

#### 4. POWER DEAL SHOP

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The purpose of this report is to identify likely costs of setting up a short term operation to assist power consumers to investigate the options for retail power delivery and costs of ongoing electricity supply.

At the Strategy and Resources Committee meeting on 17 May 1999 the City Manager was requested to report to Council on the likely cost and form of service to be provided if a short term advisory service was set up.

Initial investigations have focussed on the option of setting up a short term advisory operation in temporary premises to enable consumers to discuss options and likely cost by telephone or across the counter. The advisory service would involve the setting up of a spreadsheet into which individual consumer details could be input to evaluate the options available to receive supply and costs associated with each option.

Assuming the service was available for a three month period likely costs are as follows. The labour costs reflect the non subsidy portion of ACE workers provided as part of a training scheme to deliver this community service.

Labour costs (3 people)	\$12,000
Rental of premises	6,000
Rental of telephone	500
Electricity	500
Computer supply	<u>1,500</u>
	<u>\$20,500</u>

Orion have agreed to develop a spreadsheet for use and to provide training for the three temporary advisors. They have also agreed to contribute \$15,000 towards to operating costs with Council meeting the balance. It is estimated that the cost to Council will be in the vicinity of \$5,000 to \$10,000 to provide an advisory service for a three month period.

**Recommendation:** This report is in response to the request for additional information made at the May meeting of the Strategy and Resources Committee (Clause 2 of this Committee's report to the present Council Meeting refers).