

## **DIRECTOR SHIRE SERVICES**

14<sup>th</sup> December 2004

**DSS3                    STREET LIGHTING**  
**FILE: R8-24    APV**

### **SUMMARY:**

Reporting on proposed street lighting services improvements and street lighting charges.



In the Kempsey Shire, Council has a network of approximately 2,875 public lights for which it is responsible. The majority of these lights are street lights in urban areas.

The number of street lights is increasing with the addition of new roads in new urban subdivisions and with requests for additional street lighting in existing urban areas where the existing street lighting is substandard. The majority of the street lighting devices are owned and maintained by CountryEnergy being the Public Lighting Service Provider for much of the State.

The Department of Energy, Utilities and Sustainability (DEUS) has compiled a draft 'Public Lighting Code' which is designed to clarify the relationship between Public Lighting Service Providers and Public Lighting Customers. It sets out maintenance standards and associated service level guarantees and minimum requirements for inventories, management plans, performance reporting and billing.

In order to meet the requirements of the draft Public Liability code, CountryEnergy has compiled a draft 'Street Lighting Management Plan' and a draft 'Agreement for the Provision of Street Lighting Services.' The management plan covers CountryEnergy's management structure for street lighting, equipment selection and replacement approval, design and construction approach, maintenance programs and reporting mechanisms.

The management plan proposes that CountryEnergy will design its maintenance programs to meet the requirements of the NSW Public Lighting Code. Key maintenance requirements of the Code are that the program include:

- Outage detection and service availability requirements;
- Lamp replacement and inspection;
- Luminaire cleaning and inspection;
- Vegetation management strategies;
- Inspection, test, repair and replacement of equipment;
- Condition monitoring.

## H - 2

An objective of CountryEnergy's maintenance program is to ensure outages at any one time are kept to no more than 5% of luminaries as set down in Australian Standard AS1158. To help achieve this target, CountryEnergy proposes to undertake bulk lamp replacements every 36 months, to replace reported spot outages within 5 working days from receipt of notice, and to undertake twice yearly night patrols for main roads only.

Whilst these initiatives will be welcome and will go some way towards addressing the, at times, current poor maintenance of lamps, in the draft agreement there is no undertaking to auditing or reporting the actual number of outages. It is proposed to request CountryEnergy to include in the Street Lighting Management Plan a strategy whereby CountryEnergy reports on the number of outages to ensure that CountryEnergy is meeting its performance targets under the agreement.

CountryEnergy states that about 5% of luminaries are replaced each year in the normal course of operations. When replaced the luminaries, which are often outdated, are upgraded to luminaries that comply with the current standard which have higher illumination and are more energy efficient. Similarly Council will request that the Management Plan requires CountryEnergy specifically to report on the number of luminaries upgraded/replaced in the reporting period.

Due to cost increases levied by CountryEnergy, the cost to Council of street lighting in the 2003/2004 financial year was \$354,390. Street lighting charges are composed of three components:

1. Network Use of System Charges (NUOS). This charge comprises approximately 23% of the total charge and covers the capital and maintenance of the electricity distribution network infrastructure. This component is not contestable.
2. Street lighting use of System Charges (SLUOS). This charge comprises approximately 62% of the total charge and covers the capital and maintenance of the street lighting infrastructure including lamps and luminaries. This component is only contestable where the customer owns the asset.
3. Streetlight Energy. This charge comprises approximately 15% of the total charge and covers the actual electricity consumed. This component is contestable and Council's current supplier is CountryEnergy.

Council has just received advice from CountryEnergy that, as from 1<sup>st</sup> December 2004, the SLUOS charge will increase by 9.8%. This increase is a result of the Independent Pricing and Regulatory Tribunal (IPART) determination to ensure public lighting pricing policies are consistent for all public lighting customers. Enquiries by Council staff reveal that further increases of approximately 6.7% can be anticipated for 2005/2006 and 2006/2007. These increases in charges will need to be provided in the budget review for 2004/2005 and in the budget estimates for 2005/2006 and later years.

Many of the issues relating to street lighting are common throughout the region and there would be advantages if the Mid North Coast Group of

Councils formed a joint committee for street lighting. The group could take advantage of economies of scale in accessing appropriate expertise, negotiating with CountryEnergy and making decisions on Public Lighting design. These issues could include:

- improving public safety and amenity;
- increasing compliance with relevant Australian Standards;
- preparing a warrant to deviate from an Australian Standard which does not adequately cover sparsely populated regional areas;
- Minimising total life cycle costs;
- Reducing light pollution;
- Improving energy efficiency and reducing greenhouse gas emissions.

## **REPORT IMPLICATIONS:**

### ▪ *Environmental*

*The energy efficiency of the current standard road luminaries used by CountryEnergy and the alternative supplies of energy on effort to reduce greenhouse gas emissions would be reviewed by the Street Lighting Technical Committee.*

### ▪ *Social*

*The Street Lighting Technical Committee could review the adequacy of AS1158 in meeting the needs of regional communities to provide a safe secure and attractive environment for pedestrian and vehicular traffic.*

### ▪ *Economic (Financial)*

*The Street Lighting Technical Committee would seek to negotiate reduced tariffs with CountryEnergy through economies of scale.*

*An additional amount of \$40,000 will need to be provided for street lighting in the budget review for 2004/2005 as an amount of only \$334,600 is currently provided.*

### ▪ *Policy or Statutory*

*There are no policy or statutory implications.*

### ▪ *Director's Review*

*Council is encouraged to support the Recommendation.*

## **RECOMMENDATION:**

**That the Mid North Coast Group of Councils form a Street Lighting Technical Committee to ensure a collaborative approach to street lighting in the region.**

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