
STREET LIGHTING – NEXT STEPS FOR MORE ENERGY EFFICIENT STREET LIGHTING

1 CONTEXT

Street lighting is a major expense for councils, as well as a major energy user. CVGA councils have prepared Street Lighting Action Plans, and CVGA has supported the Victorian Sustainable Public Lighting Action Group (VSPLAG) to get the Distribution companies to approve technically more efficient lighting. This process has taken along time, reflecting the difficulty of getting changes approved by many powerful stakeholders.

Now that technical approval has been given to more energy efficient lighting, the question is: how do councils actually get it installed at a reasonable price. CVGA invited two people who have been involved in this issue to speak with CVGA members on 11 April 2008. The speakers were Paul Brown, who is chair of VSPLAG, and Rolf Freeman, who has been negotiating the OMR for Mornington Peninsular Local Council with their distributors, Alinta.

2 CHANGE OVER ISSUES

Paul Brown indicated that Powercor, along with other distributors, had signed off on the T5 light bulb. The price of change over and maintenance has yet to be determined by the Power Distribution companies and approved by the Essential Services Commission. Powercor MAY be making its determination on pricing within the next couple of weeks, and this determination may be higher than councils should expect as a fair and reasonable price. Paul will inform CVGA when and if Powercor makes a determination.

Rolf Freeman indicated that his council is one of a group of 16 councils, called the Street Lighting Group which has been active in trying to negotiate fair and reasonable prices with the distribution businesses. The MAV convenes **this group???? And recently held a meeting.**

Rolf indicated that councils wishing to change to T5s or other energy reducing street lights had several options, none of which is perfect:

- Councils fund the roll out entirely. For a council the size of Mornington Peninsular this could cost over \$4m.
 - This raises a question of ownership. Does the council fund the replacement, then have to gift the asset back to the Distribution company AND pay a depreciation on the assets it bought through the OMR?
- The asset owner MAY make the change over at the end of life. The life of most of the assets is long – 20 years – so this will not lead to quick change overs. And negotiation will be required still on the OMR.
- Council could fund the roll out on a bit by bit program, and use the savings from the energy **(about \$25 a light per year??)** to fund the next stage.

Rolf noted that Alinta is at the moment conducting experiments on exactly how much to charge for a change to T5s by trialing the speed of replacement up and down some streets. This will help them finalise a cost of replacement.

DSE is playing an active role in the strategic, long term roll out of sustainable street lighting. Jenny Rigby is the main person involved at DSE.

3 ISSUES RAISED BY MEMBERS

- We need to understand the role of the Street Lighting Group more, and particularly if any of the councils in that group have to negotiate with Powercor. Note: The Northern Alliance on Greenhouse Action (NAGA) will be negotiating with Powercor on behalf of its members (and have a grant to do so). The members of the newly forming Western Alliance on Greenhouse Action (NAGA) will also have to negotiate with Powercor
- Need to understand better the role of MAV
- Noted that both the Essential Services Commission and the Future National Energy Management Regulator focused on pricing without reference to environmental considerations and this was a conflict with climate change imperatives. There will be the opportunity to raise this as an issue in the green/white paper process the State Government has begun implementing on climate change.
- That negotiating on a council-by-council basis with Powercor will not lead to the best price outcomes for councils.

4 ACTIONS

It was noted that those present at the meeting were not those usually involved with the negotiations on street lighting and so all actions would need to be discussed with the appropriate sections in council.

4.1 ACTIONS FOR CVGA

- 1) Meet with NAGA and WAGA to identify opportunities for achieving the best OMR charges and best price roll out of lower energy lighting, and:
 - a) report back to members.
 - b) Develop a grant proposal if appropriate
- 2) When advised by Paul Brown that Powercor has made a price determination, draft a letter for councils to use as a basis to write to Powercor asking for their price.
- 3) Find out about the role of MAV, the Street Lighting Group and DSE and report back to council members

4.2 ACTIONS FOR COUNCIL MEMBERS OF CVGA

After discussions with appropriate sections within their council:

1. To advise CVGA when their next batch change is due
2. To write to Powercor when a letter is drafted by CVGA for them to do so.

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