

Djuna Pollard
Acting Chief Executive Officer
Power and Water Corporation
GPO Box 3596
DARWIN NT 0801

Dear Ms Pollard

RE: APPROVAL OF 2020-21 ANNUAL PRICING PROPOSAL FOR SYSTEM CONTROL AND MARKET OPERATOR CHARGES

Thank you for submitting the Power and Water Corporation's (PWC) 2020-21 Annual Pricing Proposal for System Control and Market Operator charges (2020-21 Pricing Proposal).

The Commission has assessed the 2020-21 Pricing Proposal and considers that it is compliant with the Commission's System Control Charges Final Decision for the 2019-20 to 2023-24 regulatory period.

As such, in accordance with section 39(2) of the *Electricity Reform Act 2000*, the Commission approves the 2020-21 system control charges to be applied by the power system controller from 1 July 2020 as set out in Table 1 below.

Table 1: 2020-21 approved System Control charges (nominal, excludes GST)

| Component | 2020-21 |
|---------------------------------------|---------|
| System control (\$/kWh) | 0.0055 |
| Market operator (\$/kWh) ¹ | 0.00059 |

¹ Market operator component to only be paid by customers supplied by the Darwin-Katherine regulated system

The charges approved for 2020-21 are the maximum that PWC can charge for services provided by the power system controller with respect to its regulated electricity networks.

PWC's 2020-21 Pricing Proposal and a copy of this letter of approval can be viewed on the Commission's website.

Yours sincerely

Lyndon Rowe
Utilities Commissioner

8 April 2020