



Feedback on the Electricity Industry Performance (EIP) Code Consultation

CONSULTATION PAPER

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Executive Summary

This document presents our insights on the Utilities Commission's 2024 Review of the Electricity Industry Performance Code (EIP Code), with particular emphasis on the implications for generator entities utilizing intermittent generation and battery systems.

We have conducted a thorough review and provided feedback in areas pertinent to our operations. Our recommendations aim to enhance the effectiveness and relevance of the EIP Code in governing performance standards for electricity entities in the Northern Territory.

We will submit our feedback electronically in accordance with the consultation timeline, which concludes on October 25, 2024.

Summary of consultation questions

- Q1 Are there any administrative or minor improvements to the EIP Code that stakeholders have identified and would like to bring to the Commission's attention?
- Q2 Is the current reporting exemption provision under clause 5.1.3 of the EIP Code appropriate for licensees in terms of ensuring EIP Code reporting compliance? Why or why not?
- Q3 Should there be a broader exemption clause in the EIP Code to cover more than reporting obligations? Why or why not?
- Q4 If the answer to question 3 is yes, should the EIP Code include criteria or principles that the Commission must consider when granting an exemption? If so, are the criteria/principles outlined in this paper appropriate? Why or why not?
- Q5 Should the EIP Code be more explicit in requiring historical data to be segmented in the same manner as the reporting period data? Why or why not?
- Q6 What challenges, if any, do entities face in segmenting historical data, such as quarterly? How could these challenges be addressed?
- Q7 Would requiring network entities to provide their workings and associated data for calculating the occurrence of a natural event under the IEEE 2.5 beta method cause any concerns? If so, what are the concerns?
- Q8 Would requiring network entities to report both unadjusted SAIDI and SAIFI metrics inclusive and exclusive of natural events (or major event days) cause any concerns? If so, what are the concerns?
- Q9 Should generators continue to be required to report their performance under the EIP Code, particularly given the evolving market dynamics in the Darwin-Katherine, Alice Springs and Tennant Creek power systems? Why or why not from a cost-benefit perspective?
- Q10 What happens in other Australian jurisdictions and relevant jurisdictions around the world regarding generator performance reporting? Are there any alternative approaches that the Commission should consider?
- Q11 Has the entry of new privately-owned competitors in the Darwin-Katherine power system changed the need for oversight in that power system?
- Q12 Should the three power systems in the Territory differently in terms of reporting requirements? Why or why not?
- Q13 Should Territory Generation be treated differently in terms of reporting requirements due to its government ownership and majority position, particularly where it is the only licensed generator in the Alice Springs and Tennant Creek power systems? Why or why not?
- Q14 Are the current generating unit availability-related performance indicators (AF, UAF, EAF, FOF, EFOF) suitable for all types of generation, including solar PV and batteries? Why or why not?
- Q15 If the answer to question 14 is no, should the relevant licensees be excluded from generating unit availability reporting, or are there other more relevant performance indicators?
- Q16 Is the reporting of SAIDI and SAIFI by generators relevant and appropriate? Why or why not?
- Q17 Does the interconnected nature of power systems with multiple generators create challenges in accurately reporting generators' SAIDI and SAIFI? If yes, what are the challenges and how might they be overcome?
- Q18 Is the level of performance already captured by network reporting of SAIDI and SAIFI sufficient, particularly regarding generation-related outages? If not, could network reporting requirements be reasonably modified to sufficiently capture generation performance?
- Q19 Do stakeholders agree with the proposed explicit calculation methodology for SAIDI for individual feeders as outlined above? Why or why not?
- Q20 Are there any challenges or concerns with implementing this methodology in stakeholders' reporting processes? If so, what are these?
- Q21 How might the proposed changes to the AER's performance reporting procedures and guidelines impact stakeholders' associated operations and reporting under the EIP Code?
- Q22 Are there specific challenges stakeholders foresee with implementing the AER's proposed changes to relevant indicators and are associated refinements to the EIP Code required?
- Q23 Should customer service-related indicators be expanded to capture modern communication methods? If so, why?
- Q24 Do stakeholders support the introduction of a Territory-specific overarching meter-related complaint category, rather than no meter-related complaint category or multiple meter related categories consistent with the AER Guidelines? Why or why not?
- Q25 Should the EIP Code include a definition of 'energy bill debt'? Why or why not?
- Q26 If the answer to question 25 is yes, should the definition be consistent with what Territory retailers are currently reporting, or align with updated AER guidelines, which would require more detailed/segmented data?

Feedback

Administrative and Minor Improvements

Q1 Administrative Improvements: Are there any administrative or minor improvements to the EIP Code that stakeholders have identified and would like to bring to the Commission's attention?

Response: DIA supports the introduction of administrative enhancements to the EIP Code. While these changes may appear minor, they are essential for improving clarity and compliance among stakeholders. Simplifying processes will lead to more effective reporting and oversight.

Exemption Clauses

Q2 Reporting Exemptions: Is the current reporting exemption provision under clause 5.1.3 of the EIP Code appropriate for licensees in terms of ensuring EIP Code reporting compliance? Why or why not?

Response: The current exemption provision is appropriate, as it allows licensees to seek flexibility in reporting under unique operational circumstances, such as zero-export situations. However, clearer guidelines on the exemption process would be beneficial.

Q3 Broader Exemption Clause: Should there be a broader exemption clause in the EIP Code to cover more than reporting obligations? Why or why not?

Response: Yes, there should be a broader exemption clause. A wider scope would allow entities to address unique operational challenges without compromising regulatory compliance.

Q4 Exemption Criteria: If the answer to question 3 is yes should the EIP Code include criteria or principles that the Commission must consider when granting an exemption? If so are the criteria/principles outlined in this paper appropriate? Why or why not?

Response: If a broader exemption clause is adopted, we support the inclusion of clear criteria or principles for granting exemptions. The principles outlined in the consultation paper appear reasonable, promoting transparency and fairness.

Q5 Historical Data Segmentation: Should the EIP Code be more explicit in requiring historical data to be segmented in the same manner as the reporting period data? Why or why not?

Yes, the EIP Code should require historical data to be segmented in the same manner as reporting period data. Consistent segmentation enhances comparability and accuracy in performance assessments, ensuring stakeholders can reliably track trends and outcomes.

Q6 Challenges in Historical Data Segmentation: What challenges if any do entities face in segmenting historical data such as quarterly? How could these challenges be addressed?

Q7 Natural Events Reporting: Would requiring network entities to provide their workings and associated data for calculating the occurrence of a natural event under the IEEE 2.5 beta method cause any concerns? If so what are the concerns?

Q8 SAIDINE and SAIFI Reporting: Would requiring network entities to report both unadjusted SAIDI and SAIFI metrics inclusive and exclusive of natural events (or major event days) cause any concerns? If so what are the concerns?

Q9 Generator Performance Reporting: Should generators continue to be required to report their performance under the EIP Code, particularly given the evolving market dynamics in the Darwin Katherine, Alice Springs, and Tennant Creek power systems? Why or why not from a costbenefit perspective?

No, generators should not be required to report their performance under the EIP Code. Instead, market compliance and dispatchability should drive performance metrics. As market dynamics evolve, focusing on compliance and operational efficiency can provide more relevant insights without imposing additional reporting.

Q10 Alternative Reporting Approaches: What happens in other Australian jurisdictions and relevant jurisdictions around the world regarding generator performance reporting? Are there any alternative approaches that the Commission should consider?

Q11 Privately Owned Competitors: Has the entry of new privately owned competitors in the Darwin Katherine power system changed the need for oversight in that power system?

Increased competition necessitates a robust regulatory framework to ensure fair practices and maintain system reliability.

Reporting Requirements

Q12 Differentiation of Power Systems: Should the three power systems in the Territory differ in terms of reporting requirements? Why or why not?

Response: No, we do not recommend differentiating reporting requirements among the three power systems in the Territory. Uniform requirements will facilitate interconnectivity and streamline compliance processes across the systems.

Q13 Territory Generation Reporting: Should Territory Generation be treated differently in terms of reporting requirements due to its government ownership and majority position particularly where it is the only licensed generator in the Alice Springs and Tennant Creek power systems? Why or why not?

Response: No, Territory Generation should not be treated differently in terms of reporting requirements. The ancillary services mandate for Territory Generation should be removed to ensure that all generators operate under the same standards and requirements. This approach promotes a level playing field among all market participants, fostering competition and efficiency in the power systems.

Q14 Generating Unit Availability Indicators: Are the current generating unit availability related performance indicators (AF, UAF, EAF, FOF, EFOF) suitable for all types of generation, including solar PV and batteries? Why or why not?

Q15 Exclusion from Reporting: If the answer to question 14 is no should the relevant licenses be excluded from generating unit availability reporting or are there other more relevant performance indicators?

Performance Metrics

Q16 SAIDI and SAIFI Relevance: Is the reporting of SAIDI and SAIFI by generators relevant and appropriate? Why or why not?

Q17 Challenges in Reporting SAIDI and SAIFI: Does the interconnected nature of power systems with multiple generators create challenges in accurately reporting generators' SAIDI and SAIFI? If yes what are the challenges and how might they be overcome?

Response: Yes, the interconnected nature of power systems creates challenges in accurately reporting generators' SAIDI and SAIFI, particularly in identifying the source of disturbances during events like ROCOF (Rate of Change of Frequency) incidents. Collaborative efforts and standardized methodologies are essential to enhance accuracy

Q18 Sufficiency of Current Reporting: Is the level of performance already captured by network reporting of SAIDI and SAIFI sufficient, particularly regarding generation related outages? If not, could network reporting requirements be reasonably modified to sufficiently capture generation performance?

Network Services

Q19 SAIDI Calculation Methodology: Do stakeholders agree with the proposed explicit calculation methodology for SAIDI for individual feeders as outlined above? Why or why not?

Q20 Implementation Challenges: Are there any challenges or concerns with implementing this methodology in stakeholders' reporting processes? If so what are these?

AER Guidelines Impact

Q21 Impact of AER Guidelines Changes: How might the proposed changes to the AER's performance reporting procedures and guidelines impact stakeholders' associated operations and reporting under the EIP Code?

Q22 Challenges with AER Changes: Are there specific challenges stakeholders foresee with implementing the AER's proposed changes to relevant indicators and are associated refinements to the EIP Code required?

Customer Service Indicators

Q23 Expansion of Customer Service Indicators: Should customer service related indicators be expanded to capture modern communication methods? If so, why?

Q24 Meter Related Complaint Category: Do stakeholders support the introduction of a Territory specific overarching meter related complaint category, rather than no meter related complaint category or multiple meter related categories consistent with the AER Guidelines? Why or why not?

All meters should be Smart Meters and should be Blockchain API key enabled for supporting ROE/ROI costs of Battery Energy Storage Solutions so to enable NT wide digital energy solutions even in all types of remote communities.

Energy Bill Debt

Q25 Definition of Energy Bill Debt: Should the EIP Code include a definition of 'energy bill debt'? Why or why not?

Q26 Consistency with Reporting: If the answer to question 25 is yes should the definition be consistent with what Territory retailers are currently reporting or align with updated AER guidelines which would require more detailed/segmented data?