

Tuesday, 19 July 2022

Ms Kimberley McKay
Director Utilities Commission
Utilities Commission of the Northern Territory
Level 11, Charles Darwin Centre
19 The Mall
Darwin NT 0800

By email: Utilities.Commission@nt.gov.au

Dear Kimberley,

Subject: Submissions to Issues Paper: Electricity Retail Supply (ERS) Code Review

Rimfire Energy ("Rimfire") welcomes the opportunity to provide its comments to the Utilities Commission ("Commission") regarding the *Issues Paper: Electricity Retail Supply Code Review*.

Comments on Issues Paper Questions:

Topic: ***Objectives that licensing aims to address***

Question:

3. Should the ERS Code include a clause to allow generators to request a retailer to provide credit support if they have poor payment history, even if they have an acceptable credit rating as defined in the ERS Code? Why?

Rimfire Comment:

The current Code structure takes into account the objective creditworthiness of the retailer which are widely accepted in other jurisdictions to assess credit in counterparties and are therefore appropriate and adequate.

Question:

8. Should a customer with an accumulation meter be able to transfer to a new retailer without having to replace their accumulation meter with an interval meter (in other words, should clause 5.1.1 and 5.1.2 of the ERS Code be removed)? Why?

Rimfire Comment:

The restriction on the transfer of customers without the installation of an interval meter is a barrier to enabling choice for NT consumers as the restrictive cost associated with installation of interval type meters acts as a barrier to entry for new retailers to the small customer market.

Rimfire is supportive of the removal of the restrictions contained in clauses 5.1.1 and 5.1.2 of the ERS Code.

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Question:

18. Are there any issues or other matters not already identified in this Issues Paper the Commission should consider as part of the ERS Code review, and if so what should it consider and why?

Rimfire Comment:

Rimfire notes clause 8.2.18(b) requires an *incoming retailer* to pay network charges following a transfer of a customer. Rimfire proposes that this clause be amended to differentiate between a *transfer charge*, which is a charge associated with the processing by the Network operator of a customer transfer between retailers, from the various *network charges* associated with ongoing electricity supply and other network related services provided by the Network Operator to a retailer. This amendment will separate the costs associated with a transfer and those of ongoing supply of electricity to a customer, which are different in purpose and obligation.

Rimfire notes the *transfer charge*, \$208.76 (including GST) is sufficiently prohibitive to act as a barrier for small customers and retailers to achieve financially agreeable terms on which to transfer between retailers, and consequently a fundamental barrier to contestability in the NT's regulated customer market.

Rimfire would welcome the opportunity to discuss this fundamental issue with the Commission and other electricity market stakeholders in more detail.

Regards,



Kim Howlett

Rimfire Energy Pty Ltd