

NORTHERN TERRITORY OF AUSTRALIA

ELECTRICITY RETAIL SUPPLY CODE

XXX 2011

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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 and in accordance with the authority granted to the Commission by Regulation 2A of the Utilities Commission Regulations.
- 1.1.2 The **Commission** is authorised to make a code relating to retail supply in the electricity supply industry.
- 1.1.3 Without limitation, the **Code** may deal with one or more of the following:
- (a) transfer of **customers** between **retailers**;
 - (b) credit support arrangements;
 - (c) billing;
 - (d) metrology;
 - (e) service order arrangements;
 - (f) **retailer of last resort** arrangements; and
 - (g) dispute resolution.
- 1.1.4 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**.

1.2 Date of commencement

- 1.2.1 This **Code** takes effect on and from the **commencement date**.

1.3 Interpretation

- 1.3.1 Unless the contrary intention is apparent:
- (a) the **Interpretation Act** applies to the interpretation of this **Code**;
 - (b) a reference in this **Code** to a document or a provision of a document includes an amendment or supplement to, or replacement of, or novation of, the document or provision;

- (c) a reference in this **Code** to a person includes the person's executors, administrators, successors, substitutes and permitted assigns;
- (d) words appearing in bold like **this** are defined in Schedule 1 of this **Code**.

1.4 Application

1.4.1 This **Code** applies to:

- (a) a **network provider**; and
- (b) a **retailer**; and
- (c) the **system controller**; and
- (d) a **generator**; and
- (e) the **Commission**.

1.5 Objectives

1.5.1 The objective of this **Code** is to facilitate retail supply activities as a result of the introduction of Full Retail Contestability in the Northern Territory by establishing:

- (a) the arrangements for transferring **customers** between **retailers**;
- (b) the arrangements relating to prudential requirements and billing between the **network providers, generators** and **retailers**;
- (c) the arrangements between **retailers** and **network providers** for metrology;
- (d) **retailer of last resort** arrangements; and
- (e) a dispute resolution process for this **Code**.

1.5.2 This **Code** acknowledges Other Applicable Laws and Codes in the Northern Territory that influence the rights and obligations of parties that this **Code** applies to as specified in clause 1.4.1 above. The **ERA** and the *Electricity Networks (Third Party Access) Act* are examples of Other Applicable Laws and Codes.

2 Adding to or Amending this Code

2.1 Variation or revocation by the Commission under the Act

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

2.2 Application by an electricity entity for variation or revocation

- 2.2.1 An electricity entity may request that the **Commission** vary or revoke any part of this **Code**.
- 2.2.2 Unless the **Commission** considers that the application has been made on trivial or vexatious grounds (in which case the **Commission** may reject the application without further notice) an application to vary or revoke any part of this **Code** will be dealt with by the **Commission** in accordance with this clause 2.

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

- 2.3.1 In deciding whether to vary or revoke this **Code** (or any part of this **Code**) under clause 2.1 and 2.2 above, or impose any additional or varied obligations on an electricity entity, the **Commission** will have regard to:
- (a) The objectives of this **Code**, as set out in clause 1.5; and
 - (b) The matters listed in Section 6(2) of the **Act**.

3 Prudential Requirements

3.1 Prudential requirements between network providers and retailers

- 3.1.1 A network provider may require a retailer to provide credit support up to the required network credits support amount.
- 3.1.2 The **required network credit support amount** must be determined by the **network provider** in accordance with this **Code** and the Credit Support Guidelines and Methodology outlined in Appendix A.
- 3.1.3 A **network provider** must include in a request to a **retailer** for credit support, a statement setting out the basis upon which it has determined the **required network credit support amount**.

3.2 Prudential requirements between generators and retailers

- 3.2.1 A generator may require a **retailer** to provide credit support up to the **required generation credit support amount**.
- 3.2.2 The **required generation credit support amount** may be determined by a **generator** in accordance with the following:
- (a) If the **retailer** or its parent company has an **acceptable credit rating** or is a fully owned subsidiary of the Australian Federal Government or an Australian State Government, the **required generation credit support amount** is NIL.
 - (b) If the **retailer** is unable to satisfactorily demonstrate it meets the credit rating requirements set out in clause 3.2.2 (a), the **required generation credit support amount** shall be the greater of:
 - (i) 2 times the **retailer's** forecast of its highest generation charges bill over the following 12 months which shall be updated half yearly; or
 - (ii) 2 times the **generator's** record of the highest generation charges bill issued to the **retailer** over the previous 12 months which shall be updated half yearly; andprovided the time period covered by the highest generation charges bill for the purposes of calculating the **required generation credit support amount** shall not be greater than one month.
 - (c) Prior to obtaining generation services and by the 15th of December and 15th of June of each year a **retailer** must provide the **generator** with its forecast generation charges bill for each month of the following 12 months which shall have been calculated in good faith which will be utilised for the purposes of determining the **required generation credit support amount** under clause 3.2.2 (b).

- (d) Where the **retailer** has not provided its forecast of generation charges in accordance with clause 3.2.2 (b) and (c), the **generator** will calculate the generation charges bill in good faith which will be utilised for the purposes of determining the **required generation credit support amount** under clause 3.2.2 (b).
 - (e) The **generator** shall provide the **retailer** with notice of its calculations and where additional credit support is required will allow the **retailer** not less than 20 **business days** to provide the additional credit support.
- 3.2.3 Where the **retailer** has provided credit support of more than 110% of the **required generation credit support amount**, the **generator** will return the excess credit support to the **retailer** within 20 **business days** upon being requested to do so in writing by the **retailer**. Where the form of the credit support provided by the **retailer** is not readily divisible by the **generator**, the **generator** shall only be obliged to return the excess credit support to the **retailer** when the **retailer** has taken all such actions as are necessary to enable the **generator** to return the excess credit support.
- 3.2.4 Where the:
- (a) **retailer** has provided credit support of less than 90% of the **required generation credit support amount**; or
 - (b) the **retailer** or its parent company have ceased to hold an **acceptable credit rating**; or
 - (c) the credit support provided by the **retailer** has ceased to comply with the requirements of clauses 3.4.1 (a) or 3.4.1 (b); then
- 3.2.5 the **generator** may require a **retailer** to increase the amount of the credit support to an amount not exceeding the **required generation credit support amount**, and the **retailer** must comply with that requirement within 20 **business days**. A **generator** may only set off from, apply or draw on the credit support (as the case may be) if:
- (a) the **generator** has given not less than 3 **business days** notice to a **retailer** that it intends to set off, apply or draw on the credit support in respect of an amount due and payable by the **retailer** to the **generator**, and that amount remains outstanding; and
 - (b) there is no dispute outstanding in relation to the **retailer's** liability to pay that amount.

3.3 Failure to provide credit support

- 3.3.1 Where the **retailer** has not provided the credit support required under this **Code** to the **network provider**, the **network provider** is under no obligation to commence providing network services to the **retailer**.
- 3.3.2 Where the **retailer** has commenced taking network services from the **network provider** and has not provided the credit support required under this **Code** to the **network provider**, the **network provider** is required to notify the **Commission**, providing all necessary information for the **Commission** to make a determination as to whether to invoke a **retailer of last resort event**.
- 3.3.3 Where the **retailer** has not provided the credit support required under this **Code** to the **generator**, the **generator** is under no obligation to commence providing generation services to the **retailer**.
- 3.3.4 Where the **retailer** has commenced taking generation services from the **generator** and has not provided the credit support required under this **Code** to the **generator**, the **generator** is required to notify the **Commission**, providing all necessary information for the **Commission** to make a determination as to whether to invoke a **retailer of last resort event**.

3.4 Form of credit support

- 3.4.1 The form of the credit support shall be any combination of:
- (a) A bank guarantee that is:
 - (i) in favour of the **network provider** or the **generator** and is unconditional and callable on demand; and
 - (ii) issued by a financial institution supervised by the Australian Prudential Regulation Authority.
 - (b) An unconditional guarantee or other form of irrevocable credit support that is:
 - (i) in a form that is acceptable to the **network provider** or **generator** at their sole discretion; and
 - (ii) issued by an entity with an **acceptable credit rating**.
 - (c) Cash;
 - (d) Such other forms of credit support that the **network provider** or the **generator** determines as being acceptable at its sole discretion.

4 Network Access

4.1 Network access agreement

- 4.1.1 The **retailer** and **network provider** must enter into a **network access agreement** consistent with the Northern Territory of Australia, Electricity Networks (Third Party Access) Act for the provision of network services and to coordinate matters including **customer** billing, fault reporting and notification of interruptions.
- 4.1.2 The **network provider** will provide network access to a **customer** as required by the Northern Territory of Australia, Electricity Networks (Third Party Access) Act.
- 4.1.3 The **network provider** must, subject to and in accordance with Northern Territory of Australia, Electricity Networks (Third Party Access) Act, provide **customer** connection services for the premises of a **customer**:
- (a) Who request those services; and
 - (b) Whose premises are connected, or who is seeking to have those premises connected, to the **network provider's** distribution system; and
 - (c) The customer connection services must be provided to a customer in accordance with the relevant network access agreement entered into between the **network provider** and the **customer** or **retailer**.

5 Metrology

5.1 Requirement for interval metering

- 5.1.1 A **retailer** must not initiate a **transfer** unless the **customer's exit point** has an **interval meter** installed. For the avoidance of doubt, a **customer** with an **accumulation meter** and unmetered installations may not be transferred to another **retailer**.
- 5.1.2 The **interval meter** may be either manually or remotely read by the **network provider**.
- 5.1.3 To the extent applicable, **retailers** and **network providers** must comply with the **meter** and **meter** data arrangements outlined in the **Network Connection Technical Code**.
- 5.1.4 A **retailer** must not initiate a **transfer** if that **customer** is supplied electricity from an **embedded network**.

6 Market Data

6.1 Use of market data

6.1.1 In **marketing** to a **customer**, a **retailer** must comply with the Privacy Act 1988 (Cth).

6.1.2 A **retailer** must only use **data** for either or both of the following purposes:

- (a) to provide the **customer** with a quotation for the supply of electricity by the **retailer**, or
- (b) to initiate a **transfer** in relation to that **customer**.

6.2 Market data procedures

6.2.1 If under this **Code** a **retailer** or **network provider** sends a communication electronically, the **retailer** and **network provider** must first notify and confirm each other's electronic communication address(es).

6.2.2 A **retailer** may submit a request for **standing data** to a **network provider** in relation to a **customer** by completing a **standing data request form** and submitting it to the **network provider**.

6.2.3 A retailer must not request historical consumption data from a network provider in relation to a customer without first obtaining verifiable consent from the customer.

6.2.4 A **retailer** must retain records of any **verifiable consent** for at least 2 years.

6.2.5 A **retailer** may submit a request for **historical consumption data** to a **network provider** in relation to a customer by completing an **historical consumption data request form** and submitting it to the **network provider**.

6.2.6 Unless otherwise agreed between the **network provider** and the **retailer**, a separate **data request form** must be submitted for each **exit point**.

6.2.7 A **network provider** must publish:

- (a) a **standing data request form**, which must comply with Annex 1; and
- (b) an **historical consumption data request form**, which must comply with Annex 2.

6.2.8 Unless otherwise agreed with a **network provider**:

- (a) a **retailer** must submit a **data request** to the **network provider** electronically; and

- (b) the **network provider** will process a minimum of:
 - (i) 2 requests for **standing data** per day;
 - (ii) 2 requests for **historical consumption data** per day.

6.2.9 A **network provider** must respond to a **data request** from a **retailer** by providing the **data** stipulated in Annex 4 within 5 **business days** of the **data request** being submitted.

6.2.10 The **network provider** may reject a **data request** by electronically notifying the **retailer** within 5 **business days** if:

- (a) the **retailer** does not have a **network access agreement** with the **network provider**; or
- (b) information provided by the **retailer** in the **data request** is inconsistent with the **network provider's** records in respect of the **customer**.

6.2.11 A **retailer** may electronically notify a **network provider** that it withdraws a **data request** at any time before the **network provider** provides **data**.

6.2.12 The **retailer** must pay any reasonable **charges** incurred by the **network provider** as approved by the **Commission** and published by the **network provider**. For the avoidance of doubt, if no **charges** are approved, no **charges** are payable.

6.3 Customer access to data

6.3.1 The **network provider** must provide a **customer** with its **historical consumption data** within 20 **business days** of receiving such a request in writing from the **customer**.

6.3.2 A **customer** may use this **historical consumption data** without any restriction and the **customer** retains full ownership of its copy of the **historical consumption data**.

7 Business-to-business arrangements

- 7.1.1 A **network provider** must develop and submit **service order procedures** to the **Commission** no later than 5 **business days** of the commencement of this **Code**. The **Commission** will approve the **service order procedures** as soon as practicable.
- 7.1.2 A **retailer** may request the **network provider** provide certain business-to-business services by submitting a **service order request** in accordance with **service order procedures** established by the **network provider**.
- 7.1.3 Business-to-business services include, but are not limited to, requests for:
- (a) **Customer** disconnection;
 - (b) **Customer** reconnection;
 - (c) Special **meter** read;
 - (d) Installing a new (or changing an existing) **meter**.
- 7.1.4 The **network provider** must use best endeavours to provide the requested business-to-business service within the time frames stipulated in the **service order procedures**.
- 7.1.5 The **retailer** must pay any reasonable **charges** incurred by the **network provider** as approved by the **Commission** and published by the **network provider**. For the avoidance of doubt, if no **charges** are approved, no **charges** are payable.

8 Customer Transfers

8.1 Verifiable consent

- 8.1.1 A **retailer** must not initiate or affect the **transfer** of a **customer** without first obtaining **verifiable consent**.
- 8.1.2 A **retailer** must retain records of any **verifiable consent** for at least 2 years.

8.2 Customer transfer procedures

- 8.2.1 A retailer may only request that a network provider initiate transfer of a customer to the retailer by submitting a customer transfer request form to the network provider.
- 8.2.2 A **network provider** must publish a **customer transfer request form**, which must comply with Annex 3.
- 8.2.3 Unless otherwise agreed between the **network provider** and the **retailer**, a separate **customer transfer request form** must be submitted for each **exit point**.
- 8.2.4 The **network provider** may only reject a **customer transfer request form** by electronically notifying the **retailer** if:
- (a) the **retailer** does not have a **network access agreement** with the **network provider**; or
 - (b) information provided by the **retailer** in the **customer transfer request form** is inconsistent with the **network provider's** records in respect of the **customer**; or
 - (c) the **meter** type at the **exit point** is inconsistent with that required under the **Network Connection Technical Code** before the **customer** may **transfer**, and the **customer transfer request form** does not request a new **meter**; or
 - (d) the **nominated transfer date** does not comply with clause 8.2.9.
- 8.2.5 A network provider must make reasonable endeavours to resolve with a retailer any potential grounds for rejection prior to rejecting a customer transfer request form.
- 8.2.6 If a **network provider** rejects a **customer transfer request form**, it must electronically notify the **retailer** within 5 **business days** setting out all the reasons for the **rejection**.
- 8.2.7 A **retailer** may electronically notify a **network provider** that it withdraws a **customer transfer request form** submitted by it to the **network provider** at any time before the **transfer** occurs.
- 8.2.8 The **retailer** must pay any reasonable charges incurred by the **network provider** as approved by the **Commission** and published by the **network provider**. For the avoidance of doubt, if no charges are approved, no charges are payable.

- 8.2.9 Unless the **customer transfer request form** is to reverse an **erroneous transfer**, the **retailer** must include a **nominated transfer date**, which will be midnight on the last calendar day of the month the request is submitted, subject to:
- (a) where a new or modified **meter** installation is required, the **transfer date** will take place at the end of the month in which the new or modified **meter** installation is ready for service; or
 - (b) For an existing installation:
 - (i) The **transfer** request must be submitted no later than 10 **business days** prior to month end if the **exit point** is in an **urban area**;
 - (ii) the **transfer** request must be submitted no later than 15 **business days** prior to month end if the **exit point** is not in an **urban area**;
 - (iii) in either case, no more than 2 months from the date of the request (on month end of the 2nd month).
- 8.2.10 Following receipt of a **valid customer transfer request form**, the **network provider** must, subject to clause 8.2.12:
- (a) within 5 **business days** after it receives the **customer transfer request form**, electronically notify the current **retailer** of the **transfer date**; and
 - (b) ensure that any new **meter** installation and new service installation required to effect the **transfer** is undertaken on or before the **transfer date**; and
 - (c) ensure that either a scheduled **meter** read or a special **meter** read, as applicable, is conducted for the **customer** on the **nominated transfer date**; and
 - (d) otherwise use all reasonable endeavours to effect the **transfer** on a day the **customer's meter** is actually read.
- 8.2.11 For the avoidance of doubt, if a **meter** change is required, the **retailer** must request a separate **meter change service order request** in accordance with the **service order procedures** to change that **meter** which shall be submitted concurrently with the **customer transfer request form**.
- 8.2.12 If the **network provider** is unable to **transfer** the **customer** within the time frames required under clause 8.2.10, then the **network provider** must within 5 **business days** after receiving the **customer transfer request form** electronically notify the **retailer** which submitted the **customer transfer request form** of the reasons why the timetable will not be met and of its proposed timetable for the **transfer**.
- 8.2.13 If the **retailer** which submitted the **customer transfer request form** does not agree to the timetable proposed by the **network provider**, then the **network provider** must, acting in good faith and in accordance with **good electricity industry practice**, endeavour to **transfer** the **customer** as close as practical to the **retailer's nominated transfer date**.

- 8.2.14 If a **network provider**, acting reasonably, is unable to complete a **transfer**, the **network provider** must electronically notify both the **current retailer** and the **incoming retailer** within 2 **business days** of the reasons why the **transfer** could not be completed.
- 8.2.15 The **network provider** must within 5 **business days** after the **transfer date** send an electronic notice of the **transfer** and **transfer date** to:
- (a) the **incoming retailer**; and
 - (b) the **previous retailer**; and
 - (c) if applicable, the **system controller** for the purposes of allowing the **system controller** to meet its obligations under the **System Control Technical Code**.
- 8.2.16 Following a **transfer**, the **network provider** and, if applicable, the **system controller** must do all that is necessary to ensure that:
- (a) **charges** up to the **transfer date** are paid by or charged to the **previous retailer**; and
 - (b) **charges** from the **transfer date** are paid by or charged to the **incoming retailer**.
- 8.2.17 In relation to a **transfer** to reverse an **erroneous transfer**, the relevant **retailers**, the **network provider** and, if applicable, the **system controller** must act in good faith to ensure that the rights and obligations of the affected **customer** are as they would have been if the **erroneous transfer** had not occurred.
- 8.2.18 Unless the **transfer** is to reverse an **erroneous transfer**, or as a result of a **retailer of last resort event**, an **incoming retailer** must keep a copy of a **verifiable consent** given to it by a **customer** for 2 years after the date the **verifiable consent** was given.
- 8.2.19 Except in the case of an **erroneous transfer**, a **previous retailer** must not bill a **customer** for charges incurred after the **transfer date**.
- 8.2.20 A **transfer** is not permitted prior to the completion of any **cooling off period**. As a result the **incoming retailer** will need to take this into account when nominating the **customer transfer date**.

9 Retailer of Last Resort

9.1 Retailer of last resort to be determined by the Commission

- 9.1.1 The occurrence of a **retailer of last resort event** must be determined by the **Commission**.
- 9.1.2 A retailer of last resort event can be triggered when:
- (a) a **retailer's** retail licence has been suspended or cancelled; or
 - (b) a **retailer** has not met its prudential requirements as specified under clause 3; or
 - (c) a **retailer** ceases to be a registered or licensed participant in relation to the purchase of electricity; or
 - (d) an insolvency official is appointed in respect of the **retailer** or any property of the **retailer**; or
 - (e) an application or order is made for the winding up or dissolution or a resolution is passed or any steps are taken to pass a resolution for the winding up or dissolution of the **retailer**.

9.2 Power and Water (Retail) to be the retailer of last resort

- 9.2.1 If a retailer of last resort event occurs, Power and Water Corporation (Retail) is the retailer of last resort.
- 9.2.2 The **Commission** must notify **Power and Water Corporation (Retail)** in writing as soon as possible after becoming aware of activities leading up to a possible **retailer of last resort event**.
- 9.2.3 If a **retailer of last resort event** occurs, the Commission must notify **Power and Water Corporation (Retail)** advising of the event and **Power and Water Corporation (Retail)** must sell electricity to the existing customers of that retailer from a date(s) set by the Commission.

9.3 Declaration of a retailer of last event

- 9.3.1 When the **Commission** believes on reasonable grounds that a **retailer of last resort event** has occurred, then **Commission** may issue a notice declaring that the **retailer of last resort event** has occurred.
- 9.3.2 The notice must:
- (a) identify the **retailer of last resort event**; and
 - (b) specify the failed **retailer**; and
 - (c) specify the registered **retailer of last resort** appointed for the event; and

- (d) specify the date or dates (each of which is a **transfer** date) on which the **customers** of the failed **retailer** are transferred to the relevant **retailer of last resort**, being a date not earlier than:
 - (i) the date of service of the **retailer of last resort** notice; or
 - (ii) the date of publication of the **retailer of last resort** noticeWhichever first occurs; and
- (e) contain the endorsement by the **Commission** to revoke the failed **retailer's** authorisation to be a licensed **retailer**; and
- (f) include any other information or matters required to be included by the **Commission**; and
- (g) include any other information or matters the **Commission** requires necessary or desirable.

9.4 Retailer of last resort arrangements

- 9.4.1 The **retailer** which is the subject of a **retailer of last resort event** and **Power and Water Corporation (Retail)** must cooperate to ensure all relevant **customer** details are provided to **Power and Water Corporation (Retail)** to enable **transfer** of those customers to **Power and Water Corporation (Retail)**.
- 9.4.2 Following a retailer of last resort event, the network provider must, as soon as practicable, transfer existing customers from the retailer which is the subject of a retailer of last resort event to Power and Water Corporation (Retail).
- 9.4.3 As retailer of last resort, Power and Water Corporation (Retail) must sell electricity to the existing customers in accordance with retailer of last resort tariffs approved by the Commission.
- 9.4.4 The **Commission** will gazette the **retailer of last resort tariffs** for use by **Power and Water Corporation (Retail)**, as stipulated in clause 9.4.3.
- 9.4.5 As retailer of last resort, Power and Water Corporation (Retail) must, as soon as practicable and in any event within 20 business days of the retailer of last resort event, notify each customer that was subject to the retailer of last resort event:
 - (a) that a **retailer of last resort event** has occurred;
 - (b) that, as a result of **retailer of last resort event**, **Power and Water Corporation (Retail)** is now the **retailer** for that **customer**;
 - (c) the **retailer of last resort tariffs** applicable to that **customer** and the date from which those tariffs apply;
 - (d) that the **retailer of last resort tariffs** will apply until the **customer** has entered into alternative supply arrangements;
 - (e) the options available for the **customer** to enter into alternative supply arrangements.

9.5 Costs resulting from the retailer of last resort event

- 9.5.1 ***Power and Water Corporation (Retail)*** may apply to the ***Commission*** to recover any costs incurred as a result of the ***retailer of last resort event*** that have not otherwise been recovered.
- 9.5.2 The ***Commission*** must, on application by the registered ***retailer of last resort***, determine a ***retailer of last resort*** cost recovery scheme for the ***retailer of last resort event***.
- 9.5.3 ***A retailer of last resort*** cost recovery scheme is a scheme designed for the recovery by the ***retailer of last resort*** of costs incurred by the ***retailer of last resort***, in relation to the ***retailer of last resort*** scheme, including:
- (a) costs incurred in preparing for a ***retailer of last resort event***; and
 - (b) costs incurred on and after the occurrence of a ***retailer of last resort event***.

10 Dispute Procedures

10.1 Dispute resolution process

10.1.1 If a dispute or difference arises in respect of any matter under or in connection with this **Code** between:

- (a) a **network provider** and a **retailer(s)**; or
- (b) a **retailer** and another **retailer(s)**; or
- (c) a **network provider** and the **system controller**; or
- (d) a **retailer(s)** and the **system controller**; or
- (e) a **retailer(s)** and **Power and Water Corporation (Generation)**,

then subject to clause 10.1.5, representatives of the disputing parties must meet within 5 **business days** after a request by any of the disputing parties and attempt to resolve the dispute by negotiations in good faith.

10.1.2 If the dispute is not resolved within 10 **business days** after their first meeting, the dispute must be referred to the senior executive officer of each disputing party who must attempt to resolve the dispute by negotiations in good faith.

10.1.3 If the dispute is resolved under clause 10.1.1 or clause 10.1.2 then, the disputing parties must:

- (a) prepare a written record of the resolution and sign the record; and
- (b) adhere to the resolution.

10.1.4 If a dispute is not resolved within 20 **business days** after the dispute is referred to the senior executive officers, then any disputing party may by notice to each other disputing party refer the dispute to the **Commission**.

10.1.5 If a disputing party considers that the dispute is of an urgent nature, it may request the **Commission** to conduct a dispute resolution before negotiations are conducted by either representatives or the senior executive officers of the disputing parties.

10.1.6 The **Commission** may deal with any request under clause 10.1.5 in its absolute discretion.

10.1.7 The disputing party referring the dispute to the **Commission** must give notice to the **Commission** of the nature of the dispute, including

- (a) the breach, act, omission or other circumstance forming the basis for the dispute; and

- (b) the relevant provision within this **Code** or other basis for the dispute.
- 10.1.8 Subject to the rules of natural justice, the **Commission** must conduct a dispute resolution process with as little formality and technicality, and with as much expedition, as the requirements of this clause 10, and a proper hearing and determination of the dispute, permit.
- 10.1.9 The disputing parties must at all times conduct themselves in a manner which is directed towards achieving the objective in clause 10.1.8.
- 10.1.10 Subject to the rules of natural justice, the **Commission** may from time to time specify procedures (either of general application or in respect of all or some part of a particular dispute) for a dispute resolution including:
- (a) the manner of any submissions by the disputing parties; and
 - (b) whether, and if so the extent to which, legal representation is permitted; and
 - (c) regulating the conduct of the disputing parties.
- 10.1.11 Subject to the rules of natural justice, the **Commission** may:
- (a) inform itself independently as to facts and if necessary technical matters to which the dispute relates; and
 - (b) receive written submissions and sworn and unsworn written statements; and
 - (c) consult with such other persons as the **Commission** thinks fit; and
 - (d) take such measures as the **Commission** thinks fit to expedite the completion of the dispute resolution.

10.2 Determination to be made by the *Commission*

- 10.2.1 Subject to the Utilities Commission Act and this **Code**, in determining a dispute the **Commission** may make any order which it considers expedient to justly dispose of the dispute.
- 10.2.2 The **Commission** shall endeavour to make a determination of the dispute within 20 **business days** after its appointment or such further period as considered appropriate by the **Commission**. If any of the disputing parties considers that the dispute is of an urgent nature and needs to be resolved within a shorter period, then that disputing party may apply to the **Commission**, and the **Commission** may reduce the period of 20 **business days** to such lesser period as the **Commission** considers appropriate having regard to the interests of all disputing parties and this **Code**.
- 10.2.3 The **Commission** must deliver a written determination which sets out the reasons for the determination and the findings of fact on which the determination is based.
- 10.2.4 Unless the disputing parties agree otherwise, any hearing or meetings relating to the dispute resolution must be held in Darwin.
- 10.2.5 The findings of the **Commission** are final and binding on the disputing parties.
- 10.2.6 The referral of any matter to the **Commission** does not relieve any party from performing its obligations under this **Code** pending the determination of the dispute.

10.3 Costs of the *Commission*

- 10.3.1 The costs of the **Commission** are to be determined at the discretion of the **Commission** which may direct by whom and in what manner the whole or any part of the costs are to be paid.

11 ANNEX 1 - REQUEST FOR STANDING DATA FORM

A **standing data request form** published by a **network provider** must require a **retailer** to provide the following information:

- (a) the name and, if applicable, identification number or **Code** of the **retailer** submitting the **request for standing data**; and
- (b) either:
 - (i) if the **network provider** has allocated a **UMI** or **NMI** for the **exit point**, the **customer's UMI or NMI**;
 - or
 - (ii) if the **network provider** has not allocated a **UMI** or **NMI** for the **exit point** the **customer's**:
 - A. lot number and, if applicable, unit number; and
 - B. street number; and
 - C. street; and
 - D. suburb, and
 - E. post code
 - or
 - (iii) The **customer's meter** serial number.

12 ANNEX 2 - REQUEST FOR HISTORICAL CONSUMPTION DATA FORM

An **historical consumption data request form** published by a **network provider** must require a **retailer** to provide the following information:

- (a) the name and, if applicable, identification number or code of the **retailer** submitting the request for **historical consumption data**; and
- (b) if the network provider has allocated a **UMI** or **NMI** for the **exit point**, the **customer's UMI** or **NMI**
 - (i) if the **network provider** has not allocated a **UMI** or **NMI** for the **exit point** the **customer's**
 - A. name; and
 - B. lot number and, if applicable, unit number; and
 - C. street number; and
 - D. street; and
 - E. suburb;
 - F. post code; and
- or;
- (ii) The **customer's meter** serial number; and
- (c) that the **retailer** has obtained **verifiable consent** from the **customer** to obtain the **historical consumption data**.

13 ANNEX 3 - CUSTOMER TRANSFER REQUEST FORM

A **customer transfer request form** published by a **network provider** must require a **retailer** to provide the following information:

- (a) the name and, if applicable, identification number or code of the **retailer** submitting the **customer transfer request form**; and
- (b) if the **network provider** has allocated a **UMI or NMI** for the **exit point**, the **customer's UMI or NMI**
 - (i) if the **network provider** has not allocated a **UMI or NMI** for the **exit point**, the **customer's**:
 - A. name; and
 - B. lot number and, if applicable, unit number; and
 - C. street number; and
 - D. street; and
 - E. suburb;
 - F. post code; and
 - G. **meter** number(s);
- or;
- (ii) the **customer's meter** serial number;
- (c) the reason for the **transfer**, (either a standard transfer, reversal of an **erroneous transfer** or **transfer** as a result of a **retailer of last resort event**); and
- (d) the name and, if applicable, identification number or code of the **retailer** to whom the **customer** is to be transferred; and
- (e) the nominated **transfer date**; and
- (f) if a new **meter** is required to enable **transfer**, or for any other reason, the **service order request** number relating to the request for a new **meter** submitted by the **retailer**; and
- (g) the estimated annual electricity consumption data of the **customer**; and
- (h) if applicable, the proposed network access pricing structure or arrangement to be agreed between the **network provider** and the **retailer** to apply for the **customer** to be transferred; and
- (i) that the **retailer** has obtained **verifiable consent** from the **customer** in relation to the **transfer**.

14 ANNEX 4 - STANDING DATA AND HISTORICAL CONSUMPTION DATA

14.1 **Standing data** includes, if available, the following information:

- (a) **UMI or NMI** and its status (connected or disconnected); and
- (b) full details of the address; and
- (c) voltage; and
- (d) network tariff description; and
- (e) **meter** type; and
- (f) **meter** number(s); and
- (g) last and next scheduled **meter** read date or day number; and
- (h) whether a new **meter** (or communications) is required under the **Network Connection Technical Code** before the **customer** may **transfer**.

14.2 **Historical consumption data**, if available, is the following information:

- (a) metering data for the **customer** for at least the previous 12 months (or longer if agreed by the **network provider** and **retailer**);
- (b) provided as interval data or in a summarised form; and
- (c) is dependent on the capabilities of the **meter** at the **exit point** (for example, Peak/Off peak kWh, Peak/Off peak kW, All time kWh, kVAh).

15 Appendix A – Credit Support Guidelines and Methodology

REQUIREMENTS FOR CREDIT SUPPORT

15.1 Network Provider may require credit support

- (a) A **network provider** may require a **retailer** to provide credit support, but only in accordance with this **Code** and these Credit Support Guidelines and Methodology.
- (b) A **network provider** may only require a **retailer** to provide credit support up to the **required network credit support amount**.

Note: the circumstances in which a network provider may require a retailer to provide credit support are:

- i) If a retailer's network services charges liability to the network provider exceeds the retailers credit allowance – see clause 15.2 to 15.7; or*
- ii) When no credit allowance is extended due to the circumstances set out in clause 15.8.*

15.2 Determining the Required Network Credit Support Amount

- (a) A **network provider** must calculate the amount by which the network charges liability of a **retailer** exceeds the credit allowance of that **retailer**, to determine the **required network credit support amount**, in accordance with these Credit Support Guidelines and Methodology.
- (b) A **network provider** must include in a request to a **retailer** for credit support a statement setting out the basis upon which the **network provider** has determined the **required network credit support amount**.

15.3 Determining a Retailer's Network Charges Liability

- (a) A **network provider** must estimate an amount which is equal to a **retailer's** average billed and unbilled network charges liability in accordance with the following formula:

$$NCL = \Sigma NCLc$$

where,

NCLc means the forecast daily **network charges** relating to those **customers** of the **retailer** for which the **maximum days outstanding** (MDO) is the same, multiplied by that MDO, where MDO for each **customer** is calculated as:

$$MDO = FCCP/2 + RBP/2 + IPPL$$

where,

FCCP (**final customer consumption period**) is the number of days in the average period of consumption covered in a **statement of charges** issued by the **network provider** to the **retailer** in respect of that **customer's** consumption of electricity; and

RBP (**retailer billing period**) is the number of days in the **retail billing period** applicable to the **retailer**; and

IPPL (**invoice preparation and payment lag**) is 28 days.

*Note: 28 days represents approximately 10 **business days** after the end of the retail billing period to issue the invoice and a further 10 **business days** for payment.*

- (b) A **network provider** must estimate the amount of network charges liability of a **retailer**.
 - (i) as at the date the **network provider** requests credit support from the **retailer**; or
 - (ii) on the date on which the **network provider** recalculates the **required network credit support amount** under these Credit Support Guidelines and Methodology.

DETERMINING CREDIT ALLOWANCE FOR A RETAILER

15.4 Calculating Retailer Credit Allowance

- (a) a **network provider** must determine a credit allowance for a **retailer** as set out in this Credit Support Guidelines and Methodology.
- (b) a credit allowance for a **retailer** is calculated as follows:

$$CA = MCA \times CA\%$$

where,

CA (**credit allowance**) means the **credit allowance** for a **retailer**; and

MCA (**maximum credit allowance**) means **maximum credit allowance** for that **network provider** as calculated in Clause 3.1; and

CA% (**credit allowance percentage** for a **retailer**) is the figure expressed as the applicable percentage in the table in Schedule 1 (which corresponds to the credit rating applicable to the **retailer**) or, where either clause 15.6 or clause 15.8 applies, is zero.

15.5 Network Provider's Maximum Credit Allowance

For the purpose of determining a **credit allowance** for a **retailer**, a **network provider** must calculate its **maximum credit allowance** as follows:

$$\text{MCA} = \text{TARC} \times 25\%$$

where,

MCA means **maximum credit allowance** for that **network provider**; and

TARC (**total annual retailer charges**) means the total annual amount of **network charges** billed by the **network provider** to all **retailers**.

15.6 Credit Rating for Retailer

- (a) In determining a credit allowance for a **retailer**, a **network provider** may use a credit rating advised by the **retailer**.
- (b) Unless the **retailer** is providing its guarantor's credit rating under clause 15.7, a **retailer** must advise a **network provider** of its credit rating which may be:
 - (i) a Standard & Poor's, Fitch or Moody's credit rating; or
 - (ii) where a **retailer** does not have such a rating, a Dun & Bradstreet Dynamic Risk Score.
- (c) If a **retailer** does not have a credit rating of the type described in clause 15.6(b) then its credit allowance percentage is zero.
- (d) A **retailer** must advise a **network provider** of any change to its credit rating immediately on becoming aware of that change.
- (e) A **network provider** may obtain relevant credit rating information about a **retailer** and monitor ongoing changes to the **retailer's** credit rating.

15.7 Calculating Credit Allowance where Guarantor

- (a) This clause applies where a person (a guarantor) provides an unconditional guarantee in favour of the **network provider** of the financial obligations which the **retailer** has to the **network provider**.
- (b) In determining a **retailer's** credit allowance, a **network provider** may use a credit rating advised by the **retailer**.
- (c) The **retailer** may advise the network provider of its guarantor's credit rating, which may be:
 - (i) a Standard & Poor's, Fitch or Moody's credit rating; or
 - (ii) where a guarantor does not have such a rating, a Dun & Bradstreet Dynamic Risk Score.

- (d) If a **retailer** advises a **network provider** of its guarantor's credit rating under paragraph (c), it must also advise the **network provider** that the credit rating is the rating of its guarantor and, if its guarantor provides a guarantee to more than one **retailer**, the amount of the guarantor's credit allowance which has been allocated to the **retailer** under paragraph (e).
- (e) Where a guarantor provides a guarantee to more than one **retailer**, the guarantor's credit allowance must be calculated in accordance with clause 15.4 as though the guarantor were a **retailer** and the credit allowance of the guarantor must be divided by the guarantor amongst each of the **retailers** on behalf of which the guarantor provides a guarantee.

15.8 When no credit allowance will be extended to a retailer

- (a) No credit allowance will be granted to a **retailer** if, at the time of the **network provider's** request, any of the following apply:
 - (i) within the previous 12 months, the **retailer** has failed to pay in full:
 - A. 3 statements of **charges** by the due date; or
 - B. 2 consecutive statements of **charges** by the due date; or
 - C. 1 statement of **charges** within 25 **business days** of the due date; or
 - (ii) The **network provider** calls upon any credit support provided by the **retailer** or its guarantor to the **network provider** under these Credit Support Guidelines and Methodology.
- (b) Paragraph (a)(1) does not apply where the **retailer** has failed to pay the statement of **charges** due to a dispute.
- (c) A **retailer** must notify the **network provider** within 1 **business day** if it is not to be granted any credit allowance because of the operation of paragraph (a)(ii).

PROVISION OF CREDIT SUPPORT BY RETAILERS

15.9 Retailer to provide credit support

- (a) A **retailer** must, on request by a **network provider**, provide credit support to a **network provider** in accordance with these Credit Support Guidelines and Methodology.
- (b) The credit support provided by a **retailer** must be:
 - (i) for an amount requested by the **network provider**, not exceeding the **required network credit support amount** calculated in accordance with these Credit Support Guidelines and Methodology; and
 - (ii) provided within 20 **business days** of the **network provider's** request; and

- (iii) in an acceptable form of credit support in favour of the **network provider** - see Clause 15.10.

15.10 Acceptable form of Credit Support

- (a) The credit support provided by a retailer must be:
 - (i) For an amount requested by the **network provider**, not exceeding the required credit support amount calculated in accordance with the Credit Support Guidelines and Methodology; and
 - (ii) Provided within 20 **business days** of the **network provider's** request; and
 - (iii) In an acceptable form of credit support in favour of the **network provider** – see clause 15.11.

15.11 Acceptable form of credit support

- (a) A request for credit support by a **network provider** to a **retailer** must be for an acceptable form of credit.
- (b) An acceptable form of credit support is detailed in clause 3.2.5 of the **Code**.

15.12 Provision of credit support when a dispute arises

- (a) This rule applies where a retailer decides to lodge an access dispute in relation to a network provider's request for credit support, and that dispute is not resolved by the due date for payment of the credit support.
- (b) The **retailer** must provide the credit support requested by the **network provider** by the due date.
- (c) Where, as a result of a dispute determination, a **network provider** was not entitled to the credit support provided by the **retailer** in whole or in part, the **network provider** must:
 - (i) Reimburse the **retailer** for any costs incurred to procure the credit support (including the costs of funding any cash collateral provided to the issuer of the credit support), in excess of the costs that the **retailer** would have incurred if the correct amount had been requested; and
 - (ii) Pay the **retailer** interest at the **default rate** on the amount of those excess costs.

OTHER MATTERS RELATING TO CREDIT SUPPORT

15.13 Top up of credit support

- (a) A **retailer** must ensure that at all times the aggregate undrawn or unclaimed amount of the credit support is not less than the amount requested by a **network provider** in accordance with clause 15.1, adjusted as required in accordance with a request under paragraph (b).
- (b) If at any time the aggregate amount of uncalled credit support held by a **network provider** is less than 90% of the **required network credit support amount**, the **network provider** may require a **retailer** to increase the amount of the credit support to an amount not exceeding the **required network credit support amount**, and the **retailer** must comply with that requirement within 20 **business days**.

15.14 Reduction of credit support

If the aggregate amount of uncalled credit support held by a **network provider** is more than 110% of the **required network credit support amount**, the **network provider** must on request by a **retailer** and in conjunction with the **retailer**, do all things necessary to reduce the aggregate amount of uncalled credit support held by the **network provider** to the **required network credit support amount**.

15.15 Application of credit support

A **network provider** may only set off from, apply or draw on the credit support (as the case may be) if:

- (c) the **network provider** has given not less than 3 **business days** notice to a **retailer** that it intends to set off, apply or draw on the credit support in respect of an amount due and payable by the **retailer** to the **network provider**, and that amount remains outstanding; and
- (d) there is no dispute outstanding in relation to the **retailer's** liability to pay that amount.

15.16 Return of credit support

- (a) This clause applies where a **network provider** and a **retailer**.
 - (i) No longer have any shared **customers**; or
 - (ii) If the required credit support amount of a **retailer** is zero.
- (b) A **network provider** must pay, cancel or return to a **retailer** as appropriate, any balance of credit support outstanding after payment of all amounts owing by the **retailer** to the **network provider**.

15.17 Other retailer obligations

- (a) Where a **network provider** has acted in accordance with the Credit Support Guidelines and Methodology, a **retailer** must not take any steps to seek an injunction or otherwise restrain:
 - (i) Any issuer of credit support from paying the **network provider** pursuant to that credit support;
 - (ii) The **network provider** from taking any steps for the purpose of making a demand against the credit support; or
 - (iii) The **network provider** using the money obtained in the calling of the credit support.
- (b) A **network provider** may disclose to its financiers, the **Commission** that it has required or called on credit support provided by the retailer under these Credit Support Guidelines and Methodology.

15.18 Authorised payments

- (a) This clause applies if the issuer of credit support pays an amount to a **network provider** that was not called in accordance with the Credit Support Guidelines and Methodology (unauthorised amount).
 - (b) A **network provider** must:
 - (i) Hold any unauthorised amount on trust for the relevant **retailer**; and
 - (ii) Promptly pay to the **retailer** the following amounts:
 - A. The unauthorised amount paid to the **network provider** and held on trust;
 - B. Interest on the unauthorised amount at the **default rate** from the date on which that amount was called to the date on which that amount is paid to the **retailer**;
- When:
- C. The **retailer** provides replacement credit support to the **network provider**; or
 - D. It is determined that the **retailer** is not required to provide replacement credit support to the **network provider**.

SCHEDULE 1 - CALCULATING CREDIT ALLOWANCE PERCENTAGE

Table – Calculating credit allowance percentage				
Standard & Poor's or Fitch credit rating	Moody's credit rating	Credit allowance percentage (per cent)	Dun & Bradstreet Dynamic Risk Score	Credit allowance percentage
AAA	Aaa	100.0	N/A	N/A
AA+, AA, AA-	Aa1, Aa2, Aa3	100.0	N/A	N/A
A+, A, A-	A1, A2, A3	100.0	N/A	N/A
BBB+	Baa1	90.0	N/A	N/A
BBB	Baa2	72.00	Minimal	72.0
BBB-	Baa3	48.0	N/A	N/A
BB+	Ba1	13	Very Low	13.0
BB	Ba2	7.0	Low	7.0
BB-	Ba3	4.0	Below average/ average	4.0
B+	B1	2.0	Moderate	2.0
B	B2	1.1	High	1.1
B-	B3	0.4	Very High	0.4
CCC, CC, C	Caa, Ca, C	0.1	Severe	0.1
SD, D	LD, D	0.0	N/A	N/A

SCHEDULE 2 - CREDIT SUPPORT ARRANGEMENTS WORKED EXAMPLES

The worked examples below are intended to illustrate how the following items would be calculated:

- (a) **network charge liability**;
- (b) **credit allowance** for a **retailer**; and
- (c) **maximum credit allowance**.

Example 1 – Network Charge Liability

The **network charge liability** is based on:

- (a) the forecast daily **network charges** of **customers**; and
- (b) the maximum days a **network charge** will be outstanding (**maximum days outstanding**).

The **network provider** will determine the daily **network charges** of their **customers**. For the purposes of this example, it is assumed that the forecast daily **network charges** of two groups of **customers** are as follows: Group A **customers** (\$5 per day) and Group B **customers** (\$12 per day).

The formula for calculating the **maximum days outstanding** for each **customer** is:

MDO = Final Customer Consumption Period/2 + Retailer Billing Period/2 + Invoice Preparation and Payment Lag.

It is based on:

- (a) the Final **Customer** Consumption Period:
 - (i) this is the number of days in the average period of consumption covered in a **statement of charges** issued by the **network provider** to the **retailer** in respect of a **customer's** consumption of electricity; and
 - (ii) in this case, it is assumed that **meter** readings are undertaken for Group A each month (30 days), and Group B each three months (90 days).
- (b) the Retailer Billing Period – this is defined in the Credit Support Guidelines and Methodology as a calendar month or another retail billing period agreed between the parties. In this case, it is assumed that a 30 day retail billing period has been agreed.
- (c) the Invoice Preparation and Payment Lag – this is the number of days between the end of a Retailer Billing Period and:
 - (i) the date of issue of a Statement of Charges – under the Credit Support Guidelines and Methodology, this can be no more than 10 **business days** after the end of the Retailer Billing Period. Assuming the maximum 10 **business days** are taken, this would equate to 14 days; and
 - (ii) the number of days allowed by payment of the **network charges** – under the Credit Support Guidelines and Methodology, this must be 10 **business days** from the date of issue of the statement of charges. In this case, it is assumed that 10 **business days** equates to 14 days.

(d) The Invoice Preparation and Payment Lag will therefore be 28 days (14 days plus 14 days).

Based on these assumptions, the **Maximum Days Outstanding** for Group A **customers** can be calculated as follows:

Maximum Days Outstanding = Final **Customer** Consumption Period/2 + Retailer Billing Period/2 + Invoice Preparation and Payment Lag.

$$\begin{aligned} &= 30/2 + 30/2 + 28 \\ &= 15 + 15 + 28 \\ &= 58 \end{aligned}$$

The **Maximum Days Outstanding** for Group B **customers** is calculated as follows:

Maximum Days Outstanding = Final **Customer** Consumption Period/2 + Retailer Billing Period/2 + Invoice Preparation and Payment Lag.

$$\begin{aligned} &= 90/2 + 30/2 + 28 \\ &= 45 + 15 + 28 \\ &= 88 \end{aligned}$$

To determine the **Network Charge Liability** component for each group of **customer**, the forecast daily **Network Charges** for each **customer** is multiplied by the **Maximum Days Outstanding** for the **customer**.

For each Group A **customer**, this would be determined as follows:

Network Charge Liability = daily **Network Charges** x **Maximum Days Outstanding**

$$\begin{aligned} &= \$5.00 \times 58 \\ &= \$290 \end{aligned}$$

For each Group B **customer**, this would be determined as follows:

Network Charge Liability = daily **Network Charges** x **Maximum Days Outstanding**

$$\begin{aligned} &= \$12.00 \times 88 \\ &= \$1,056 \end{aligned}$$

Assuming the **retailer** has 20,000 Group A **customers**, the **Network Charge Liability** component for that group will be \$5,800,000 (\$290 x 20,000).

Assuming the **retailer** has 5,000 Group B **customers**, the **Network Charge Liability** component for that group will be \$5,280,000 (\$1,056 x 5,000)

The **Network Charge Liability** component for Group A and Group B **customers** will be \$11,080,000 (\$5,800,000 + \$5,280,000).

Example 2 – Credit Allowance for a Retailer

A **Credit Allowance** for a **retailer** is calculated by multiplying the **network provider's Maximum Credit Allowance** by a **Credit Allowance Percentage** for a **retailer**.

An example of how to calculate a **network provider's Maximum Credit Allowance** is provided in Example 3 below. For the purposes of this example, the **Maximum Credit Allowance** is assumed to be \$100 million (or 25% of **Total Annual Retailer Charges** of \$400 million).

In this example, it is assumed the **retailer** has a Standard and Poor's credit rating of AAA. In accordance with the table in Schedule 1, their **Credit Allowance Percentage** will be 100%. The **Credit Allowance** for the **Retailer** is calculated as follows:

Credit Allowance = Maximum Credit Allowance x Credit Allowance Percentage

$$\begin{aligned} &= \$100,000,000 \times 100\% \\ &= \$100,000,000 \end{aligned}$$

In this example, it is assumed the **retailer** has a Moody's credit rating of Ba2. In accordance with the table in Schedule 1, their **Credit Allowance Percentage** will be 11%. Their **Credit Allowance** is calculated as follows:

Credit Allowance = Maximum Credit Allowance x Credit Allowance Percentage

$$\begin{aligned} &= \$100,000,000 \times 11\% \\ &= \$11,000,000 \end{aligned}$$

In this example, the **retailer** has failed to pay two consecutive **Statements of Charges** by the due date. In this case no **Credit Allowance** will be granted, regardless of the value of their credit rating.

Credit Allowance = Maximum Credit Allowance x Credit Allowance Percentage

$$\begin{aligned} &= \$100,000,000 \times 0 \\ &= \$0 \end{aligned}$$

Example 3 – Maximum Credit Allowance

The **Maximum Credit Allowance** is calculated by multiplying a **network provider's Total Annual Retailer Charges** by 25%.

For example, if the **Total Annual Retailer Charges** of a **network provider** was \$1,300 million, its **Maximum Credit Allowance** would be \$325 million.

Maximum Credit Allowance = Total Annual Retailer Charges x 25 %

$$\begin{aligned} &= \$1,300,000,000 \times 25\% \\ &= \$325,000,000 \end{aligned}$$

16 Schedule 1 – Definitions

“**acceptable credit rating**” means a published public credit rating of BBB+ (or its equivalent) or higher from Standard and Poors, Fitch Ratings or Moody’s Investor Services.

“**Act**” means the *Utilities Commission Act*;

“**accumulation meter**” means a **meter** where the data recorded in the **meter** and/or data logger represents a period in excess of one half-hour.

“**Access Code**” means the Code made by the Minister under Part 2 of the *Electricity Networks (Third Party Access) Act*.

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

“**charges**” means all charges approved by the **Commission** and published by the **network provider** payable by a **retailer** to a **network provider** or, if applicable, the **system controller** in connection with the transfer of electricity at an **exit point**.

“**Code**” means this Electricity Retail Supply Code.

“**Commencement Date**” means the date set out in the notice published in the *Gazette*;

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

““**cooling off period**” has the definition as defined within the Competition and Consumer Act 2010 (Schedule 2 – The Australian Consumer Law).

“**customer**” means a person to whom electricity is sold for the purpose of consumption.

“**customer transfer request form**” means the form published by a **network provider** under clause 8.4 in accordance with Annex 3.

“**current retailer**”, means the **retailer** currently supplying electricity to the **customer**.

“**data**” means **historical consumption data** or **standing data**, as applicable.

“**data request**” means a request for **historical consumption data** or a request for **standing data**, as applicable.

“**data request form**” means a **standing data request form** or a **historical consumption data request form**, as applicable, published by the **network provider** under clause 6.9.

“**default rate**” **default rate** means, at any time, the *bank bill rate* plus two percentage points per annum.

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

“**embedded network**” means an electricity distribution network not owned or operated by a **network provider**.

“**erroneous transfer**” is a **transfer** that was made without the **verifiable consent** of the **customer** that was transferred.

“**exit point**” has the meaning given to it in the Electricity Networks (Third Party Access) Act

- “generator”** means an entity that has been licensed to carry on operations in the electricity supply industry, as per Part 14 of the Electricity Reform Act
- “good electricity industry practice”** the meaning given to it in the Electricity Networks (Third Party Access) Act
- “historical consumption data”**, in relation to a **customer**, means the metering data of the type set out in clause A4.2 of Annex 4 for the **customer**.
- “historical consumption data request form”** means the form published by a **network provider** under clause 6.9, in accordance with Annex 2.
- “incoming retailer”**, in relation to a **transfer** of a **customer**, means the **retailer** that will supply electricity to the **customer** after the **transfer date**.
- “Interpretation Act”** means the Northern Territory Act of that name.
- “interval meter”** means a meter that records electricity consumption at regular time intervals of no more than half an hour.
- “marketing”** means, but is not limited to, advertising, sales, promotions, market research, public relations, discussions or negotiations by any means in the nature of a personal contact with a **customer** whether solicited or unsolicited for the purposes of entering into an electricity sale contract.
- “meter”**, in relation to a **customer** at an **exit point**, means the meter or meters and appropriate infrastructure, as defined in the **Network Connection Technical Code** at or about the **exit point** used to measure the supply of electricity to the **customer**.
- “Minister”** means the Minister of the Crown who is responsible for administering the Electricity Reform Act.
- “Network Access Agreement”** means the agreement entered into between a **retailer** and the **network provider** to coordinate **customer** billing, reporting and notifications as referred to in the Electricity Networks (Third Party Access) Act.
- “Network Connection Technical Code”** means the code of that name that is required under section 9 subsection (2) of the **Access Code** and published by Power and Water Corporation
- “NMI”** means the national meter identifier assigned to an **exit point** by a **network provider**.
The NMI may in future be provided by the Australian Energy Market Operator.
- “network provider”** has the meaning given to it in the Electricity Reform Act.
- “nominated transfer date”** has the meaning given to it in clause 8.11.
- “Power and Water Corporation (Generation)”** means the generation arm of Power and Water Corporation.
- “Power and Water Corporation (Retail)”** means the retail arm of Power and Water Corporation.
- “previous retailer”**, in relation to a **transfer**, means the **retailer** that supplied the **customer** before the **transfer time**.
- “rejection”** means a **network provider’s rejection** of a **customer transfer request form** under Clause 8.6.
- “Required Generation Credit Support Amount”** means the financial value calculated in accordance with clause 2.5.

“Required Network Credit Support Amount” means the financial value calculated in accordance with clause 2.2.

“retailer” means a person who holds a license authorising them to sell electricity as outlined in the *Electricity Reform Act*. For the purposes of clause 15.7, a retailer means a person who holds a license authorising them to sell electricity in any of the Australian state or territory jurisdictions.

“Retailer of Last Resort” has the meaning given to it in clause 9.3.

“Retailer of Last Resort Event” has the meaning given to it in clause 9.2.

“Retailer of Last Resort tariffs” are the electricity tariffs approved by the **Commission** and charged by the **Retailer of Last Resort** to **customers** following a **Retailer of Last Resort Event**

“Service Order Procedures” means procedures of that name prepared by a **network provider** and approved by the **Commission** as specified in Chapter 7 - 7 Business-to-business arrangements.

“Service Order Request” means a request by a **retailer** for a **network provider** to perform a service in accordance with the **Service Order Procedures**.

“standing data”, in relation to a customer, means data of the type set out in clause A4.1 of Annex 4 for the customer.

“standing data request form” means the form published by a **network provider** under clause 6.9, in accordance with Annex 1.

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

“system controller”, means a person who holds a licence authorising them to exercise control over the power system as outlined in the *Electricity Reform Act*.

“transfer” means transfer from one **retailer** to another under this **Code** of rights and obligations at an **exit point** in connection with the supply of electricity to a **customer**.

“transfer date” means the date on which a **transfer** occurs.

“UMI” means the unique identifier assigned to an **exit point** by a **network provider**.

“urban area” means the city and suburbs of Darwin and Alice Springs.

“valid” means

- (a) in relation to a **data request** means, the **data request** is complete and contains correct information; and
- (b) in relation to a **customer transfer request form** means that the **customer transfer request form** not been subject to a **rejection** by the **network provider**.

“verifiable consent”, in relation to a request for **historical consumption data request form** or a **customer transfer request form** means consent that is given by a **customer:-**

- (a) expressly; and
- (b) in **writing**; and
- (c) after the **retailer** obtaining the consent has in plain language appropriate to the **customer** disclosed all matters materially relevant to the giving of the consent, including each specific purpose for which the consent will be used; and

- (d) by a person whom a **retailer** (acting reasonably) would consider competent to give consent on the **customer's** behalf;
- (e) and expires on the earlier of:
 - (i) the time that either, **historical consumption data** is provided or the **transfer** of a **customer** occurs; or
 - (ii) the time specified in or ascertainable from the **verifiable consent** as the time of expiry of the **verifiable consent**; or
 - (iii) the first anniversary of the date the **verifiable consent** was first given.

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

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