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Lyndon Rowe
Utilities Commissioner
Utilities Commission of the NT
GPO Box 915
Darwin NT 0801

Dear Mr. Rowe

Electricity Retail Supply Code Review – July 2019

Thank you for providing Power and Water Corporation (Power and Water) with the opportunity to provide feedback and comments on the latest revision of the Electricity Retail Supply Code (ERSC).

Power and Water understands the importance of the ERSC, specifically in the promotion of fair and equitable rules which encourage effective competition and benefits to all customers and any potential retailers. We have previously provided feedback to the Utilities Commissions of the Northern Territory's (UC) throughout this review process, and again thank the UC for this additional opportunity.

Provided at Attachment A, you will find Power and Water's feedback on the revised ERSC. We have numbered our response to be in line with the UC's Statement of Reasons dated 21 June 2019.

If you have any further questions or require any further information please contact Ms. Jodi Triggs, Northern Territory Electricity Market (NTEM) Project Director, on 08-8985 8456 or by email at Jodi.Triggs@powerwater.com.au.

Yours sincerely

Michael Thomson
Chief Executive
Power and Water Corporation

August 2019

Attachment A – Power and Water’s Response to ERSC review

Issue 2 – Introduction

Power and Water agree with the intent of the new clause 1.4, however suggest that it be expanded to include the Commission’s view that certain aspects may not apply to all networks. Specifically the operations within IES communities (grid and non-grid connected communities), and within the minor retailing and generation centres where:

- Customer transfers (within the IES communities and Minor Centres) do not apply;
- Retailer of last resort (within the IES communities) do not apply;
- Life support arrangements vary within the IES communities and Minor Centres;
- Credit support arrangements (within the IES communities) where Power and Water operate as the generator, network service provider and retailer;
- Service Order Procedures (within the IES communities) where Power and Water operate as the generator, network service provider and retailer; and
- Network Access Agreement (within the IES communities) where Power and Water operate as the generator, network service provider and retailer.

Issue 4 – Introduction

Power and Water support the intent for the Commission to issue directions in situations where the code is resulting in poor customer outcomes. However we strongly recommend that the clause be amended to provide greater transparency on:

- Limitation on when this can be applied;
- Ability for participants to appeal a direction;
- Requirements for transparency i.e. publishing etc.
- How this will tie into the regulatory framework i.e. if a direction introduces additional cost will this be passed through regulated charges; and
- That a direction can’t be contrary to other legal or regulatory obligations.

Issue 6 – Introduction

Power and Water would like this to be updated to clarify that costs are allowed through the AER, *i.e.* “...to provide or make available to the other at no cost (unless otherwise provided in this code or by the AER’s Distribution Determination) and...”

Issue 12 – Network Access

Power and Water support this clause, noting our comments on Issue 27 - Life Support Equipment obligations.

Issue 13 – Metrology

Power and Water support the Commission’s view that removing this requirement will not provide any net benefits to customers. In addition, Power and Water draws your attention to our original proposed amendment outlined in the letter dated April 2016, which triggered the review of this clause. The original request sought to clarify the terminology of an interval meter.

With the consequent adoption of the National Electricity Rules in force in the NT (NT NER), Power and Water propose an alignment in the language and terms used within this code, with that used in Chapter 7A of the NT NER. This would require the term interval meter to be changed to a “Type 1 to 4” meter, which is in line with our original request. Without this definitional clarification the code remains unclear in its application.

Clause 5.1.3 – Power and Water recommends that the Commission change the reference to the “Network Connection Technical Code” and refer instead to the “NT NER” (NT National Electricity Rules).

Issue 16 – Market Data and Billing

Power and Water support the removal of this clause only when adequate systems are in place to handle high volumes of requests. Any amendments to the timeframes outlined within this code prior to the system implementation will lead to, in times of increased volumes of requests, an increase in non-compliance due to the physical limitations of utilising the current manual processes.

Power and Water propose that the ERSC adopt similar transitional arrangements to those in the NT NER that recognise the delays to system adoption and delay the application of relevant rules until January 2022. We will continue to use best endeavours to process requests as they are received, regardless of the minimum limit set by the Code.

Issue 22 – Customer Transfers

Power and Water support the reduction in timeframes for transfer requests, however this is only possible with the appropriate metering arrangements. As outlined in Issue 13, we propose an alignment in the language and terms used within this code, with that used in Chapter 7A of the NT NER.

In relation to **Clause 5.1.1**, Power and Water propose the adoption of ‘Type 1 to 4’ meters as the requirement for a transfer. Without this Power and Water would not be able to meet the proposed 3 day timeframe.

Issue 23 - Customer Transfers

Power and Water support the proposed amendment, assuming that these are in line with the current non-compliance reporting requirements.

Issue 25 - Customer Transfers

Power and Water supports the inclusion of a clause that identifies Jacana Energy as the default retailer for Greenfield sites where another retailer has not signed up the site. However, as the clause is currently proposed it suggests that Jacana Energy is the only retailer that can sign up to a Greenfield site. This was not our original intent.

Power and Water also query **Clause 8.3.8**, which requires Power and Water to provide quarterly reports to the Commission. We instead suggest that this requirement be reduced to annual reporting, otherwise it places an unnecessary burden on the Network Provider and provides no value to the customer.

Issue NA - Retailer of Last Resort

Clauses 9.2.2 & 9.2.3(a) – Power and Water would like the Commission to include notification to the Network Provider, Market Operator and System Controller. The clause’s as they’re currently written only state that Jacana Energy will be notified.

Issue 27 – Life Support Equipment

Power and Water supports the introduction of the life support obligations directly in to the ERSC, however we propose the following amendments:

- Power and Water would like to adjust the timeframes listed under this clause to refer to “1 business day”, rather than “24 hours”, as this would be problematic during standard or long weekends;
- Power and Water considers that clause 10.4B.1 (d) (ii) should be removed. This clause will require the Network Provider to gain the ‘customer’s verifiable consent’ prior to performing any planned works that require interruptions. This will create delays in performing maintenance and will lead to longer unplanned interruptions when a customer refuses to consent to required maintenance; and
- Power and Water agree with the inclusion of clause 10.6.

