

Record No: D2014/302552  
Container No: F2013/5266

Dr Patrick Walsh  
Utilities Commissioner  
Utilities Commission  
GPO Box 915  
DARWIN NT 0801

Dear Dr Walsh

**Re: Variation to Power and Water Corporation's Generation and Retail Licences**

Power and Water Corporation (Power and Water) requests the Utilities Commission (the Commission) to vary its Generation and Retail Licences in accordance with section 32 of the *Electricity Reform Act*.

The proposed variations to the Generation and Retail Licences are necessary to enable the continued operation of the Generation and Retail businesses following structural separation of the Power and Water Corporation into three separate Government Owned Corporations from 1 July 2014.

Power and Water seeks that the Commission vary its existing Generation Licence by splitting it into two parts (Part A and Part B). The generating plants to be covered under Parts A and B are outlined in Attachment A.

As detailed in section 18 of the Government Owned Corporations (Power and Water Corporation Electricity Businesses Restructure) Regulations (the Transfer Regulations), on and after 1 July 2014:

- Part A of the existing licence will apply to Power Generation Corporation in the same way as it would, but for the Transfer Regulations, have applied to Power and Water;
- Part B of the existing licence will continue to apply to Power and Water and will not apply to Power Generation Corporation; and
- Parts A and B of the existing licence will be taken, for all purposes, to be separate generation licences held individually by Power Generation Corporation and Power and Water respectively.

Power and Water also seeks that the Commission vary its existing Retail Licence by splitting it into two parts (Part A and Part B). The retail areas to be covered under Parts A and B are outlined in Attachment B.

As detailed in section 49 of the Transfer Regulations, on and after 1 July 2014:

- Part A of the existing licence will apply to Power Retail Corporation in the same way as it would, but for the Transfer Regulations, have applied to Power and Water;
- Part B of the existing licence will continue to apply to Power and Water and will not apply to Power Retail Corporation; and
- Parts A and B of the existing licence will be taken, for all purposes, to be separate retail licences held individually by Power Retail Corporation and Power and Water respectively.

Consistent with the Northern Territory Government's objectives in relation to structural separation of Power and Water, Power and Water considers these variations necessary to further the objects of the *Electricity Reform Act*, and in particular, to promote efficiency and competition in the electricity supply industry and to protect the interest of consumers of electricity.

Please contact Rachel Eckermann, A/Senior Manager Economics and Regulation, on (08) 8985 5846 or [rachel.eckermann@powerwater.com.au](mailto:rachel.eckermann@powerwater.com.au) should you have any queries in relation to these proposed amendments.

Yours sincerely



John Baskerville  
**Managing Director**

19 June 2014

## ATTACHMENT A – Parts A and B of the Generation Licence

<b>GENERATION LICENCE</b>	
<b>PART A</b>	<b>PART B</b>
Channel Island Power Station, Darwin	Indigenous communities under the Indigenous Essential Services (IES) program
Berrimah Power Station, Darwin	
Weddell Power Station, Darwin	
Katherine Power Station, Katherine	
Tennant Creek Power Station, Tennant Creek	
Ron Goodin Power Station, Alice Springs	
Owen Springs Power Station, Alice Springs	
Yulara Power Station, Yulara	
Minor Commercial Power Stations: Borrooloola, Timber Creek, Daly Waters, Elliot, Ti Tree, Kings Canyon	

## ATTACHMENT B – Parts A and B of the Retail Licence

<b>RETAIL LICENCE</b>	
<b>PART A</b>	<b>PART B</b>
Darwin (city, suburbs and surrounding rural areas)	Jabiru
Katherine (city, suburbs and surrounding rural areas)	Nhulunbuy
Tennant Creek (city, suburbs and surrounding rural areas)	Alyangula
Alice Springs (city, suburbs and surrounding rural areas)	Indigenous communities under the Indigenous Essential Services (IES) program
Daly Waters	
Borrooloola	
Timber Creek	
Elliot	
Newcastle Waters	
Yulara	
Ti Tree	
Kings Canyon	