

13th March 2018

Local Government Team Independent Pricing Tribunal of NSW PO Box K35 Haymarket Post Shop NSW 1240 Email <u>localgovernment@ipart.nsw.gov.au</u>

Dear Tribunal Members,

Elgas Submission: Local Government – Randwick City Council – Application for a Special Rate Variation

We refer to the recent notice from NSW Ports of the proposed application by Randwick City Council to impose an exorbitant rate increase targeted on Elgas who are an existing rate payer and a lessee of NSW Ports without any prior consultation are.

Elgas was given one week's notice from NSW Ports to make a submission to Randwick City Council which we submitted 31st January lodging our outrage and rejection. This opportunistic and targeted approach by applying a special rate category differing from the remainder of the commercial businesses in Randwick City Council area is blight on their behaviour on such critical infrastructure for NSW.

In response to our submission Randwick City Council referred us back to NSW Ports as our landlord to deal with the issue. We have emphasised to NSW Ports our disappointment over the lack of consultation and have urged NSW Ports to reflect this in their submission.

Elgas has invested over \$200m in its underground LPG Cavern Storage and Distribution Facility located in Friendship Road, Port Botany. This facility supplies over 80% of the LPG demand in NSW regional and city centres and is now a strategic hub due to the closure of the refineries in NSW. The Cavern also services the Autogas market supplying a major portion of network of service stations throughout NSW.

In servicing our customers, we use the State Road Network and Sydney Motorway Network with minor activity on local Randwick City Council roads except to service domestic and commercial customers. (Refer attachment "A")

Elgas rejects the Randwick City Council application both as a rate payer and as a lessee of NSW Ports and fully endorses their submission and recommendations.

Yours sincerely,



Behalf of Anthony Gilbert

Head of Elgas Limited

