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Marianne Lourey
Manager, Network Regulation
Essential Services Commission
Level 2 35 Spring Street
MELBOURNE Victoria 3000

Dear Marianne

Draft Decision on Public Lighting

AGL Electricity Limited (AGLE) accepts the draft decision on the Review of Public Lighting Excluded Services Charges by the Essential Services Commission (the Commission) in respect of the proposed public lighting charges. AGL will resubmit revised prices for 80W MV and 100W S-HP lights when requested.

In relation to the draft decision on issues relating to the regulatory framework (section 4.2 of the Draft Decision), AGL wishes to raise the following matter. The date to be notified in relation to clauses 5.1.2(e) and 5.1.2(l) of the Public Lighting Code should be no earlier than 1 January 2006 to coincide with the commencement of the next pricing period. The requirement to collect and manage additional data will impose additional costs on distributors (both operating costs for collecting the data and capital costs for system modifications to store and manage the data). These additional costs have not been allowed for in the proposed prices nor in the KPMG cost build-up. Consequently, it is appropriate that distributors have the opportunity for these costs to be incorporated into the current price review. Alternatively, distributors should be given the opportunity, prior to the final decision on public lighting prices, to adjust their proposed prices to reflect these additional costs.

Yours sincerely

Tony Beach
General Manager, AGL Victoria

