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Councils offered cost effective plan for replacement of street lights with LEDs

SA Power Networks is proposing a changeover of South Australia's street lights to more sustainable LED technology – publishing new street light tariffs that resolve the issue of funding of the transition to LEDs, and which allow councils to benefit from lower energy costs and potential future “smart city” innovations.

“Over the past few years LED street lighting technology has matured significantly,” said Paul Roberts, Manager Stakeholder Relations, SA Power Networks. “The biggest barrier to a changeover now is how to fund the heavy up-front cost of upgrading to new, more energy efficient lighting.

“We’ve released new, tailored tariff options that give councils choice about how the upgrade is funded, and certainty about service levels. The new arrangements facilitate significant flexibility in terms of the lighting upgrade and allow councils to adapt to or integrate new and emerging technologies over the longer term.”

“There are two key funding options – one in which SA Power Networks will fund the up front capital cost in full and recover the funds from participating councils over time, or an option where councils pay for the initial capital cost of their lights.”

Mr Roberts said LED street lights currently were more expensive to purchase, but the lower energy requirement (and carbon footprint) and lower ongoing maintenance costs for new generation LED street lighting now made them an attractive ‘whole of life’ alternative.

“Development of these tariffs is an important step in facilitating an orderly transition of South Australia’s 220,000 street lights to the latest and most efficient street lighting technology,” Mr Roberts said.

“These tariffs provide councils with flexibility in technology, choice and transparency of funding, and the ability to take advantage of future opportunities. This offer has been developed over many months in collaboration with a number of leading councils and their input to the process has been invaluable.”

“We’re also developing offerings for lighting monitoring and control systems that will allow sophisticated management of street lights to ensure optimum performance and maximise energy efficiency. These will be able to be integrated with ‘smart city’ innovations that are attracting council interest.”

SA Power Networks will be writing to all councils and other lighting customers with full details about the tariffs, which will form the basis for negotiating commercial arrangements with individual customers to meet their specific lighting requirements.

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