

16 August 2017

Justin Martyn
Director Utilities Commission
GPO Box 915
Darwin NT 0801

Dear Justin

**Re: Submission on proposed Electricity Industry Performance Code
(Standards of Service and Guaranteed Service Levels)**

Northern Territory Airports (**NT Airports**) welcomes this opportunity to provide a submission to the Utilities Commission (**UC**) in relation to the proposed Electricity Industry Performance Code (Standards of Service and Guaranteed Service Levels) (**Code**).

NT Airports may be required to hold a generation licence in accordance with the *Electricity Reform Act (ERA)* in relation to future renewable generation projects. Consequently, NT Airports has considered the Code from the perspective of an electricity entity holding a licence to generate electricity from a renewable generation source (i.e. an intermittent generator).

NT Airports comments in relation to the Code are set out below.

Definition of generating unit/ facilities

The Code currently includes a definition of "**Generator or generation unit/facilities**" and a definition of "**Generating unit/facilities**" and NT Airports notes that:

- the definition of "**Generator or generation unit/facilities**" should be deleted noting that a definition of "**Generator**" is not required as the Code includes the defined term '**Generation entity/entities**' which refers to the 'electricity entity'; and
- the definition of "**Generating unit/facilities**" should reference the definition in the National Electricity Rules as in force in the Northern Territory or the System Control Technical Code because the *Electricity Networks (Third Party Access) Act (ENTPA)* is not an appropriate point of reference for definitions relating to the generation of electricity given that, due to amendments made over the past 5 years the ENTPA primarily deals with network issues.

NT Airports view is that the ENTPA is not an appropriate point of reference for definitions relating to the generation of electricity.

Generation Service Performance Indicators

The current generation services performance indicators set out in Schedule 2 of the Code (**GSPI**) appears to have been drafted to apply to diesel or gas generation of electricity and it appears the intention was not for them to apply to intermittent generation of electricity.

A person generating electricity from an intermittent generator who is required to be licenced under the ERA and is consequently a generation entity for the purposes of the Code, would be required to comply with clause 5.1.1 of the Code and report against the GSPI.

The UT should obtain advice from an independent expert to determine:

- whether the current GSPI should apply to intermittent generation; and
- if the current GSPI should apply to intermittent generation, whether the current GSPI should be modified to apply to intermittent generators.

In addition, the Code should contain a provision allowing generation entities to seek an exemption from the requirement under clause 5.1.1 to report against the GSPI to the extent that the UC determines that the GSPI are not relevant to that generation entities particular situation.

Should you wish to discuss any aspect of the submission, please contact me.

Yours sincerely



Mike Little
Director Operations