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For ..... E. &amp; M., E.S.D. ....

23rd March, 1962.

Dear Mr. Byrne,

With reference to your letter of the 23rd February, 1962, in which you enclosed questions raised by the local Press concerning certain aspects of tramway operations at Ballarat, I have to advise as follows:-

Question 1 - What was the commercial rate for electricity in Geelong in the year immediately prior to the abandonment of tramway services?

Question 2 - What was the domestic rate at the same period?

Question 3 - What are both present rates now?

The information in respect of the above is set out in the schedule attached - Appendix "A". It is mentioned that the Geelong tramways were taken out of service progressively over the period January to March, 1956, and finally ceased operation on 25th March, 1956. The tariffs shown as being applicable immediately prior to abandonment of the Geelong tramways were those in force at 31st December, 1955. It must be remembered that in the intervening period electricity supply tariffs were increased on three occasions, viz., March/April, 1956, October/November, 1956, and September/October, 1956.

Geelong was reclassified from extra-metropolitan to intermediate tariffs as from 1st January, 1961, and no changes have been made since that date. Industrial tariffs were, of course, on the State-wide uniform basis prior to 1956.

Question 4 - What was the annual power consumption in Geelong the year before trams were abolished?

Question 5 - What was the power consumption in the last full year?

kWhs. Sold  
(Geelong Intermediate Tariff Area)  
(Total all Classes)

Financial year 1954/55	-	106,186,000 *
Financial year 1955/56	-	115,921,000 *
Financial year 1960/61	-	188,702,000

\* Includes trams until discontinued in March, 1956.

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Question 6 - Were power rates in Geelong reduced -

- (a) because of the abandonment of trams, or
- (b) because of increased consumption?

Both factors have had a bearing on the decision to reduce tariffs at Geelong. The elimination of annual losses on tramway operations of the order of £90,000 and subsequent discharge of the liability for road reconstruction costs on the former tram routes, combined with increased electrical development generally throughout the area, enabled the Commission to reduce electricity tariffs at Geelong. It should be noted that electricity consumption at Geelong in 1960/61 was nearly 2½ times that in Ballarat.

Question 7 - What are the present rates for electricity in Ballarat -

- (a) commercial
- (b) domestic?

The present tariffs are the same as those shown in Column No. 3 of the schedule attached.

Question 8 - What was the power consumption in Ballarat in the last full year?

Question 9 - How much electricity do the trams consume in one year (last year)?

	<u>Including trams</u>	<u>Trams only</u>
1960/61 Financial Year	75,927,000 kWh.	1,160,000 kWh.

*(92,886,000 kWh. for Ballarat Branch)*

Question 10 - If trams were abolished in Ballarat, would consumption of power in Ballarat decline, at least temporarily?

Unless one or more large consumers were connected at the same time as tramways were abandoned, it could be expected that there might be some temporary decline in total consumption at Ballarat. However, as the tramways consume only 1.5% of the total electricity used at Ballarat, any such decline would be of short duration.

Question 11 - What was the value of consumption by Ballarat trams?

It is the Commission's practice to charge for electricity used within its own departments and undertakings at cost to the Branch. The charge to Ballarat tramways for electricity during 1960/61 was £7,114. Despite the advantage of this low charge for power and the fact that there are no direct capital charges on the tramway system, a loss of £94,989 was incurred on the Ballarat tramways last financial year.

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I trust that the above information will be helpful to  
you.

Yours faithfully,

(Sgd.) G. O. REID

Minister of  
Electrical Undertakings.

Hon. M. Byrne, M.L.C.,  
217 Wendouree Parade,  
BALLARAT, VIC.

Submitted to the Honorable  
the Minister for signature.

(Sgd.) L. G. Morrison

ACTING SECRETARY, 23/3/62.

APPENDIX A

Tariff (Monthly basis)	Rates in force immediately prior to -		Present Intermediate Tariffs
	Abandon- ment of Geelong Trams	Introduction of Intermed- iate Tariffs at Geelong	
(1)	(2)	(3)	(4)
<b>(a) Commercial</b>			
<b>(i) Lighting</b>			
First 20 kWh)	9.25d.	) 11.4d.	10.3d.
Next 80 kWh)			
Next 200 kWh		8.4d.	
Balance	8.0d.	7.9d.	7.7d.
<b>(ii) Power &amp; Heating</b>			
First 50 kWh)		5.6d.	5.1d.
Next 150 kWh)	4.0d.	5.2d.	
Next 4,800 kWh	2.6d.	3.4d.	3.1d.
Next 20,000 kWh	1.85d.)	2.3d.)	2.3d.
Balance	1.8d.)		
Off-peak rate	0.9d.	1.13d.	1.13d.
Two rate meter rental	3/-	10/-	10/-
<b>(b) Residential</b>			
Service Charge per room	1/8d.	1/11d.	1/9d.
Energy charge per kWh	2.35d.	2.7d.	2.5d.
Maximum overall rate	8.0d.	7.0d.	7.0d.