriate.

SSROC welcomes further discussion with the AER about matters related to the 2014-19 pricing decision at any point.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A Northey', with a long horizontal flourish extending to the right.

Alan Northey
General Manager
Southern Sydney Regional Organisation of Councils

cc: *SLI Program Councils*