

Submission: Review of NSW Electricity Network Contestable Services

August 2009

- **In EnergyAustralia's distribution service territory 99.5% of street lighting services are not in law or in practice currently contestable, let alone is there any meaningful competition.**
- **Street lighting in NSW is currently a non-contestable monopoly of DNSPs with no clear governance framework: no contracts, no service regulation and a significant mis-alignment of interests. A concerted review of the current governance approach to lighting in NSW is warranted and needs to be closely linked to questions of contestability.**
- **There are significant conflicts of interest in EnergyAustralia being a large purchaser of ASPs' services, an active ASP itself and having effective control over accreditation of ASPs. The current system is riddled with conflicts and contradictions, yet it lacks sufficient checks and balances that would assure transparency and accountability.**
- **The current limited contestability regime is both costly and cumbersome for projects that are often as simple as adding a single pole but take on average perhaps 9 months to complete.**
- **Protracted difficulties with introducing new technology, implementing even the basic requirements of the voluntary NSW Public Lighting Code and difficulties for Councils in progressing their own lighting installations all provide evidence of the deficiencies in the current governance regime for public lighting in NSW.**

Background

This submission is concerned with the structural and operational relationships of EnergyAustralia and a number of NSW councils in terms of the network's contestable services related to street lighting.

At the outset, it is important to clarify that the current contestability framework for public lighting outlined in the NSW Electricity Supply Act 1995, NSW Electricity Supply (General) Amendment (Customer Contracts) Regulation and the NSW Code of Practice for Contestable Works is extremely limited in that it applies only to the design and construction of new public lighting (see Section 7 of this submission). In EnergyAustralia's distribution service territory 99.5% of street lighting services are not in law or in reality currently contestable, let alone is there any meaningful competition.

Street lighting is currently a monopoly of NSW DNSPs. There is at present neither binding service regulation nor contracts governing the service. As a consequence, there have been serious long-standing problems with

technology, service and pricing issues. Councils are in the untenable position of being responsible for the safety, security, energy consumption and cost implications of lighting, yet they have no meaningful control over the service nor reasonable alternative courses of action available. The lack of clarity in the present arrangements and mis-alignment of interests is presenting a significant burden for Councils, DNSPs, pricing regulators, lighting technology suppliers and developers. It seems clear that a concerted review of the current governance approach to lighting in NSW is warranted and long overdue. It is in this context that SSROC makes this submission on contestability in public lighting.

The focus of the submission is confined to three of the questions posed in the Issues Paper:

Question 1: Are the regulatory arrangements for contestable works leading to the safe, reliable and efficient supply of electricity? Are these arrangements cost-effective?

Question 2: Are current accreditation requirements appropriate for testing a company's fitness to offer contestable services?

Question 10: Do you have comments on the range of work that is contestable?

These questions raise a number of deficiencies in the role that EnergyAustralia plays in the relation to street lighting, with failures in both areas of contestability and compliance. Because there are relationships between the three questions, the submission links their issues together. It will be shown that the regulatory arrangements are weakened or ignored by EnergyAustralia's processes. The result is a significant loss of safety, reliability and efficiency in the street light system. By its self-serving financial structures EnergyAustralia has used its territorial monopoly to put in place arrangements, which effectively run against the public good. There are glaring counter-contestable outcomes because EnergyAustralia acts as both the DNSP body accrediting ASPs, and acts as an ASP itself. The evidence provided by the councils, which form the bulk of the other part of the streetlight management system, illustrates that the range of work is too narrow, is insufficiently transparent, and is lacking the contestability levels needed.

The submission focuses on seven significant areas that demonstrate the weaknesses of EnergyAustralia's role in relation to street lighting, and the need for reforms.

The areas considered are:

1. EnergyAustralia and its relationship to the Accredited Service Provider system
2. EnergyAustralia and its impacts on prices and timeframes for projects involving councils

3. EnergyAustralia and its record of maintenance of street lights and its levels of accountability
4. EnergyAustralia and its impacts on community safety
5. EnergyAustralia's works and its levels of technological advances
6. EnergyAustralia's processes and its impacts on streetscape development
7. Codes, the ASP Scheme and the Future Roles of Councils

The basis of this submission is the work of the Street Lighting Improvement Program (SLIP). This was inaugurated by the Southern Sydney Regional Organisation of Councils (SSROC) in 2003. It is The SLI Program is overseen by SSROC on behalf of 34 member councils. These 34 councils are served by some 227,000 streetlights owned by EnergyAustralia and also manage an estimated 13,000 additional council-owned lights in parks, reserves, and other areas such as town squares and business centres. Collectively, the participating councils constitute over 93% of EnergyAustralia's streetlights. The cost to councils in payments to EnergyAustralia for 2008-2009 was approximately \$42 million.

1. EnergyAustralia and its Relationship to the Accredited Service Provider System

- EnergyAustralia performs a number of roles which clearly conflicts with the purposes of the ASP system. The Code of Practice for Contestable Works promotes competition and customer choice as much as practicable. It might be noted that neither the accreditation scheme operator (Office of Fair Trading), ASPs, nor customers are required to agree to abide by the Code (Issues Paper, p.11). EnergyAustralia, in relation to its street lighting role, offers very little in relation to competition and customer choice, and as a result it lacks transparency, accountability, efficiency, and cost-effectiveness.
- Since EnergyAustralia is the owner and asset manager of the electrical supply network, which includes overhead cables, power poles and underground cables, it awards contracts to ASPs for work done on its network; however, the system gives EnergyAustralia more significant powers. An ASP must employ individuals who are authorised to work on EnergyAustralia's network, but that authorisation is provided by EnergyAustralia. It effectively controls which contractors can be accredited.
- EnergyAustralia has a contracting division (Enerserve) which carries out electrical infrastructure construction and installation works. Since EnergyAustralia is itself a contractor whilst also being in control of who can become an accredited contractor, there is a glaring conflict of interest (and potential pecuniary conflicts). Since EnergyAustralia is the owner and asset manager of the electricity supply network within its territory, it calls for tenders from, and employs, accredited contractors. As well, the

Electricity Act and regulations limit the distribution network services to just two areas: customer connection, and extension of, or increase in the capacity of, the distribution system. EnergyAustralia has been given a territorial monopoly over the supply of energy, together with authorisation leading to an ASP gaining accreditation, has a primary role in issuing tenders and determining who will be selected, and also has its own body contracting for jobs. Since EnergyAustralia is both a DNSP and an ASP, and as a DNSP might certify or inspect contestable works, there may be a perception, or even a reality that competitors, might face more onerous standards. It is a system riddled with conflicts and contradictions, yet it lacks sufficient checks and balances that would assure transparency and accountability.

➤ Despite the notions of “ring-fenced” business units within a DNSP, and the structuring of “passport” systems whereby other DNSPs may be competitive outside of their monopoly territories the fact remains that the current system stands in the way of ensuring real levels of contestability. Given Councils’ roles in relation to street, park, reserve and town centre lighting there should be developed systems that allow a much greater level of contestability that would accelerate public works outcomes at more affective costs, and more direct management of such programs by Councils.

2. EnergyAustralia and Its Impacts on Prices and Timeframes for Projects Involving Councils

➤ With the powers that EnergyAustralia has in relation to street lighting and other Council-connected management and development challenges, there should be open and transparent charging regimes and billing practice. This does not appear to exist.

➤ There are many examples wherein EnergyAustralia is either deliberately overcharging (for work which is frequently deemed to be non-contestable by EnergyAustralia itself, thereby giving itself a financial monopoly), or hopelessly expanding costs because of its inefficiencies. There is much anecdotal material, but to this point no definitive evidence, that the costing regimes of EnergyAustralia for non-contestable capital works and the limited amount of contestable works undertaken by ASPs operating to EnergyAustralia requirements are “funny”, in the sense that the costs are deliberately bloated. Since EnergyAustralia is opaque in terms of explaining how their costs are calculated, there is no way of properly testing the concerns generated. Minor modifications to the lighting network, for example moving or adding one pole, are problematical in that exorbitant costs are charged with no real explanation as to why.

An example of EnergyAustralia’s high price regime are levies charged in the limited cases where Councils might feasibly exit current arrangements

by acquiring or removing existing EnergyAustralia lighting assets that are less than 20 years old. EnergyAustralia deems that its lighting assets are expected to last for 20 years. However, EnergyAustralia does not apply a straight-line depreciation of the original cost of an asset based on its actual age. Instead EnergyAustralia calculates the exit charge based on the cost of a “Modern Engineering Equivalent” asset; that is, it calculates a ‘depreciated value’ based on the current cost of the asset. This is a false, but self-rewarding, process adopted by EnergyAustralia despite the well-known reality that these assets age over time, reaching their economic life span ultimately at 20 years. The AER’s Final Decision of April 2009 on NSW DNSP pricing for 2009-2014 recognised the problem with this regime. It states in section 17.7.4.3 that, *“The residual asset value calculated for the replaced asset is to be based on the depreciated original capital cost of the asset, with the remaining life determined through an assessment of the asset type and/or condition or the AER default value.”*

➤ Another example of EnergyAustralia’s high price regime is the higher on-going tariffs for Council-owned lighting. In the limited cases where Councils have been able to exit current arrangements with EnergyAustralia and install their own lights, they have face high on-going network and energy tariffs because EnergyAustralia has been unwilling to assign an appropriate network tariff classification to these accounts (referred to by EnergyAustralia as Network Tariff 401). Again, the AER’s Final Decision of April 2009 on NSW DNSP pricing for 2009-14 recognised the problem with this inequity. It states in section 17.4.6 that, *“In relation to [EnergyAustralia] tariff 401, the AER agrees that this appears to be a barrier to councils’ consideration of developing council-owned lighting and could potentially raise issues of competitive neutrality.”*

➤ Council feedback is that the current contestability regime, in the limited cases in which it applies, is cumbersome and subject to lengthy delays at all stages. Projects that are often as simple as adding a single pole takes on average perhaps nine months to complete.

➤ Similarly, where EnergyAustralia deems work to be non-contestable a Council is obliged to obtain from EnergyAustralia a design and estimate. No time frame is offered for the design and estimates, and the Council has to accept quotation and contract conditions without any recourse to competitive processes. EnergyAustralia also has complete discretion concerning obligations

Bankstown City Council’s Park Lighting Experience

As per submissions to EnergyAustralia and DWE, Bankstown City Council has experienced sustained service deficiencies with EnergyAustralia-owned lighting in parks. EnergyAustralia has unilaterally withdrawn maintenance services in some areas and taken unreasonably long periods to make repairs in others. Some of the parks involved are at high risk of assault and sexual offences. When, in frustration, Council staff ordered broken lights to be replaced by electrical contractors, EnergyAustralia imposed a penalty payment on Council and Council’s staff were threatened with

that might be passed on to the Council and, exclusions of work that the council has to carry out.

- A Council might make a request to EnergyAustralia to deem certain works contestable; however, a Council has no background on which criteria EnergyAustralia will use to evaluate the request. EnergyAustralia does not determine a time frame for deciding whether it would make the works contestable or not, adding both cost and uncertainty to the council.
- Indeed, more basically, the NSW Code of Practice Contestable Works reduces the level of contestable sections of the street-lighting system to just 0.5% of the total asset base! 0.5% is approximate percentage of new street lighting assets added each year to the EnergyAustralia lighting network that are currently contestable (see Section 8).
- EnergyAustralia appears to have made most undergrounding works not contestable cutting out efficiencies and cost savings, which could be gained by working with a council involved also in undergrounding works. EnergyAustralia's charges are generally greater than normal underground activities, resulting in a non-contestable Council exercise which might cost the Council charges that were 150% greater per metre than the average. On top of this EnergyAustralia's delays on beginning and finishing such projects may add a further substantial cost to a project.
- Besides setting prices and time frames for such works as recoverables that cannot be subject to any comparisons with other providers, EnergyAustralia often imposes onerous clauses in its work contracts, and excludes discretion ancillary works that has to be supplied by the Council itself.
- In the general relationships between Councils and EnergyAustralia, wherein EnergyAustralia is the owner of the lighting assets, is the supplier of power and the provider of basic lamps, and where the Councils pay for the costs of the street-lighting, there is no contractual base that defines the responsibilities and the commercial recompense that might result from the various levels of interaction. In short, there are no contractual arrangements between EnergyAustralia and the Councils. When County Councils were removed and replaced by corporate government bodies no contractual bases between councils (who were part of the County Councils) and the DNSPs was put in place. This has never been rectified.

3. EnergyAustralia and its Record of Maintenance of Street-lights and its Levels of Accountability

- In contrast with Integral Energy, EnergyAustralia has not for some years had a team dedicated to street lighting. Indeed, it has had at least five sets of management changes in six years with many of the appointed managers having little or no background in lighting. Integral Energy, in

comparison, has a dedicated team managing their streetlights with strong technical expertise and it performs its functions extremely well. As a result EnergyAustralia has not provided a safe, reliable or efficient service to the street-lighting system.

The average repair times, as agreed by EnergyAustralia in the NSW Public Lighting Code, is less than 8 days. In the first two years from Code inception on 1 January 2006, EnergyAustralia does not appear to have met this requirement in more than half of all Councils served. More recently EnergyAustralia has begun to improve its average repair times and information on its repair performance but Councils cannot help but wonder if this is related to pricing reviews. This is no mechanism to prevent service levels slipping again once pricing issues are resolved.

➤ Responses to network supply faults have been particularly bad in relation to U/G supply faults. In the case of one Council, North Sydney, underground repairs in the high profile commercial and entertainment precinct of Neutral Bay took 165 days repair time and a second multi-light outage some months later in the same location also took several months to repair. The lack of commercial consequence for prolonged supply outages to lights, lack of reporting requirements for outages cause by supply fault and lack of resources dedicated to network repair by EnergyAustralia leads to very poor outcomes when such fault occur. EnergyAustralia has not been able to implement Code requirements about regularly updating Councils and the RTA on the location and timeframe to repair outages caused by supply faults.

➤ The failure to institute the maintenance regime required by the Code in the first two years since inception resulted in high outage problems on main roads, although there appears to have been some improvement in recent times. Outages averaging 7.4% on main roads were in 2007 50% higher than the maximum allowed under AS 1158, and three times as high as the level expected under the maintenance regime described by the Code and AS1158. EnergyAustralia has stated that it has now introduced night patrols on main roads. SSROC has requested EnergyAustralia provide records of a sample of night patrols but has received no data as a result.

4. EnergyAustralia and its Impacts on Community Safety

➤ The delay by more than 2 years from NSW Public Lighting Code implementation in providing night patrols on main roads by EnergyAustralia, resulted in a major safety and risk hazard. As discussed above, this resulted in high outage levels. Public lighting is widely acknowledged in AS1158 and elsewhere to cut the risk of accidents on main roads by 30% or more.

➤ The evidence suggests that EnergyAustralia is primarily concerned with street lighting, and places lighting in parks and reserves as a secondary consideration. Nonetheless, EnergyAustralia places Rate 1 charges on Councils that have park and reserve lighting. These charges include an 80% fee for infrastructure and maintenance, and there are some 8000+ such lights (2007 figures) that, through Councils, provide an income flow to EnergyAustralia. EnergyAustralia in certain places has refused to maintain lights in parks or reserves where lights have been vandalised. Vandalism is likely to be more prominent in areas where crime (especially sexual crime) and/or drug levels are high. In such areas community safety depends on adequate lighting, especially in the parks and reserves. EnergyAustralia's attitude to the vandalising of lights is developed purely on commercial grounds; there is no consideration for the safety dangers that are so created. In one instance a park was left without lights for two years. Over the period EnergyAustralia continued to charge Rate 1 fees for lamps that did not provide lights. The local police became involved in attempting to get some resolution of the situation because safety threats were so grave.

➤ As early as 2005 EnergyAustralia had stated that it believed that lighting in public reserves, off-street carparks, sporting fields and other areas that are not on a public road ought not to be managed by EnergyAustralia but by Councils. In suggesting such a transfer of responsibility and ownership EnergyAustralia expected reimbursement for existing infrastructure that was less than 20 years old. As pointed out above EnergyAustralia has been charging for power poles at an undepreciated rate (that is, at the price of new infrastructure) so that its proposals would deliver a monetary bonus if its shift of these assets to Councils were to happen. It has been pointed out to EnergyAustralia that it would need to propose an agreement clarifying property rights, OH&S issues, network requirements and a range of other issues before Councils would be able to maintain its property. In the instance of a 2-year lack of lighting in one park (see above) the Council involved in desperation hired an electrical contractor to repair the lamps, and was then threatened by EnergyAustralia with court procedures for illegally carrying out the repairs.

➤ The failure of EnergyAustralia to maintain lights, resulting in considerable safety issues, is not confined to parks and reserves. An example is provided by the failure of 12 lights on Military Road and Falcon Street in Neutral Bay. These roads are heavily trafficked, and especially at night attract a large number of people who visit the area for restaurants and other night facilities. There are as well two bus interchanges and a supermarket and other shops and offices that generate heavy pedestrian traffic. The Council reported the problem four times between March 5 2006 and January 17 2007, as well as the NSW Police in November 2006. Regardless of the fact that the lights were not working, EnergyAustralia charged the Council as if they were receiving energy from the network.

5. **EnergyAustralia's Works and its Levels of Technological Advances**

- Councils attempted to engage EnergyAustralia to secure agreements on a new portfolio of Standard Lighting for four years from 2003 to 2007. In September 2003 EnergyAustralia agreed to Councils' requests to install 1000 new energy efficient luminaires as a trial. Despite the actions of the NSW Government in March 2006 to award a \$4.2m Energy Savings Fund grant to councils, EnergyAustralia failed to come to an agreement on new Standard Lighting choices until mid 2009 (thereby threatening Councils access to ESF funding from the State Government and unreasonably delaying and possibly scuttling a high profile energy efficiency project announced by the Premier). During this same period EnergyAustralia installed more than 30,000 high-energy consuming mercury vapour luminaries, many without the knowledge let alone consent of councils. In mid-2009, EnergyAustralia formally agreed to the adoption of the more energy efficient lighting first nominated by Councils in 2003. Meanwhile, technologies have moved on and there remains no clear process for the introduction of new technology as it emerges.
- Compared to Integral Energy, EnergyAustralia has failed to install energy savings technology, despite successful trials. Despite being a substantially smaller utility, Integral Energy has installed approximately 10 times as many energy efficient lights as EnergyAustralia since they were first introduced in 2003-04.
- EnergyAustralia lags well behind Integral Energy in terms of technology expertise, evaluation of technologies and deployment of energy efficient lighting technologies that are 33-65% more energy efficient and have up to 50% longer lamp life. EnergyAustralia, with an apparent focus on narrow aspects of its financial base, has let its street-lighting system limp behind where the State Government, and its client Councils, have been desirous of reaching.

6. **EnergyAustralia's Processes and its Impacts on Streetscape Development**

- Some 13,000 public lights are owned directly by Councils with approximately 70% of these owned by the City of Sydney. These lights are primarily decorative lights in the context of Councils providing additional lighting to town squares, CBD centres, high profile parks and foreshores. As discussed in Section 2, these lights face higher on-going network tariff and energy charges at approximately 30 to 40% greater than charges for identical EnergyAustralia-owned lighting.
- EnergyAustralia adopts two systems in connection with Council-owned lighting. One is called a Special Small Service (which is unmetered, but not in favour with EnergyAustralia) and metered areas. The costs of

the latter, where power is trenched to a common point, can be prohibitively expensive to install because of all the additional undergrounding required and the need for metering housings in the public domain.

➤ The high exit charges from EnergyAustralia assets, high on-going tariffs for Council owned assets, challenging connection requirements and laborious processes introduced by EnergyAustralia inevitably leads to higher installation costs, increased street clutter (supply points, meter housing), increased on-going costs and increased administration costs. Town centres throughout the Council system are successively regenerated over time, providing both commercial and community benefits in their refits. Energy supplies and improved lighting systems are constituent elements of centre improvements, but whilst Councils have to battle with the overall costs of infrastructure and design improvements, they have to carry an additional, and unneeded extra costs, in dealing with EnergyAustralia's bloated additional costs.

7. Codes, the ASP Scheme and the Future Roles of Councils

➤ The ASP scheme was transferred to the Office of Fair Trading (OFT) in 2007. The AFT, however, has limited scope to investigate an ASP's claims in terms of its workforce's skills and documentation. Instead OFT must rely on DSNP advice on any contestable works undertaken by an ASP including any technical and safety breaches. The Scheme does not include any reliable means of enforcing compliance with its requirements, nor of compliance with the technical, safety and other rules, codes or standards that service providers agree to abide by as part of their terms of accreditation. There are no financial or other penalties attached to breaches. Safety breaches are dealt with by the DNSPs who authorise individuals to work on the network (Issues Paper p.21).

➤ DNSPs have enormous powers within the system, and very little accountability. In the case of EnergyAustralia there is a distinctive conflict of interest because it has its own ASP, therefore being accredited by its own powers, opening the door to suspicions about how and under what circumstances EnergyAustralia might provide work for its own ASP. There is a general notion that DNSPs will build "Chinese Walls" between themselves and their ASPs, but the world's largest service sector organisations have made the same claims and then been discovered that the "Walls" have broken down.

DNSPs also have the role of deciding when, and in what way, services relating to street lighting are contestable. The evidence related to this submission suggests that EnergyAustralia adopts a restrictive view on contestability of lighting for Councils, and appear to select the primary role on works that could be sourced to other bodies, to pass on pieces of work to Councils when the tasks are not in their interest, and generally to

charge costs that are above reasonable fees. The general arrangements of either standard or additional works performed by EnergyAustralia for Councils are not based on any contract system.

➤ The relevant NSW policy documents do not appear to establish contestability of operation and maintenance for DNSP-owned public lighting. The policy is clearly limited to connection services of new lights. In the case of EnergyAustralia contestability appears unrelated to 99.5% of EnergyAustralia's street lighting network assets. The Electricity Supply Act 1995 states the requirements relating to customer connection services, and in Division 4 Part 3 (c) states that "the maintenance of the capability for electricity to be supplied to any premises from a distribution network service provider's distribution system". The Electricity Supply (General) Amendment (Customer Contracts) Regulation defines contestable service as meaning "any service comprising work relating to an extension of an electricity distributor's distribution system or an increase in the capacity of an electricity distributor's distribution system". Code of Contestable Works? These restrictions reduce Councils' roles in terms of street lighting are reduced to paying tariffs to distributors, in this case EnergyAustralia. Effective competition needs to have meaningful contestability. To generate this a number of areas need attention, including the following:

- Clarification of ownership issues, responsibilities and liabilities as existing assets are modified or replaced
 - Establishing clear and comprehensive rules whereby 3rd parties could operate (eg. access to DNSP poles and wires, notice, approval procedures, information provision, damage clauses)
 - Establishing pricing for residual monopoly services
 - Resolution of AS3000 issues with non-DNSP owning assets
 - Resolution of potential ACCC issues under Section 45A of Trade Practices Act 1974
 - Lack of Council skills or experience in managing electricity assets of this nature
 - Identifying and encouraging prospective competitors.
- The Public Lighting Code, introduced at the start of 2006, was designed to clarify the relationship between Public Lighting Service Providers and Public Lighting Customers. It set out:
- Minimum maintenance standards and associated service level guarantees
 - Minimum requirements for inventories, management plans, performance reporting and billing
 - A requirement that Service Providers consult with Customers in deciding which core lighting types they are going to offer
 - A mechanism allowing for connection of lighting types outside the core choices offered by Service Providers

From the evidence offered in this submission EnergyAustralia has failed abide by the Code in the first two years after inception. While performance may have improved more recently, there voluntary nature of the Code and lack of consequence for non-compliance creates little incentive to continue to meet let alone exceed Code requirements.

- Councils have been caught in a strange position as a result of the corporatisation of the NSW electricity system. Previously the bulk of the system was run by County Councils of which councils were constituent members. There was a structural and operational tie between councils and energy provider's systems. In terms of street lighting there was an obvious and sensible relationship between County Councils and Councils. The EnergyAustralia and Councils linkage is too weak and untrustworthy to offer much hope in rectifying the many blemishes that now beset the arrangements. Some reconsideration of how a system that might work in some way the same as the County Council model is perhaps a path to improving the current state of EnergyAustralia/Council structures.
- Councils in other countries have central responsibilities in terms of managing all aspects of street and allied lighting systems. This includes all of the UK, all of New Zealand and major parts of the US and Canada. The NSW system does not lend itself to such a situation, but there are left many challenges in improving the current system in the territory where EnergyAustralia has a monopoly. There is a fundamental need to strengthen and reform the system to produce robust and effective governance over the Street Lighting domain.

8. Options for change

Councils lament the change from a County Council delivery of street lighting services, primarily because of their strong view of a major shift from customer service. Under that regime the services were provided on the basis of detailed understandings of community requirements, service delivery that was understood and accepted and the investment decisions reflected Councils' requirements. Councils are of the view that these critical requirements are currently not sufficiently acknowledged.

Given that the provision of street lighting is essentially a public good and a monopoly service, Councils believe it appropriate for them to be involved, in a meaningful way, in the strategic planning of, and the use of, infrastructure. This would necessitate a change in the governance framework relating to this infrastructure. The desired minimum position for Councils is for the introduction of a mandatory code, formal contracts to set standards and pricing and the introduction of real competition into the provision of services. This would also include the provision of information relating to the costs involved in the delivery of services.