

29 July 2019

Kimberlee McKay

Director Utilities Commission
Utilities Commission of the Northern Territory
GPO Box 915 DARWIN NT 0801

Dear Kimberlee,

Proposed amendments to the NT Electricity Retail Supply Code

Thank you for the opportunity to make a final submission on the amendments proposed by the Utilities Commission (**Commission**) to the Electricity Retail Supply Code.

In general, Jacana Energy supports the proposed amendments, in particular the inclusion of life support equipment obligations for retailers and the network provider. Jacana Energy is well advanced in making the process changes required to achieve compliance with the new obligations applicable to it.

However, there are three sections of the Proposed Electricity Retail Supply Code – June 2019 (the **Proposed Code**) that it wishes to raise in this consultation.

Section 1.9: Assistance and cooperation

Section 1.9 requires electricity entities to give “reasonable assistance to each other, and cooperate with each other in relation to the performance of their respective compliance obligations”, and to “use best endeavours” in relation to information/documentation exchange. Whilst Jacana Energy understands the Commission’s intention to introduce this section is to “*provide electricity entities with a code of conduct consistent with that found in the National Energy Market*”, it has concerns as to what these obligations translate to in practice and how compliance can be measured and/or enforced.

There are a number of procedures that govern the operation of the retail market in the National Energy Market (**NEM**). The Australian Energy Market Operator has also published a number of documents that explain, or provide additional information to enable participants in the retail market to fulfil their obligations under the National Energy Rules (**NER**) and procedures under the NER. This framework of procedures and supporting documentation establishes clear, transparent requirements for all market participants that can be consistently applied and enforced.

Jacana Energy would prefer that assistance and cooperation amongst electricity entities in the Northern Territory be achieved through the development and implementation of business to business and service provision procedures that mandate what is required of electricity entities

to fulfil their obligations under applicable regulatory instruments. Jacana Energy suggests that until such time that enforceable procedures are in place, the proposed section 1.9 approach will have limited impact.

Section 6.1.2 Use of market data by a retailer

Jacana Energy notes that the use of historical consumption data and standing data by a retailer is restricted under section 6.1.2 and queries whether such a limitation on the use of data is necessary. Section 7A.9.3 of the NT National Energy Rules (version 35, effective 1 July 2019) addresses access to data and provides the retailer with rights to access and receive NT NMI data (as defined in the NT NER), subject to relevant privacy laws and confidentiality requirements. Accordingly, Jacana Energy suggests that section 6.1.2 of the Proposed Code may no longer be required or may need amendment to align with the NT NER.

Section 7.1 Service Order Procedures

Jacana Energy welcomes the introduction of additional clauses for processes to amend existing Service Order Procedures (**SOPs**). However, as the SOPs are business to business processes that involve the Network Provider and retailers, it is Jacana Energy's view that s7.1 should allow for a retailer (as well as the Network Provider) to submit a request to the Commission to consider proposed amendments to the SOPs. Jacana Energy would also like to see formal processes established for the submission and consideration of such requests.

B2B Procedures in the NEM:

Business to business procedures (**B2B Procedures**) in the NEM prescribe the content of, processes for, and information to be provided to support, communications between market participants relating to end-users or supply to end-users (**B2B Communications**). The AEMO has established the Information Exchange Committee, which is responsible for developing and managing the ongoing development of B2B Procedures and any changes to them.

In the NEM, B2B Procedures have been developed for the Service Order Process and several other processes, namely the:

- *Customer and Site Details Notification Process* – defines standard process and data requirements for the communication, updates and reconciliation of customer, life support and site detail.
- *Meter Data Process* – provides Participants a standard format for (i) receiving, requesting and querying meter data; and (ii) receiving and requesting remote services for on demand reads, scheduling reads and metering installation inquiries.
- *One Way Notification Process* - the processes and data requirements concerning the use of One Way Notifications.

The AEMO provides and operates a B2B eHub (electronic information exchange platform) to facilitate B2B Communications in accordance with B2B Procedures.

Effective and reliable B2B Communications, enabled by clear and transparent B2B Procedures, are necessary to facilitate the delivery of consistent and reliable electricity products and services to end-users. The SOPs were unilaterally established by the Network Provider and do not cover meter data processes or customer and site detail notification processes.

The absence of B2B Procedures increases the risk of:

- ineffective and/or unreliable information exchanges that may (i) not support compliance with legal and regulatory obligations and/or (ii) impact the services provided to the end-user; and
- processes and data requirements for B2B Communications that are unenforceable and can be unilaterally changed by an industry participant without consulting or informing other industry participants.

Jacana Energy understands that the development of B2B Procedures for the Northern Territory is on Government's agenda, but the timeframe for development and adoption is unknown. Jacana Energy would like to see an appropriate governance body established in the near future to manage the development of these procedures, including the consultative process.

Please do not hesitate to contact me if you wish to discuss any of the matters raised in this letter.

Yours sincerely,



David Brown
Acting Chief Executive Officer
Jacana Energy

