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**APPROVAL OF REFERENCE TARIFFS AND CHARGES**  
**FOR STANDARD NETWORK ACCESS SERVICES**  
**1 JULY 2003 – 30 JUNE 2004**

In accordance with clause 78(3) of the *Electricity Networks (Third Party Access) Code* ("the Code"), the Commission hereby approves the attached network tariffs and charges relating to the use of the Power and Water Corporation's prescribed electricity networks for the financial year commencing 1 July 2003. In the Commission's opinion, these tariffs and charges comply with the relevant principles laid down in the Code.

The approved tariffs and charges are the maximum that the Corporation can charge for standard network access services provided with respect to each electricity network.

The approved tariffs and charges may take effect either on 1 July 2003 or 30 days after the resultant pricing schedules are published by the Corporation, whichever comes later. The published pricing schedules may be expressed in GST-inclusive terms and also incorporate any unregulated tariffs and charges.

Consistent with its revenue caps determination for 2003-04 which combines revenue from the Authority's Darwin and Katherine networks, the Commission has approved common tariffs and charges for the use of the Northern Grid (that is, the inter-connected Darwin and Katherine distribution networks).

Alan Tregilgas  
Utilities Commissioner  
(for the Utilities Commission)  
27 May 2003

## "Standard" Reference Network Service

The scheduled rates are "reference rates" which represent a strategy to recover the determined Maximum Allowable Revenue (MAR) through the delivery of "standard" network services. The MAR itself is based, inter alia, on an anticipated standard of capital investment and an associated investment risk in addition to a standard of operation and maintenance such as might be expected by a prudent operator in the industry.

While "standard" network services may not be defined more specifically, in principle this implies at least the following characteristics of a customer's energy delivery requirements and the associated networks to deliver them:

- The network will be designed, constructed, maintained and operated in accordance with good and appropriate industry practice, with suitable capacity, reliability and redundancy, and in accordance with relevant Codes for network design and performance.
- The customer will draw all its normal energy requirements through the network and will thus be an importer of energy under normal circumstances.

Hence it is apparent that different circumstances may require individual consideration and negotiation for tariffs and/or capital contributions. Such circumstances could include:

- A customer requiring greater than normal reliability or back-up to the site so that network assets are under-utilised under normal circumstances.
- A customer acknowledging that supply will only be required at the site for a limited duration (eg till the mine runs out or the sleepers are all manufactured) so that revenue recovery ought be accelerated because of the shorter expected useful lifetime of the assets.
- A customer with exceptionally low load factor power factor product characteristics resulting in low utilisation of the assets (eg a site with energy needs which show seasonal or cyclic variation, possibly with comparatively low energy delivery over the whole period).
- A customer proposing to arrange local generation of all or part of its normal energy requirements so that use of the network would only be under abnormal circumstances, and hence would be regarded as providing "back-up" or "standby" connection without the energy delivery expected from the capacity of the assets employed by the Network Service Provider.
- A site where local generation may seek to export power to the general network and possibly thence to customers of that generation at other locations.

The Utilities Commission has approved a framework for certain of these negotiations. - "Framework for Negotiating Agreements for Network Services for Embedded Generation and Similar Situations" – March 2002

Part of the MAR is normally recovered through energy related charges as the "least distorting" recovery mechanism for the funds deficiency above the System Availability Charge and demand elements even though practically none of the real network costs are related to energy per se. Consequently, the charges associated with non standard services may not directly relate to demand or energy actually required, but rather more directly towards recovery of a portion of the MAR which would be expected from the network assets under normal use.

Peak and off-peak periods for demand and energy related charging rates will be as determined from time to time. The peak period rates currently apply to usage between 6.00 am and 6.00 pm on any day. Off-peak period rates apply at other times.

Note: If a customer requiring less than 750 MWh per year is supplied at high voltage, a discount of 5% applies to Energy rate charges only.

# Schedule 1 - Northern Grid

EXCLUDING GST

## A - For Customers with consumption above 750 MWh per year

Reference Service provided: Normal Transmission and Distribution of Electricity consumed through customer's metering for customers supplied and metered at any voltage in the Darwin and Katherine network areas, but excluding common service charges associated with the Darwin Katherine Transmission Line.

|  | System Availability Charge | \$/kVA peak | \$/kVA off peak | ¢/kWh peak* | ¢/kWh off-peak* |
|--|----------------------------|-------------|-----------------|-------------|-----------------|
| <b>System Availability Charge</b><br>Dollars per month | \$362.466                  |             |                 |             |                 |
| <b>Plus charges related to monthly demand</b>          |                            |             |                 |             |                 |
| First 50 kVA per month                                 |                            | \$5.437     | \$1.269         |             |                 |
| Next 100 kVA per month                                 |                            | \$4.713     | \$1.124         |             |                 |
| Next 300 kVA per month                                 |                            | \$3.915     | \$0.978         |             |                 |
| Next 500 kVA per month                                 |                            | \$2.972     | \$0.833         |             |                 |
| Next 1,000 kVA per month                               |                            | \$2.247     | \$0.689         |             |                 |
| Next 1,000 kVA per month                               |                            | \$2.030     | \$0.616         |             |                 |
| Any further kVA per month                              |                            | \$2.030     | \$0.616         |             |                 |
| <b>Plus charges related to energy metered</b>          |                            |             |                 |             |                 |
| First 10,000 kWh per month                             |                            |             |                 | 2.792       | 2.521           |
| Next 20,000 kWh per month                              |                            |             |                 | 2.429       | 2.158           |
| Next 50,000 kWh per month                              |                            |             |                 | 1.977       | 1.705           |
| Next 100,000 kWh per month                             |                            |             |                 | 1.614       | 1.342           |
| Next 200,000 kWh per month                             |                            |             |                 | 1.252       | 0.888           |
| Next 200,000 kWh per month                             |                            |             |                 | 1.070       | 0.799           |
| Any further energy per month                           |                            |             |                 | 0.979       | 0.708           |

## B - For Customers with consumption below 750 MWh per year

Reference Service provided: Normal Transmission and Distribution of Electricity for customers supplied at low voltage in the Darwin and Katherine network areas, but excluding charges associated with the Darwin Katherine Transmission Line.

|  | System Availability Charge | ¢/kWh anytime* |
|--|----------------------------|----------------|
| <b>System Availability Charge</b>                                    |                            |                |
| Commercial: cents per day  | 28.997                     |                |
| Domestic: cents per day  | 18.123                     |                |
| <b>Plus charges related to energy metered</b>                        |                            |                |
| First 1,000 kWh per month (pro-rated per billing period)             |                            | 5.685          |
| Energy used above 1,000 kWh per month (pro-rated per billing period) |                            | 4.778          |
| Street lighting and other unmetered supplies                         |                            | 3.192          |

\* These rates do not include the common service charge for the Darwin Katherine transmission Line.

# Schedule 2 - Alice Springs

EXCLUDING GST

## A - For Customers with consumption above 750 MWh per year

Reference Service provided: Normal Transmission and Distribution of Electricity consumed through customer's metering for customers supplied and metered at any voltage in the Alice Springs network area.

|  | System Availability Charge | \$/kVA peak | \$/kVA off peak | ¢/kWh peak | ¢/kWh off-peak |
|--|----------------------------|-------------|-----------------|------------|----------------|
| <b>System Availability Charge</b><br>Dollars per month | \$414.871                  |             |                 |            |                |
| <b>Plus charges related to monthly demand</b>          |                            |             |                 |            |                |
| First 50 kVA per month                                 |                            | \$6.347     | \$1.354         |            |                |
| Next 100 kVA per month                                 |                            | \$5.507     | \$1.167         |            |                |
| Next 300 kVA per month                                 |                            | \$4.481     | \$1.027         |            |                |
| Next 500 kVA per month                                 |                            | \$3.548     | \$0.934         |            |                |
| Next 1,000 kVA per month                               |                            | \$2.614     | \$0.747         |            |                |
| Next 1,000 kVA per month                               |                            | \$2.427     | \$0.700         |            |                |
| Any further kVA per month                              |                            | \$2.427     | \$0.700         |            |                |
| <b>Plus charges related to energy metered</b>          |                            |             |                 |            |                |
| First 10,000 kWh per month                             |                            |             |                 | 2.941      | 2.630          |
| Next 20,000 kWh per month                              |                            |             |                 | 2.527      | 2.216          |
| Next 50,000 kWh per month                              |                            |             |                 | 2.008      | 1.696          |
| Next 100,000 kWh per month                             |                            |             |                 | 1.593      | 1.282          |
| Next 200,000 kWh per month                             |                            |             |                 | 1.386      | 0.970          |
| Next 200,000 kWh per month                             |                            |             |                 | 1.179      | 0.867          |
| Any further energy per month                           |                            |             |                 | 1.179      | 0.867          |

## B - For Customers with consumption below 750 MWh per year

Reference Service provided: Normal Transmission and Distribution of Electricity for customers supplied at low voltage in the Alice Springs network area.

|  | System Availability Charge | ¢/kWh anytime |
|--|----------------------------|---------------|
| <b>System Availability Charge</b><br>Commercial: cents per day       | 33.190                     |               |
| Domestic: cents per day  | 20.743                     |               |
| <b>Plus charges related to energy metered</b>                        |                            |               |
| First 1,000 kWh per month (pro-rated per billing period)             |                            | 5.681         |
| Energy used above 1,000 kWh per month (pro-rated per billing period) |                            | 4.644         |
| Street lighting and other unmetered supplies                         |                            | 3.554         |

# Schedule 3 - Tennant Creek

EXCLUDING GST

## A - For Customers with consumption above 750 MWh per year

Reference Service provided: Normal Transmission and Distribution of Electricity consumed through customer's metering for customers supplied and metered at any voltage in the Tennant Creek network area.

|  | System Availability Charge | \$/kVA peak | \$/kVA off peak | ¢/kWh peak | ¢/kWh off-peak |
|--|----------------------------|-------------|-----------------|------------|----------------|
| <b>System Availability Charge</b><br>Dollars per month | \$334.911                  |             |                 |            |                |
| <b>Plus charges related to monthly demand</b>          |                            |             |                 |            |                |
| First 50 kVA per month                                 |                            | \$7.033     | \$1.473         |            |                |
| Next 100 kVA per month                                 |                            | \$6.028     | \$1.306         |            |                |
| Next 300 kVA per month                                 |                            | \$4.890     | \$1.139         |            |                |
| Next 500 kVA per month                                 |                            | \$3.952     | \$0.971         |            |                |
| Next 1,000 kVA per month                               |                            | \$3.283     | \$0.837         |            |                |
| Next 1,000 kVA per month                               |                            | \$3.015     | \$0.704         |            |                |
| Any further kVA per month                              |                            | \$3.015     | \$0.704         |            |                |
| <b>Plus charges related to energy metered</b>          |                            |             |                 |            |                |
| First 10,000 kWh per month                             |                            |             |                 | 3.922      | 3.671          |
| Next 20,000 kWh per month                              |                            |             |                 | 3.587      | 3.336          |
| Next 50,000 kWh per month                              |                            |             |                 | 3.002      | 2.749          |
| Next 100,000 kWh per month                             |                            |             |                 | 2.499      | 2.247          |
| Next 200,000 kWh per month                             |                            |             |                 | 1.912      | 1.578          |
| Next 200,000 kWh per month                             |                            |             |                 | 1.662      | 1.410          |
| Any further energy per month                           |                            |             |                 | 1.578      | 1.327          |

## B - For Customers with consumption below 750 MWh per year

Reference Service provided: Normal Transmission and Distribution of Electricity for customers supplied at low voltage in the Tennant Creek network area.

|  | System Availability Charge | ¢/kWh anytime |
|--|----------------------------|---------------|
| <b>System Availability Charge</b>                                    |                            |               |
| Commercial: cents per day  | 26.793                     |               |
| Domestic: cents per day  | 16.746                     |               |
| <b>Plus charges related to energy metered</b>                        |                            |               |
| First 1,000 kWh per month (pro-rated per billing period)             |                            | 11.521        |
| Energy used above 1,000 kWh per month (pro-rated per billing period) |                            | 10.684        |
| Street lighting and other unmetered supplies                         |                            | 8.590         |

## Schedule 4 - Northern Grid - DKTL EXCLUDING GST

### A - For Customers with consumption above 750 MWh per year

Reference Service provided: Common Service amount to be added to other charge rates for Transmission and Distribution of Electricity consumed through customer's metering for customers supplied and metered at any voltage in the Darwin and Katherine network areas to account for the common service charges associated with the Darwin Katherine Transmission Line.

|   | System Availability Charge | \$/kVA peak | \$/kVA off peak | ¢/kWh peak <sup>♦</sup> | ¢/kWh off-peak <sup>♦</sup> |
|---|----------------------------|-------------|-----------------|-------------------------|-----------------------------|
| <b>Additional System Availability Charge</b><br>Dollars per month                 | Nil                        |             |                 |                         |                             |
| <b>Plus additional charges related to monthly demand</b><br>For any kVA per month |                            | Nil         | Nil             |                         |                             |
| <b>Plus additional charges related to energy metered</b><br>For any kWh per month |                            |             |                 | 0.477                   | 0.477                       |

### B - For Customers with consumption below 750 MWh per year

Reference Service provided: Common Service amount to be added to other charges for Transmission and Distribution of Electricity for Customers supplied at low voltage in the Darwin and Katherine network areas to account for the Darwin Katherine Transmission Line.

|   | System Availability Charge | ¢/kWh anytime <sup>♦</sup> |
|---|----------------------------|----------------------------|
| <b>Additional System Availability Charge</b><br>Commercial: cents per day<br>Domestic: cents per day                              | Nil<br>Nil                 |                            |
| <b>Plus additional charges related to energy metered</b><br>For any kWh per month<br>Street lighting and other unmetered supplies |                            | 0.477<br>0.477             |

<sup>♦</sup> These energy rates relate to common service charges associated with the Darwin-Katherine transmission line. These rates are additional to the rates in Schedule 1 for the Northern Grid.