

URANA SHIRE COUNCIL

ABN 25 195 569 377

Telephone: Facsimile:

(02) 6930 9100 (02) 6930 9101

Email:

mail@urana.nsw.gov.au

All Communications to be addressed

PO BOX 55 URANA NSW 2645

to the General Manager

8 August 2014

Australian Energy Regulator GPO Box 520 MELBOURNE VIC 3001

Dear Sir/Madam

ELECTRICITY DISTRIBUTORS' REGULATORY PROPOSALS

I would like to thank you for the opportunity to provide a submission about the concerns that the Urana Shire Council has with Essential Energy's proposed cost increases.

Essential Energy is the electricity distributor to the Urana Shire and it is of considerable concern to us to note through their Attachment 8.1 Public lighting Proposal, that increases of the order of 85% are proposed.

The concerns that the Council would like to express include:-

- Council was initially notified of a new pricing agreement in April 2014 by a brief notice in the Essential Energy Council drop box, this document did not identify the impact to be expected through the new pricing structure. The Attachment 8.1 Public Lighting Proposal was released in May 2014, it was not provided as a discussion or information document by Essential Energy and it is this document that generally describes the pricing increases. Whilst there is a minor cost variation to 2014/15 the 85% increase to 2015/16 has not been directly communicated to us with detailed costings and reasoning. This increase will have a significant impact on the budget and servicing levels may need to be considered. The lack of timely communication is not appreciated.
- There has been no communication or consultation with regard to future development of the network that will support their argument for rational asset management. A current management plan has not been forwarded to the Council. We are not clear whether the management of our network will improve in direct proportion to the charges proposed.
- Why are Essential Energy's rate increases higher than other comparable agencies can this be explained see CENTROC submission.
- Online drop box billing information does not give explanation for works, ie routine, damage, upgrade. Billing information is simplistic and does not meet our information requirements.

Yours faithfully

Penny Craig

DIRECTOR ENGINEERING SERVICES