

NORTHERN TERRITORY OF AUSTRALIA

DRAFT GUARANTEED SERVICE LEVEL CODE

(Second draft)

1 January 2012

Northern Territory of Australia
Guaranteed Service Level Code

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1 Introduction

1.1 Authority

1.1.1 This **Code** is made by the **Commission** under section 24 of the **Act**.

1.1.2 The **Commission** is authorised to make a code relating to the **supply** of electricity in the 'electricity supply industry' under section 24 of the **Act** and regulation 2B of the *Utilities Commission Regulations 2001* (NT).

1.2 Scope

1.2.1 Without limiting clause 1.1.2, the **Code** may deal with any one or more of the following:

- (a) the criteria for the **guaranteed service level** scheme;
- (b) the **GSL payment** arrangements; and
- (c) the dispute resolution process for the **guaranteed service level** scheme.

1.2.2 In making this **Code**, the **Commission** has:

- (a) sought to promote and achieve the object of the **Act**;
- (b) sought to promote and achieve the objects of the **ERA**; and
- (c) had regard to the matters listed in section 6(2) of the **Act**.

1.3 Date of commencement

1.3.1 This **Code** takes effect on and from the **Commencement Date**.

1.4 Interpretation

1.4.1 Unless the contrary intention is apparent:

- (a) the **Interpretation Act** applies to the interpretation of this **Code**;
- (b) a reference to a clause is a reference to a clause in this **Code**;
- (c) a reference in this **Code** to a document or a provision of a document includes an amendment or supplement to, or replacement or novation of, the document or provision;
- (d) a reference in this **Code** to a person includes the person's executors, administrators, successors, substitutes and permitted assigns; and

- (e) words appearing in bold and italics like ***this*** are defined in Schedule 1 of this **Code**.

1.5 Application

1.5.1 This **Code** applies to:

- (a) a ***network provider*** in relation to any portion of its ***electricity network*** that forms part of a ***regulated network***;
- (b) a ***small customer*** whose ***premises*** is ***connected*** to a ***regulated network***; and
- (c) a ***retailer*** that is ***selling*** electricity to a ***small customer***.

1.6 Objectives

1.6.1 The objectives of this **Code** are to establish:

- (a) a ***guaranteed service level*** scheme providing for ***GSL payments*** to be made by a ***network provider*** to ***small customers*** where the ***supply*** of electricity and other related services does not meet the pre-determined ***guaranteed service levels***; and
- (b) a dispute resolution process for this **Code**.

1.6.2 For the avoidance of doubt, this **Code** acknowledges that other laws and codes applying in the Northern Territory also govern the rights and obligations of the parties listed in clause 1.5.1.

2 Criteria setting out the guaranteed service level scheme

2.1 GSL performance measures, guaranteed service levels, GSL payment amounts and implementation dates

2.1.1 A ***network provider*** must comply with any directions issued by the ***Commission*** from time to time concerning the definition and interpretation of the ***performance measures***, ***guaranteed service levels***, the exclusions contained in this clause 2 and other relevant terms set out in Schedule 1 to this **Code**.

2.1.2 Table 1 sets out various:

- (a) ***performance measures***;
- (b) ***guaranteed service levels***;
- (c) ***GSL payment*** amounts; and
- (d) ***implementation dates***.

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2.1.3 A **network provider** must use its best endeavours to meet the **guaranteed service levels** applying to the **network provider**.

2.1.4 If a **network provider** does not meet a **guaranteed service level** in relation to a **small customer**, that **network provider** must pay that **small customer** the relevant **GSL payment** set out in Table 1 for that **guaranteed service level** in the manner described in clause 3.

Table 1

Performance measures	Guaranteed Service Levels	GSL Payments	Implementation Dates
Duration of a single interruption .	More than 12 hours and less than 20 hours. More than 20 hours.	\$80.00 per event. \$125.00 per event.	1 January 2012
Frequency of interruptions .	CBD feeders or Urban feeders: More than 12 interruptions in a financial year . Rural short feeders or Rural long feeders: More than 16 interruptions in a financial year .	\$80.00 \$80.00	1 July 2012
Cumulative duration of interruptions .	More than 20 hours of interruptions in a financial year .	\$125.00	1 July 2012

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Performance measures	Guaranteed Service Levels	GSL Payments	Implementation Dates
Time for establishing a connection .	<p>Re-connection of an existing premises - Within 24 hours of receipt by the network provider of a valid request for re-connection from the small customer.</p> <p>New connection of a premises in a CBD area or Urban area (excluding connections requiring network extension or augmentation) - Within 5 business days of receipt by the network provider of a valid electrical certificate of compliance from the small customer, or as otherwise agreed with the customer.</p> <p>New connection of a premises in a Rural area (excluding connections requiring network extension or augmentation) - Within 10 business days of receipt by the network provider of a valid electrical certificate of compliance by the small customer, or as otherwise agreed with the customer.</p>	\$50.00 per day late, up to a maximum of \$300.00	1 July 2012
Time for giving notice of planned interruptions .	At least 2 business days notice prior to the commencement of the business day upon which the planned interruption will occur.	\$50.00	1 July 2012
Keeping appointments.	<p>In a CBD area or an Urban area, within 30 minutes of the time agreed with the small customer.</p> <p>In a Rural area, within 1 hour of the time agreed with the small customer.</p>	\$20.00	1 July 2012
Time for responding to a written enquiry that is related to the regulated network .	Within 10 business days of receipt by the network provider of a written enquiry from a small customer .	\$80.00	1 July 2012

2.2 Exclusions

2.2.1 Despite clause 2.1.4, the following events will not give rise to a **GSL payment** under clause 2.1:

- (a) **load shedding** due to a generation shortfall;
- (b) **planned interruptions**, where at least two **business days** prior notice has been given to the **small customer** of the **planned interruption**;
- (c) **interruptions** of less than one minute;
- (d) **interruptions** caused by events that are outside the reasonable control of the **network provider** including (amongst other things):
 - i. traffic accidents;
 - ii. vandalism; and
 - iii. natural events that are identified as statistical outliers using the **2.5 beta method**.
- (e) **interruptions** resulting from:
 - i. the **System Controller** exercising any function or power under any applicable legislation or code;
 - ii. a direction by a police officer or other authorised person exercising powers in relation to public safety, but only to the extent that the exercise of that function or power, or the giving of that direction, is not caused by a failure by the **network provider** to comply with any applicable laws or codes; and
- (f) an **interruption**:
 - i. requested by a small customer (or a person acting on the small customer's behalf); or
 - ii. caused by an action or electrical installation of a small customer (or a person acting on the small customer's behalf).

2.2.2 For natural events referred to in clause 2.2.1(d)(iii), the **network provider** must apply in **writing** to the **Commission** within 30 **business days** of the event occurring identifying:

- (a) the relevant event;
- (b) the impact of the event on the **network provider's** ability to meet the **guaranteed service levels**;
- (c) the proposed extent of the exclusion; and
- (d) the reasons why the **Commission** should consider the event as an exclusion.

2.2.3 The **Commission** will respond as soon as practicable to an application submitted to it under clause 2.2.2. The **Commission** may reject an application if insufficient details have been provided to the **Commission** by the **network provider**.

2.2.4 A **network provider** must use its best endeavours to minimise the events and **interruptions** set out in clause 2.2.1.

2.3 Information to be published and record-keeping

2.3.1 A **network provider** must publish no later than 30 **business days** after the commencement of this **Code** on its website, a map which will enable **small customers** to identify if their premises is located within a **CBD area**, **Urban area** or a **Rural area**.

2.3.2 The network provider must consult with the Commission before publishing the initial map and any updated version of the map to agree on the current boundaries of the **CBD area**, **Urban area** and **Rural area** set out in the map.

2.3.3 A **network provider** must keep sufficient records to monitor its performance levels and provide the information required by this clause 2.

3 GSL payment

3.1 Forms of GSL payments

3.1.1 A **network provider** must:

- (a) determine the amount of the **GSL payment** (if any) that each **eligible small customer** is entitled to under clause 2 ;
- (b) notify the **retailer** for an **eligible small customer** of the amount of the **GSL payment** for that **eligible small customer** and the manner in which that **GSL payment** was determined; and
- (c) make that **GSL payment** to the **eligible small customer's retailer** in accordance with clause 3.1.3.

as soon as reasonably practicable after that entitlement arises under clause 2.

3.1.2 Subject to clauses 3.1.4 and 3.1.7, after receiving a notice from a **network provider** under clause 3.1.1, the **retailer** must:

- (a) rebate to the relevant **eligible small customer** the amount of the **GSL payment** for that **eligible small customer** on that **eligible small customer's** bill as soon as practicable; and
- (b) provide the **eligible small customer** with details provided by the **network provider** concerning the manner in which that **GSL payment** was determined.

3.1.3 A **network provider** must ensure that the **retailer** is reimbursed for any **GSL payment** passed through or required to be passed through by that **retailer** to an **eligible small customer** in its first bill to the **retailer** after notifying the **retailer** under clause 3.1.1.

3.1.4 If:

- (a) an **eligible small customer** ceases to be a **small customer** of the **network provider** before that person receives a rebate to which it is entitled to under clause 3.1.2(a); and
- (b) the network provider and that person (or a **retailer** on behalf of that person) have not agreed on another method of payment to that specified in clause 3.1.2 prior to that person ceasing to be a **small customer** of the **network provider**,

neither the **network provider** nor the retailer will have any further obligations under clause 3.1.2 or 3.1.3 in relation to that **GSL payment** or related rebate.

3.1.5 Nothing in this clause 3.1 or clause 4 will entitle a **network provider** to recover from an **eligible small customer** any **GSL payment** which has been notified to a **retailer** under clause 3.1.1.

3.1.6 At the request of the **retailer**, the **network provider** must pay any reasonable charges:

- (a) incurred by the **retailer** in providing services under clause 3.1.2; and
- (b) approved by the **Commission**.

3.1.7 If:

- (a) a **retailer** is required to rebate to an **eligible small customer** the amount of a **GSL payment** under clause 3.1.2; and
- (b) the **eligible small customer** has entered into a prepayment arrangement with the **retailer** under which no bills are issued by the **retailer** to the **eligible small customer**,

the **retailer** must (as soon as reasonably practicable after receiving a notice from a **network provider** under clause 3.1.1):

- (c) credit to the relevant **eligible small customer** the amount of the **GSL payment** for that **eligible small customer**; or
- (d) directly pay to the relevant **eligible small customer** the amount of the **GSL payment** for that **eligible small customer**; and
- (e) provide the **eligible small customer** with the details provided by the **network provider** concerning the manner in which that **GSL payment** was determined.

3.1.8 The **retailer** and the **network provider** must co-operate to ensure that a timely and accurate **GSL payment** is paid to each **eligible small customer** in accordance with this clause 3.

3.2 GST

3.2.1 All **GSL payments** specified in Table 1 in clause 2 are inclusive of GST.

3.3 Effect of a GSL payment

3.3.1 For the avoidance of doubt, a **network provider** does not make any admission of legal liability or a breach of the **Code** or other applicable codes and laws in giving a **GSL payment**.

3.3.2 For the avoidance of doubt, a **retailer** does not make any admission of legal liability or a breach of the **Code** or other applicable codes and laws when a **network provider** makes a **GSL payment** which is passed through by the **retailer**.

4 Dispute Procedures

4.1 Dispute resolution process

4.1.1 If a dispute arises in relation to a **network provider** in respect of any matter under or in connection with this **Code** then the **network provider** must attempt to resolve the dispute by negotiations in good faith.

4.1.2 A group of **small customers** with substantially the same dispute to resolve with a **network provider** may elect to resolve that dispute individually or collectively.

4.1.3 If, the disputing parties cannot resolve the dispute by negotiations in good faith within 10 **business days** of the dispute first arising, a **small customer** may make a complaint about the **network provider** on the following grounds:

- (a) the **small customer** is eligible for a **GSL payment**;
- (b) an error has been made in relation to a **GSL payment** and as a result, the **small customer** has been adversely affected; or
- (c) the bona fide attempts made by the **small customer** to resolve the dispute with a **network provider** have failed,

to the appropriate body having the authority to deal with the matters set out under this clause 4.1.3.

4.1.4 A complaint under clause 4.1.3:

- (a) must be in **writing**;

- (b) must be made within 1 year after the **small customer** first becomes aware of the action or conduct that is the subject of the complaint); and
- (c) contain details of the grounds of the complaint, including:
 - i. reasons why the **small customer** is of the view that he or she is entitled to receive a **GSL payment**; and
 - ii. details showing how the **small customer** has made a genuine, but unsuccessful, attempt to resolve the dispute with the **network provider**.

4.1.5 Should there be no appropriate body authorised to deal with the matters set out under clause 4.1.3 at the time of the dispute, the disputing parties may refer the dispute to the **Commission**. In this case, the arrangements set out under clause 4.1.4 apply.

4.1.6 A **small customer** can authorise a **retailer** to act on its behalf in relation to a dispute.

4.2 Determination to be made by the Commission

4.2.1 Subject to the rules of natural justice, the **Commission** must conduct a dispute resolution process with as little formality and technicality, and as much expedition as possible.

4.2.2 In determining a dispute under clause 4.1.5, the **Commission** may:

- (a) seek and review all the information the **Commission** deems necessary;
- (b) consult such other person as the **Commission** sees fit;
- (c) take such measures as the **Commission** sees fit to expedite the completion of the dispute resolution process; and
- (d) make any order which it considers expedient to dispose of the dispute.

4.2.3 The **Commission** must deliver to the disputing parties a written determination which sets out the reasons for the determination and the findings of fact on which the determination is based.

4.2.4 The findings of the **Commission** are final and binding on the disputing parties.

5 Reviewing, Adding to or Amending this Code

5.1 Review by the Commission under the Act

5.1.1 The **Commission** must review the **GSL performance measures, guaranteed service levels** and **GSL payment** amounts in clause 2.1.4 prior to the beginning of each **regulatory control period**.

5.2 Variation or revocation by the Commission under the Act

5.2.1 The **Commission** may at any time vary or revoke any part of this **Code** in accordance with section 24 of the **Act**.

5.3 Matters to which the Commission will have regard to in making a decision

5.3.1 In deciding whether to vary or revoke this **Code** (or any part of this **Code**) under clause 5.2, or impose any additional or varied obligations on a **network provider**, the **Commission** will have regard to:

- (a) the objectives of this **Code** (as set out in clause 1.6); and
- (b) the matters listed in section 6(2) of the **Act**.

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Schedule 1 – Definitions

“**2.5 beta method**” means the 2.5 beta method described in the US Institute of Electrical and Electronics Engineers (IEEE) Standard 1366-2003.

“**Act**” means the *Utilities Commission Act 2000* (NT).

“**business day**” means any day that is not a Saturday, a Sunday or a public holiday in the Northern Territory of Australia.

“**CBD area**” means the area identified as the 'CBD area' in the map published by the **network provider** under clause 2.3.1.

“**CBD feeders**” means that portion of the **regulated network** that is identified as the 'CBD feeders' in the map published by the **network provider** under clause 2.3.1.

“**Code**” means this 'Guaranteed Service Level Code'.

“**Commencement Date**” means the date on which the Gazette which establishes this **Code** is published or a later date specified by the **Commission**.

“**Commission**” means the Utilities Commission established under the **Act**.

“**connect, connected, connection**” means to form a physical link between a **regulated network** and a **premises** to allow the flow of electricity.

“**connection alteration**” means an alteration to an existing **connection**, including an addition, upgrade, extension, expansion, augmentation or any other kind of alteration.

“**customer**” has the meaning given in the **ERA**.

“**electricity network**” has the meaning given in the **Network Access Code**.

“**eligible small customer**” means the **small customer** entitled to a **GSL payment** under clause 2.

“**ENTPA Act**” means the *Electricity Networks (Third Party Access) Act 2000* (NT).

“**ERA**” means the *Electricity Reform Act 2000*.

“**financial year**” means a year commencing 1 July and ending 30 June.

“**GSL payment**” means a **guaranteed service level** payment to be made in accordance with clause 3 for the amount set out in clause 2.

“**guaranteed service level**” means a guaranteed service level set out in Table 1 of clause 2.

“**Implementation Date**” means the date upon and from which a **guaranteed service level** will apply to a **network provider**.

“**Interpretation Act**” means the *Interpretation Act* (NT).

“**interruption**” means a temporary unavailability or temporary curtailment of the **supply** of electricity to a **premises**, but does not include unavailability or curtailment in accordance with the terms and conditions of that contract for the **supply** of electricity at that **premises**.

“**load shedding**” has the meaning given in the **System Control Technical Code**.

“**Minister**” means the Minister of the Crown who is responsible for the administration of the **ERA**.

“**Network Access Code**” means the code made by the Minister as set out in the **ENTPA Act**.

“**network provider**” has the meaning given in the **ERA**.

“**new connection**” means a new **connection** where there is no existing **connection** at the **premises** or a **connection alteration**.

“**performance measure**” means a performance measure set out in Table 1 of clause 2

“**planned interruption**” means an **interruption** of the **supply** of electricity for:

- (a) the planned maintenance, repair or augmentation of an **electricity network** to which the **regulated network** is **connected**; or
- (b) the planned maintenance, repair or augmentation of the **regulated network**, including planned or routine maintenance of metering equipment; or
- (c) the installation of a **new connection**.

“**premises**” means the address for which a **small customer** has a contract for the supply of electricity.

“**regulated network**” means the **electricity networks** listed in Schedule 2 of the network licence issued to the Power and Water Corporation issued in accordance with the **ERA**.

“**regulatory control period**” has the meaning given in the **ENTPA Act**.

“**retailer**” means a person who holds a retail license under Part 3 of the **ERA**.

“**Rural area**” means the ‘Rural area’ in the map published by the **network provider** under clause 2.3.1.

“**Rural long feeders**” means any feeder which forms part of the regulated network and is located within the Rural area and has a total route length of more than 200 kilometres.

“**Rural short feeders**” means any feeder which forms part of the regulated network and is located within the Rural area and is not classified as a **Rural long feeder**.

“**small customer**” means, in relation to a **premises** which is **connected** or proposed to be **connected** to a **regulated network**, a **customer** that is taking or is likely to take less than 160 megawatt hours of electricity in a **financial year** at that **premises**.

“**System Controller**” has the meaning given in the **ERA**.

“**System Control Technical Code**” means the code of that name authorised by the **Commission** and published by the Power and Water Corporation.

“**supply**” has the meaning given in the **ERA**.

“**Urban area**” means the area identified as the ‘Urban area’ in the map published by the **network provider** under clause 2.3.1.

“**Urban feeders**” means any feeder which forms part of the **regulated network** and is located within the **Urban area**.

“**writing**” includes any electronic form capable of being reduced to paper form by being printed.