

Kimberlee McKay
Director Utilities Commission
Utilities Commission of the Northern Territory
GPO Box 915
Darwin NT 0801

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

Dear Ms McKay

Review of the Northern Territory's Electricity Supply Licensing Regime – Consultation Paper - Standard Licensing conditions

Thank you for your email to Territory Generation (TGen) dated 10 July 2023, regarding the above matter. TGen is supportive of the move to standardise licence conditions for retail, generation and network licences.

TGen has the following three additional comments to make:

1. Standard General Conditions – All licences - Compliance with Regulatory Instruments

The current position is that licensees are not required to comply with a guideline made under the UC Act or a Code. The proposed standardised conditions seek to make compliance with guidelines mandatory.

TGen is uncomfortable with the justification for this by the UC. It is the UC's position that guidelines tend to contain information on requirements that must be met. TGen's view is that if that is the case then they are misdescribed, should not be contained in a guideline and should be put into a directive instrument. This proposed change seems to further embed poor drafting choices and is therefore not supported by TGen.

2. Compliance Process and Reporting

The current position is that there is inconsistency between licenses. Some require reporting of all breaches; some require reporting only of material breaches. It is proposed by the UC that all breaches are reported.

TGen is concerned about being required to report trivial breaches. It is the UC's position that as a manner of good practice a licensee should have compliance processes that detect breaches. With respect, detection and reporting are two separate things. TGen questions the value of reporting trivial breaches and therefore this change is not supported.

3. Standard Conditions - Network Licences – Right to Use

The current position is that the UC can choose to grant to a generation licensee physical access to the electricity network. It is proposed to not include this requirement as a standard condition as it only applies to the Darwin-Katherine, Alice Springs and Tennant Creek power systems.

TGen is amenable to this but asks the UC to note that TGen still requires this clause in the PWC Network licence.

If you have any queries, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in black ink, consisting of a vertical line on the left, a series of wavy lines in the middle, and a long, sweeping line extending to the right.

Hieu Nguyen
GM Legal, Governance & People and Company Secretary

09 August 2023