



# ANNUAL REPORT 2018-19



UTILITIES COMMISSION  
OF THE NORTHERN TERRITORY

Published by the Utilities Commission of the Northern Territory.

© Northern Territory Government 2019

Apart from any use permitted under the *Copyright Act*, no part of this document may be reproduced without prior written permission from the Utilities Commission of the Northern Territory.

This Annual Report is submitted to the Treasurer, the Hon. Nicole Manison MLA, in accordance with section 35 of the *Utilities Commission Act 2000*.

Date presented to minister: 20 September 2019

ISSN: 2201-2109 (print)

ISSN: 2201-2117 (online)

Enquiries concerning the annual report should be addressed to:

GPO Box 915

DARWIN NT 0801

Telephone: +61 8 8999 5480

Email: [utilities.commission@nt.gov.au](mailto:utilities.commission@nt.gov.au)

# Contents

Abbreviations and acronyms	4
Commissioner's overview	6
<b>1  About the Utilities Commission</b>	<b>9</b>
Primary objective	10
Powers and functions	10
Regulated industry legislation overview	11
The commission	13
Commission funding	15
<b>2  Performance summary</b>	<b>17</b>
Highlights for 2018-19	18
Strategic Plan and priorities	21
<b>3  Port access and price regulation</b>	<b>23</b>
Responsibilities under the <i>Ports Management Act 2015</i>	24
Review of the port access and pricing regime	24
Price determination	26
Price monitoring	27
Annual report to the minister	27
<b>4  Electricity supply industry</b>	<b>29</b>
Responsibilities under <i>Electricity Reform Act 2000</i>	30
Licensing	30
Exemptions from licensing	34
Codes and guidelines	35
Price regulation	36
Power system reporting	37
Compliance	41
Complaint investigation	42
Advice to the minister	42
<b>5  Water supply and sewerage services</b>	<b>43</b>
Responsibilities under <i>Water Supply and Sewerage Services Act 2000</i>	44
Licensing	44
Price regulation	45
Water supply and sewerage services asset management plans	45
Service performance	46
Advice to the minister	46
<b>Appendices</b>	<b>47</b>
Appendix A: Utilities Commission meetings and major decisions	48
Appendix B: Expenditure and receipts	51
Appendix C: Advisers to the Utilities Commission	52
Appendix D: Publications and reports	53

## Abbreviations and acronyms

AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
commission	The Utilities Commission of the Northern Territory
CPI	consumer price index
DPO	Darwin Port Operations Pty Ltd
EDL	EDL NGD (NT) Pty Ltd
EIP Code	Electricity Industry Performance Code
IES	Indigenous Essential Services Pty Ltd
I-NTEM	Interim Northern Territory Electricity Market
IPP	independent power producer
ISO	isolated system operations
Jacana Energy	Power Retail Corporation, a government owned corporation established in accordance with the <i>Government Owned Corporations Act 2001</i> and trading as Jacana Energy
MWh	megawatt hours
NEL	National Electricity Law
NER	National Electricity Rules
Origin	Origin Energy Retail No. 2 Pty Ltd
PSR	Power System Review
PV	photovoltaic
PWC	Power and Water Corporation, a government owned corporation established in accordance with the <i>Government Owned Corporations Act 2001</i>
QEnergy	QEnergy Limited
regulated power systems	Refers to the Darwin-Katherine, Alice Springs and Tennant Creek power systems
Rimfire	Rimfire Energy Pty Ltd
Ring-fencing Code	Northern Territory Electricity Ring-fencing Code and Guidelines
SCTC	System Control Technical Code
SMMP	Safety Management and Mitigation Plan
Territory Generation	Power Generation Corporation, a government owned corporation established in accordance with the <i>Government Owned Corporations Act 2001</i> and trading as Territory Generation



The Honourable Nicole Manison MLA  
Treasurer  
GPO Box 3146  
DARWIN NT 0801

Dear Treasurer

In accordance with section 35 of the *Utilities Commission Act 2000*, I am pleased to present the Annual Report for the Utilities Commission of the Northern Territory for the year ending 30 June 2019. The report covers:

- the administration of the Act during the 2018-19 year
- the activities of the Utilities Commission under the *Electricity Reform Act 2000*, *Water Supply and Sewerage Services Act 2000*, and the *Ports Management Act 2015* during the year.

The Utilities Commission notes the Act provides that a copy of this report is to be tabled in the Legislative Assembly within six sitting days of receipt.

Yours sincerely

A handwritten signature in black ink, appearing to read "Lyndon Rowe".

Lyndon Rowe  
Utilities Commissioner

20 September 2019

## Commissioner's overview

I am pleased to present the Utilities Commission of the Northern Territory's Annual Report for the year ending 30 June 2019, which records the key achievements and activities of the commission during 2018-19.

This is the first annual report since my appointment on 1 January 2019 as Utilities Commissioner. In fact, this year saw a number of significant changes within the commission, which both challenged and invigorated the team.

Dr Patrick Walsh resigned as Utilities Commissioner from 31 December 2018. Dr Walsh was the Utilities Commissioner for seven years, commencing in October 2011, and significantly contributed to the Territory's utilities sector over this period. I thank him for his dedication over the years, and for his great support to me, and to the commission team.

In August 2018, the commission's longest serving staff member, Anne Marie Hart, retired after more than 18 years. Anne Marie was generous in sharing her knowledge and skills with the staff prior to leaving and I thank her for that and for her dedication and service. Justin Martyn, the Director Utilities Commission, also left the commission, in September 2018, after approximately 18 months. I thank him for his contribution, and the Department of Treasury and Finance for releasing Kimberlee McKay to step in as the new Director. Kimberlee has admirably guided the small team to deliver a very large, high quality work program in line with the commission's goals.

It was another busy year for the commission, with all 2018 priorities completed, such as the review of the access and pricing regime for the Port of Darwin by November 2018, or underway and ongoing such as participating in developing and implementing the government's electricity reform program and renewable energy plan. A number of the commission's 2019 priorities are also complete, including the issuing of a new price determination for the Port of Darwin.

In addition to delivering on what was known 12 months ago, much of which was focused on the Port of Darwin, during 2018-19, the commission completed a review of system control charges, progressed a number of code reviews, undertook stakeholder consultation, considered and issued three new electricity generation licences, improved its guidance material for the electricity industry and delivered a 'refreshed' Power System Review in the form of three comprehensive, targeted reports to better meet the needs of government and industry.

The Ports Access and Pricing Review was a significant body of work for the commission's small team and warrants a special mention. Over the 12 months of the review, the commission made contact with more than 50 stakeholders, undertook extensive economic analysis, published a consultation paper and draft report, considered numerous submissions and delivered a final report to the Minister for Infrastructure, Planning and Logistics on time, in accordance with requirements under the *Ports Management Act 2015*. The commission's findings, and associated recommendations it considers necessary to ensure an effective and fit for purpose regime, are summarised in this annual report. However, I encourage stakeholders to read the final report in full, and government to accept and implement the commission's recommendations.

Economic regulation of the Territory electricity supply industry continues to make up a large component of the commission's work program. Private sector interest in entering the Territory's electricity industry continued throughout 2018-19, with three new generation

licences executed and many licensing enquiries, primarily in relation to large-scale solar photovoltaic generation, likely due, at least in part, to the Territory Government's commitment to achieve 50 per cent renewable generation by 2030.

To that end, the commission has been actively engaging with, and providing advice to, the Territory Government as appropriate in relation to government's Renewable Energy and Electricity Reform Implementation Plan. Specifically, during 2018-19 the commission commenced a review of the Northern Territory Electricity Ring-fencing Code and Guidelines, which is an action item in government's plan. Further, the commission delivered its 2017-18 Northern Territory Electricity Outlook Report, which considers and informs potential impacts of government implementing its 50 per cent renewable energy by 2030 policy on the industry, and ultimately on consumers and tax payers.

The 2017-18 Northern Territory Electricity Outlook Report was delivered in June 2018 with the assistance of the Australian Energy Market Operator, and considered two scenarios to provide insight into demand and supply impacts under different levels of renewable energy generation: a base (business-as-usual) scenario and a RE50% (50 per cent renewable energy by 2030) scenario.

The commission's findings in relation to the RE50% scenario include recognition that there are benefits to government's commitment to increase renewable energy and that changes to the Territory's power systems are inevitable. However, in the Territory context, there is currently sufficient generation in all systems and significant excess generation in the Darwin-Katherine system, with all synchronous generation fuelled by relatively clean gas. On this basis, the commission recommends the Territory Government, in progressing towards its 50 per cent target, builds on the commission's modelling and comprehensively assesses the most economic, timely and technically feasible pathway to ensure the long-term interests of consumers and taxpayers are protected by keeping likely cost increases to a minimum.

The regulatory environment in which the commission operates is dynamic and will likely change over 2019-20 and beyond, as the Territory Government seeks to respond to innovative and disruptive technologies and implement various initiatives. Accordingly, the commission will continue to assess the external environment, to identify new opportunities and challenges and deliver the best possible outcomes for Territory consumers.

In conclusion, I thank the Associate Commissioner, Richard Owens for his support and expert guidance, and the commission staff for their hard work, commitment, professionalism and quality of output over the last 12 months. I also thank the Under Treasurer and Deputy Under Treasurer for the support provided to the commission.

I would also like to thank the various stakeholders, industry participants, Territory Government representatives and the general public who have engaged with the commission during 2018-19.



Lyndon Rowe  
Utilities Commissioner





# 1 | About the Utilities Commission



The Utilities Commission (the commission) is a statutory authority established under the *Utilities Commission Act 2000*. It is the independent economic regulator for the Northern Territory, constituted by the Utilities Commissioner and Associate Commissioners.

The object of the *Utilities Commission Act 2000* is to create an economic regulatory framework for regulated industries that promotes and safeguards competition and fair and efficient market conduct or, in the absence of a competitive market, promotes the simulation of competitive market conduct and the prevention of the misuse of monopoly power.

## Primary objective

The commission considers its primary objective is to protect the long-term interests of Territory consumers of services provided by regulated industries with respect to price, reliability and quality.

## Powers and functions

The *Utilities Commission Act 2000* (s.6(1)) defines a general set of functions for the commission. However, the commission's specific roles in regulated industries are defined in industry-specific legislation.

The key regulatory functions of the commission are:

- price and access regulation
- licensing across the electricity supply, water supply and sewerage services industries
- to develop, monitor and enforce compliance with, and promote investment in, standards and conditions of service and supply
- to make, and monitor the operation of, codes and rules relating to the conduct or operations of a regulated industry or licensed entities
- to investigate and help resolve complaints relating to the conduct and operations of licensed entities
- to assist consumers and others with information
- to provide advice to the minister on any matters referred by the minister.

In performing the commission's functions, the *Utilities Commission Act 2000* requires that the commission have regard to the need to:

- promote competitive and fair market conduct
- prevent misuse of monopoly or market power
- facilitate entry into relevant markets
- promote economic efficiency
- ensure consumers benefit from competition and efficiency
- protect the interests of consumers with respect to reliability and quality of services and supply in regulated industries
- facilitate maintenance of the financial viability of regulated industries
- ensure an appropriate rate of return on regulated infrastructure assets.

The commission must also have regard to any relevant objectives in industry-specific legislation.

## Regulated industry legislation overview

The *Utilities Commission Act 2000* establishes the commission's objectives, functions and powers. No changes were made to this Act during 2018-19.

### Ports industry

In accordance with the *Ports Management Act 2015*, the commission administers a pricing and access regime for prescribed services provided by a private port operator at a designated port (currently only the Port of Darwin).

### Electricity supply industry

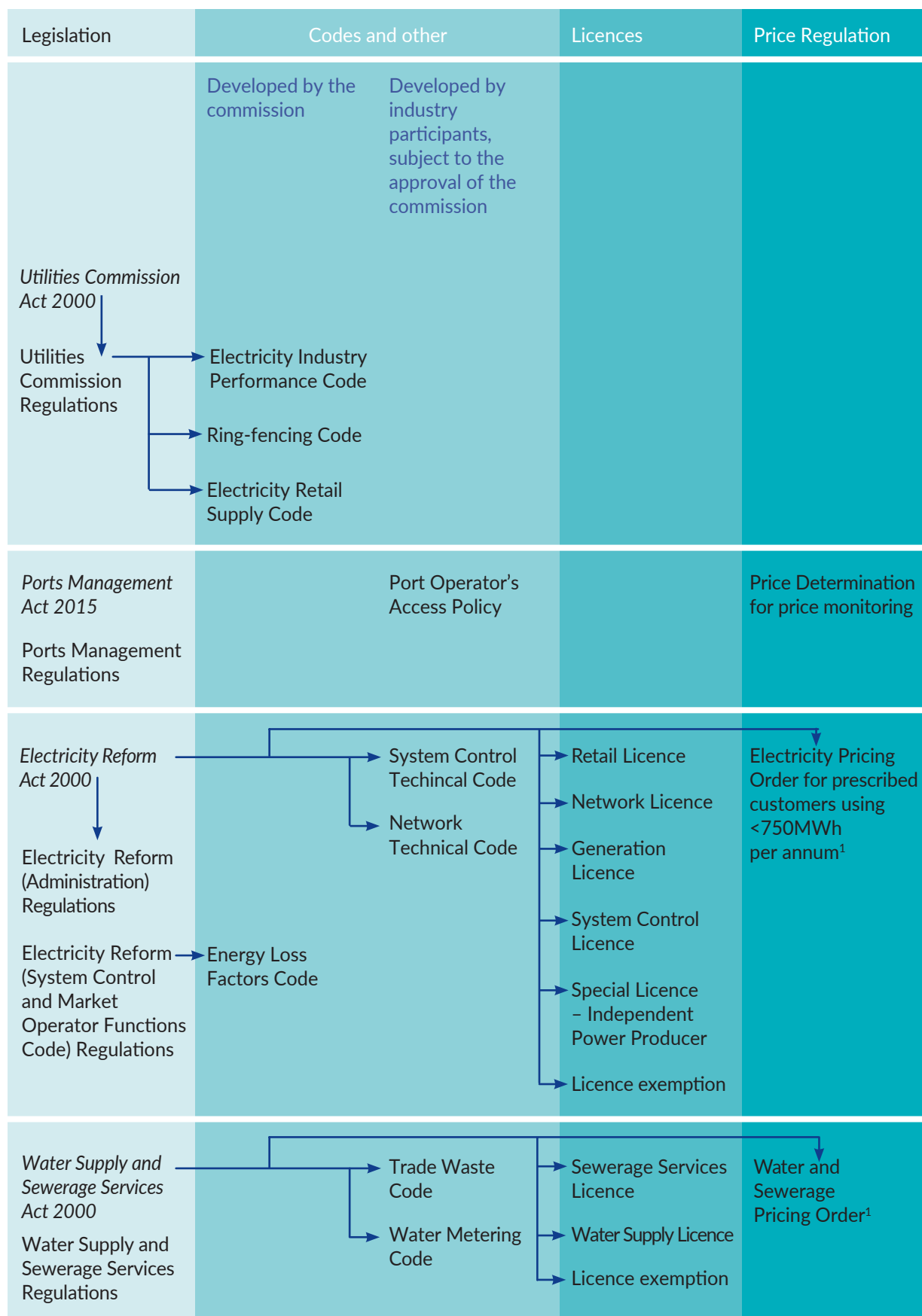
In accordance with the *Electricity Reform Act 2000*, the commission administers a licensing regime and industry codes for industry participants, regulates pricing orders made by the government, prepares annual reviews of the Territory's power system and electricity industry, and deals with complaints from industry participants.

### Water supply and sewerage services industry

In accordance with the *Water Supply and Sewerage Services Act 2000*, the commission administers a licensing regime and industry codes for industry participants, regulates a pricing order made by the government, and deals with complaints from industry participants.

Figure 1 below provides an overview of the legislative framework administered by the commission for the Territory during 2018-19.

Figure 1: Legislative framework administered by the commission during 2018-19



<sup>1</sup> Pricing Orders are issued by the Minister. The commission is responsible for monitoring compliance with the pricing orders, enforcement and investigation of complaints from customers in relation to pricing orders.

## The commission

### Commissioners

Dr Patrick Walsh was the Utilities Commissioner for the first half of the reporting year to 31 December 2018. Following Dr Walsh's resignation, the Administrator of the Northern Territory appointed Mr Lyndon Rowe, formerly an Associate Commissioner, as Utilities Commissioner, from 1 January 2019. Mr Richard Owens continues as an Associate Commissioner.

Dr Patrick Walsh served as the Utilities Commissioner (part-time) for seven years, commencing on 28 October 2011. Dr Walsh served as the Chairperson of the Essential Services Commission of South Australia between 2005 and 2016, and was also Chief Executive Officer of that body between 2005 and 2010. He is a Fellow of the Australian Institute of Energy and Member of the Australian Institute of Company Directors. He holds a PhD (Applied Mathematics) and MBA, both from the University of Adelaide.

Mr Lyndon Rowe was appointed as Utilities Commissioner (part-time) from 1 January 2019 for five years, and previously served as an Associate Commissioner (appointed on 6 April 2018). Mr Rowe is currently a Director of Perth Airport Pty Ltd and associated companies. From 2014 to 2017, he was the full-time Chair of the Electricity Generation and Retail Corporation of Western Australia (trading as Synergy). For the previous ten years, Mr Rowe was the inaugural Executive Chair of the Economic Regulation Authority of Western Australia. He is a Fellow of the Australian Institute of Company Directors and holds an economics degree from the University of Adelaide.

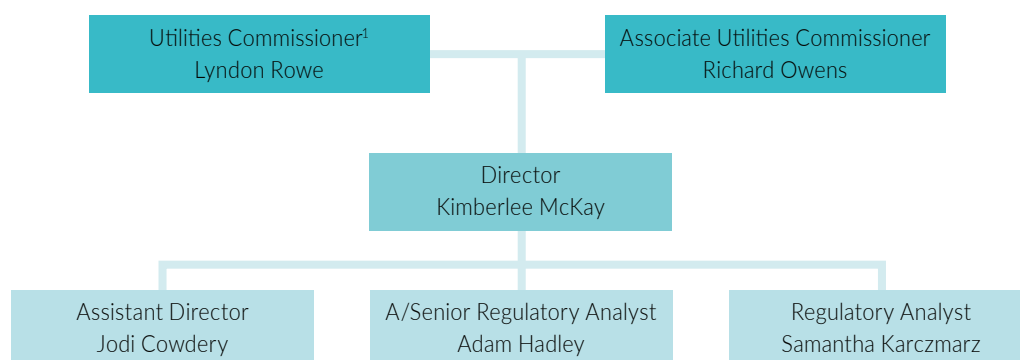
Mr Richard Owens was appointed as an Associate Utilities Commissioner (part-time) on 6 April 2018. He also works part-time as Executive General Manager, Networks at the Australian Energy Market Commission (AEMC). He was a member of the taskforce for the Finkel review into the future security of the national electricity market and previously worked as a lawyer in major law firms and government specialising in utility regulation, competition and consumer law. He has a Bachelor of Laws (Hons) and a Master of Laws and is a graduate of the University of California, Berkeley Executive Leadership Program. Mr Owens is a fellow of the Australian Institute of Energy, a graduate member of the Australian Institute of Company Directors and a fellow of the Institute of Managers and Leaders.

### Commission staff

Section 13 of the *Utilities Commission Act 2000* provides for the staff of the commission to comprise Territory public servants assigned to assist the commission.

Accordingly, the commission is supported by four staff seconded from the Department of Treasury and Finance and located in Darwin.

Figure 2: Organisational chart as at 30 June 2019



<sup>1</sup> Dr Patrick Walsh resigned as Utilities Commissioner from 31 December 2018.

### Commission meetings and decisions

The commissioners and commission staff regularly meet to consider and discuss commission projects and issues. During 2018-19, the commission met 11 times (six times in person and five by teleconference). As Dr Walsh resigned from his position from 31 December 2018, he participated in only the seven meetings held prior to the end of 2018.

In addition to commission meetings, the commission considered various issues and made 14 associated out-of-session decisions.

Appendix A sets out the commission meetings, dates and attendance, and major decisions made during 2018-19.

### Engagement with stakeholders

The commission and commission staff seek to meet regularly and communicate with stakeholders, to build trust through engaging genuinely and being transparent, and to build an understanding of economic and regulatory issues, including in terms of the Territory's regulated industries.

The commissioners met regularly with stakeholders throughout 2018-19, through face-to-face meetings when in Darwin and through teleconference facilities as necessary. Stakeholders with whom the commissioners met included licensees, industry representatives, relevant ministers, government department staff and members of the government opposition.

The commissioners' engagement with stakeholders is supplemented by regular meetings with commission staff as appropriate.

## Commission funding

The commission is funded directly from consolidated revenue through the Department of Treasury and Finance. Appendix B provides a summary of the commission's financial outcomes in 2018-19. Total direct expenditure for 2018-19 was \$1.35 million.

The commission charges licence application fees and annual licence fees, which are receipted directly into consolidated revenue. Fees are fixed for a particular type of licence by the minister and are an amount the minister considers to be a reasonable contribution towards administrative costs of the commission. Total licence fee revenue for 2018-19 was \$0.51 million, which relates primarily to electricity licences.

The commission engages appropriate expert advice through the use of consultants and legal advisers (see Appendix C for additional detail). Total expenditure on expert advice was \$0.64 million in 2018-19.





## 2 | Performance summary



The following chapter provides detail on the key highlights for the commission in undertaking its functions in 2018-19, a summary of its 2019-2021 Strategic Plan and the commission's key priorities for 2019.

## Highlights for 2018-19

### Review of the Port Access and Pricing Regime

During 2018-19, the commission completed its Ports Access and Pricing Review, with its final report delivered to the Minister for Infrastructure, Planning and Logistics on 15 November 2018, and tabled in the Legislative Assembly on 12 March 2019, in accordance with requirements under the *Ports Management Act 2015*.

The review assessed the need for and effectiveness of the port access and pricing regime and whether any changes to the regime should be made, as required by section 123 of the *Ports Management Act 2015*, and was the first review of the regime since it began in November 2015.

The review was a significant body of work for the commission. The commission made contact with approximately 50 port stakeholders and received numerous formal submissions as part of public consultation on its associated issues paper (published in February 2018) and draft report (published in August 2018).

Information on the review of the Port Access and Pricing Regime, including the commission's findings and associated recommendations is detailed in Chapter 3.

### Determination and price monitoring – Port of Darwin

One of the commission's roles is to regulate prices for the Port of Darwin. The regulatory framework specifically states that the commission must use price monitoring as the form of price regulation. Further, price regulation only applies to prescribed services.

On 13 February 2019, in accordance with the *Ports Management Act 2015* and *Utilities Commission Act 2000*, the commission made a price determination relating to Darwin Port Operations Pty Ltd's (DPO) standard charges for prescribed services at the Port of Darwin.

In accordance with its price determination, the commission uses the National Consumer Price Index (CPI) to monitor and report on pricing for prescribed services at the Port of Darwin. On 1 August 2018, DPO increased its tariffs by 1.9 per cent, except for port induction fees which did not change. This was consistent with the National CPI for the 12 months to the March quarter 2018. DPO also adopted a lower rate for privately operated cranes. The commission advised stakeholders of the tariff changes through publishing the details on its website and direct correspondence as appropriate.

### Licensing and compliance

During 2018-19, the commission provided advice on the Territory's regulatory framework and the licensing regime and process to current and potential licensees, and improved its guidance material through publishing an electricity licensing fact sheet and licence application checklist in December 2018.

The commission consulted with stakeholders on three licence applications during 2018-19, which were subsequently approved and executed. The generation licences were issued to Batchelor Solar Farm Pty Ltd (October 2018), Katherine Solar Pty Ltd (November 2018) and Trutinor NT Pty Ltd (December 2018). Following an application to transfer its licence, Katherine Solar Pty Ltd's generation licence was transferred to Eni Australia Limited in January 2019.

As a condition of licence, licensees are required to submit an annual compliance report by 31 August each year in accordance with Compliance Framework and Reporting Guidelines. In November 2018, the commission published its 2017-18 Annual Compliance Report, which provides commission comments on, among other things, Jacana Energy's reported breaches and associated commitment to address the issues through data and process improvements, and Power and Water Corporation's (PWC) continued improvements to its Compliance Management System.

### Review of Electricity Ring-fencing Code and Guidelines

During 2018-19, the commission commenced a review of the Northern Territory Electricity Ring-fencing Code and Guidelines (Ring-fencing Code) to ensure their contents and operation are of continued relevance and effectiveness. The review will also assist the Territory Government to deliver its initiative to establish a regulatory framework which supports its Renewable Energy and Electricity Market Implementation Plan for 2018-2020.

An issues paper, which identified topics to be considered as part of the review and invited submissions from stakeholders, was published in May 2019, with four submissions received. The commission is considering the feedback received and expects to issue a draft version of the updated code for consultation in October 2019.

### Review of Electricity Retail Supply Code

A review of the Electricity Retail Supply Code has been ongoing since mid-2016 and was initially triggered by an application for amendments from PWC in light of substantial reform to the Territory electricity sector, including the legal separation of PWC, introduction of the Interim Northern Territory Electricity Market (I-NTEM) in the Darwin-Katherine electricity system and the entrance of new retailers.

Following extensive consultation and consideration of submissions during 2017-18, in June 2019, the commission published proposed amendments to the Electricity Retail Supply Code and a Statement of Reasons. The commission expects to make a final decision to amend the code, including the issuing of a varied code, in September 2019.

### Review of System Control charges

In late 2018, PWC made a submission to the commission proposing an increase to the system control charge pursuant to section 39 of the *Electricity Reform Act 2000*, on the basis that there has been a significant change in the number and nature of System Control's functions and the cost of undertaking the functions since the system control charge was last approved.

The commission published an associated issues paper, which identified topics that should be considered by stakeholders as part of the review, and received four submissions. Following consideration of the submissions and additional PWC information, the commission published its draft decision in March 2019.

The commission met with the Treasurer, the Hon. Nicole Manison MLA, on 5 April 2019 to discuss the review of system control charges and the commission's draft decision, and received one submission. Consequently, the commission's final decision was made on 30 April 2019, with the revised charge to be applied from 1 July 2019.

## Power system reporting

Since 2001, to meet its legislated reporting requirements to the minister, the commission has published an annual Power System Review (PSR) as a single document providing a review of past and current generation, network and retail performance, forecasts of system demand and supply reliability, and an assessment of the adequacy of the fuel supply for electricity.

During 2018-19, the commission undertook a stakeholder survey to gauge the usability and usefulness of the PSR. Following this, to improve the commission's annual reporting, the commission decided to split the PSR into three reports, namely:

- the 2017-18 Northern Territory Electricity Retail Review, which was published in March 2019 and focuses on retail performance and quality of service provided to small electricity customers
- the 2017-18 Northern Territory Power System Performance Review, which was published in June 2019 and focuses on the 2017-18 generation and network performance of the regulated systems
- the 2017-18 Northern Territory Electricity Outlook Report, which was published in June 2019 and focuses on the system demand and supply reliability outlook for the regulated power systems, and an assessment of the adequacy of the fuel supply for electricity.

Consistent with its commitment to continually refine and improve the usefulness of its annual reporting to the minister and for electricity entities and other stakeholders, the commission commenced a post project review of the reports and associated data collection and analysis processes following publication of the 2017-18 reports.

## Water supply and sewerage services

Although the commission's authority in relation to water supply and sewerage services is limited, it continued to monitor compliance with licence obligations and the pricing order, and provide advice and assistance to customers regarding the Territory's regulatory framework.

## Complaints

The commission has a role to investigate and help resolve complaints relating to the conduct or operations of licensed entities. It did not receive any formal complaints regarding electricity or water supply and sewerage services licensees during 2018-19.

## General advice and information

In addition to publishing general information, commission consultation papers and decision advice on its website, during 2018-19 the commission advised stakeholders, through website and email updates, of consultation processes being undertaken by other entities on matters relevant to the Territory's electricity supply industry. This included PWC's proposed generator performance standards and the Department of Treasury and Finance's consultation papers on the Northern Territory Electricity Market functional specification and Reliability Standard.

The commission has also been actively engaged in providing advice to the government in relation to its Renewable Energy and Electricity Reform Implementation Plan as appropriate.

## Strategic Plan and priorities

In its 2017-18 Annual Report, the commission published its key strategic priorities for 2018. These tasks are either complete, such as the review of the access and pricing regime for the Port of Darwin by November 2018, or are underway and ongoing, such as participating in developing and implementing the government's electricity reform program and renewable energy plan.

In February 2019, the commission published its Strategic Plan for 2019-2021 and its specific 2019 priorities. The purpose of the Strategic Plan is to communicate the commission's organisational goals and planned actions to achieve these goals to commission staff and stakeholders alike, and to ensure the commission is accountable for achieving its goals.

In accordance with its Strategic Plan for 2019-2021, the commission plans to deliver the following specific priorities for 2019, noting that a number of these were completed during the first six months of 2019 and thus during the 2018-19 reporting period:

- review the format of the PSR and publish 'refreshed' reports on 2017-18 power system and retail performance, and demand and supply forecasts – complete
- issue a new price determination for the Port of Darwin – complete
- publish an annual price monitoring report for the Port of Darwin
- undertake a review and update of the Ring-fencing Code
- complete the review and update of the Electricity Retail Supply Code
- undertake a review of the Electricity Industry Performance Code
- review the electricity licensing regime
- meet with stakeholders and conduct site visits in Alice Springs
- launch a new and improved website
- assist and provide advice to the Territory Government to implement its Northern Territory Renewable Energy and Electricity Reform Implementation Plan as appropriate
- identify, and have staff participate in, relevant professional development
- recruit appropriately skilled and experienced staff to fill current vacancies.

The commission will regularly revisit its Strategic Plan to ensure it continues to be relevant and appropriate, and report on its progress in addressing its priorities annually.





# 3 | Port access and price regulation



## Responsibilities under the *Ports Management Act 2015*

The *Ports Management Act 2015* and Ports Management Regulations (the Regulations) provide for the control, management and operation of ports, and for related purposes. The Minister for Infrastructure, Planning and Logistics is responsible for the *Ports Management Act 2015*.

The commission is the regulator for Part 11 of the *Ports Management Act 2015* and Part 3 of the Regulations, which establish the ports access and pricing regime for Territory ports. The access regime is of the negotiate/arbitrate type, while the pricing regime is based on price monitoring.

The object of Part 11 and the associated Regulations is to promote the economically efficient operation and use of and investment in major port facilities in the Territory, by which services are provided to promote effective competition in upstream and downstream markets.

Under the *Ports Management Act 2015*, a private port operator is taken to be a licensed entity for the purpose of the *Utilities Commission Act 2000*, as it applies to the regime.

The commission regulates access to and pricing of prescribed services provided by a private port operator of a designated port, being Darwin Port Operations Pty Ltd (DPO) for the Port of Darwin.

The port services regulated by the commission, as prescribed by Regulation 12 are:

- providing, or allowing for, access for vessels to the designated port
- providing facilities for loading or unloading vessels at the designated port
- providing berths for vessels at the designated port
- providing or facilitating the provision of pilotage services in a pilotage area within the designated port
- allowing entry of persons and vehicles to any land on which port facilities of the designated port are located.

As required by the regulatory regime, the commission has issued a price determination and reporting guidelines, and has approved DPO's access policy for the Port of Darwin.

The commission's role in port regulation was established with the intention of being a light-handed regulatory regime, with the threat of stronger regulation if justified.

## Review of the port access and pricing regime

Section 123(1) of the *Ports Management Act 2015* requires the commission to periodically conduct and complete a review of the operation of the port access and pricing regime. The first review must be undertaken within the third year following commencement of the regime (during the year ending 15 November 2018). All subsequent reviews are to be conducted every five years.

The commission's 2018 review of the regime assessed the need for and effectiveness of the regime, and whether any changes were needed. The fundamental question the commission considered was whether the regime remains fit for purpose. Specifically, the review considered whether:

- there is an ongoing need for regulatory oversight of access to and pricing of prescribed services provided by private port operators



- there is a need to change the form of regulatory oversight of access and, if so, how
- there is a need to change the form of regulatory oversight of prices and, if so, how
- amendments should be made to part 11 of the *Ports Management Act 2015* or the Regulations and, if so, the nature of these amendments.

As part of the review, the commission considered submissions received, met with stakeholders, carried out its own research and obtained specialist advice about the port industry and market. In undertaking the review, the commission was guided by the relevant legislative objectives, including those specified in Part 11 of the *Ports Management Act 2015* and the commission's general objectives contained in the *Utilities Commission Act 2000*.

The commission also assessed the regime against the access principles specified in clause 6 of the Competition Principles Agreement (CPA) entered into by the Commonwealth, and all state and territory governments in April 1995. The clause 6 principles represent a template for promoting consistency and quality for a regulatory regime that seeks to provide access to the services offered by significant monopoly infrastructure, such as the prescribed services at the Port of Darwin.

Overall, the commission's finding was that the operator of the Port of Darwin does have substantial market power and the potential to exercise it. However, no evidence was provided to the commission to suggest DPO had exercised its market power during the three-year review period. In any case, the regime is still in its very early stages and therefore there is little practical experience on which to judge the effectiveness of the regime in constraining the exercise of market power in different market conditions. The commission also formed the opinion that given the substantial market power of DPO and the light-handed regime currently in place, the benefits of the current regulatory regime outweigh the costs associated with its implementation.

Nevertheless, the commission noted several areas in which the regime will benefit from change to ensure it is effective and robust over time, including as the port develops and market conditions change.

The commission's findings in response to section 123 of the *Ports Management Act 2015* for the review are:

- there is an ongoing need for regulatory oversight of access to and pricing of prescribed services provided by the private port operator at the Port of Darwin
- at this time, there is no need to change the form of regulatory oversight for access, so the negotiate/arbitrate model should continue
- at this time, there is no need to change the form of regulatory oversight for prices, so price monitoring should continue
- however, the commission identified several deficiencies in the current regime that suggest the need for amendment to Part 11 of the *Ports Management Act 2015* and Part 3 of the Regulations to ensure the regime is effective, fit for purpose and better meets its legislative objectives. The amendments suggested will ensure the identified deficiencies are addressed, while maintaining the cost effectiveness of the regime.

On this last point, the amendments to the regime recommended by the commission deal with matters such as the exemption from the regime of prescribed services under a lease, obligations the commission considers necessary to ensure an effective and well-informed regime, and improvements to the process for approval of the port operator's access policy.

The amendments are entirely consistent with the Territory Government's objective of the regime being light-handed in character and should not be seen as a reaction to the operation or activities of DPO under the current legislation.

The commission's final report on its ports access and pricing review was delivered to the Minister for Infrastructure, Planning and Logistics on 15 November 2018, and tabled in the Legislative Assembly on 12 March 2019, in accordance with requirements under the *Ports Management Act 2015*.

The review was a significant and unprecedented body of work for the commission. The commission made contact with approximately 50 port stakeholders and received numerous formal submissions as part of public consultation on its associated issues paper (published in February 2018) and draft report (published in August 2018).

Any changes to the regime following the commission's review is purely a decision for government. As at 30 June 2019, the government had not made any decisions in response to the commission's recommendations. Nonetheless, the undertaking of the review and publication of the commission's final report has achieved positive outcomes, such as increased transparency and understanding of the regime by stakeholders and port users.

## Price determination

The *Ports Management Act 2015* and Regulations establish the requirement and framework for the commission to make a determination relating to the charges fixed by a port operator in relation to the provision of prescribed services. The Regulations provide that the determination must use price monitoring of the price levels of prescribed services as the form of regulation.

On 16 February 2016, the commission made its first Price Determination relating to charges fixed by DPO for providing prescribed services at the Port of Darwin. In accordance with section 132(4) of the *Ports Management Act 2015*, a price determination cannot have effect for a period of more than three years.

Accordingly, in December 2018, the commission published a draft version of the new price determination, inviting submissions from port stakeholders. Two submissions were received and considered.

Subsequently, the commission's 2019-2022 Prescribed Port Services Price Determination for the Port of Darwin was made on 13 February 2019 and expires three years from commencement, on 15 February 2022.

In accordance with its 2019-2022 Prescribed Port Services Price Determination, the commission intends to, among other things, publish an annual price monitoring report for the Port of Darwin to inform and increase transparency for port users and other stakeholders.

## Price monitoring

The commission uses the national consumer price index (CPI) to monitor and report on pricing for prescribed services at the Port of Darwin. On 1 August 2018, DPO increased its tariffs by 1.9 per cent, except for port induction fees which did not change. This was consistent with the national CPI for the 12 months to the March quarter 2018.

DPO also adopted a lower rate for privately operated cranes, removing alternative charges based on crane capacity in order to, according to DPO, reduce existing administrative burdens. In addition to DPO's publication requirements, the commission advised stakeholders of the tariff changes through publishing the details on its website and direct correspondence as appropriate.

## Annual report to the minister

The commission monitors the private port operator's compliance with the access and pricing regime, and is required to report to the minister by 1 December each year about any reports received from the private port operator on material instances of non-compliance with the access policy and any instances of non-compliance with a determination made by the commission.

The commission reported to the minister on 19 November 2018, advising the commission was not aware of any material breaches by DPO in 2018-19. The report was tabled in the Legislative Assembly on 13 February 2019, as required by the *Ports Management Act 2015*.



# 4 | Electricity supply industry



## Responsibilities under *Electricity Reform Act 2000*

The electricity industry in the Territory is regulated by the *Electricity Reform Act 2000*, *Electricity Networks (Third Party Access) Act 2000* (repealed on 30 June 2019), *Utilities Commission Act 2000* and associated legislation, and the National Electricity Law (NEL) and National Electricity Rules (NER). This statutory framework was introduced in 2000, with parts of the NER, as modified, being progressively applied from 1 July 2016.

The *Electricity Reform Act 2000* is the primary electricity legislation relevant to the commission. Accordingly, the commission is responsible for certain regulatory functions in the electricity supply industry. Its activities relate mainly to licensing, codes and guidelines, price regulation, reporting, general compliance monitoring, complaints investigation and providing advice in relation to the Territory's electricity supply industry.

The Australian Energy Regulator (AER) is the regulator for third-party access and network pricing under the *Electricity Networks (Third Party Access) Act 2000* and NEL and NER as applied in the Territory.

The objects of the *Electricity Reform Act 2000* are to:

- promote efficiency and competition in the electricity supply industry
- promote the safe and efficient generation, transmission, distribution and selling of electricity
- establish and enforce proper standards of safety, reliability and quality in the electricity supply industry
- establish and enforce proper safety and technical standards for electrical installations
- facilitate the maintenance of a financially viable electricity supply industry
- protect the interests of consumers of electricity.

The *Electricity Reform Act 2000* and the Administrative Arrangements Order allocate ministerial responsibility for the *Electricity Reform Act 2000* as summarised below:

- the Treasurer is responsible for provisions about economic regulation
- the Minister for Renewables, Energy and Essential Services is responsible for provisions about supply and service provision under licence
- the Attorney-General is responsible for provisions about safety regulation.

## Licensing

The commission is responsible for administering the licensing of the electricity supply industry in the Northern Territory.

The *Electricity Reform Act 2000* requires the following operations be licensed:

- generation of electricity
- owning or operating an electricity network
- selling electricity
- system control over a power system
- other operations for which a licence is required by the regulations.

The commission has established licences, subcategories of licences and combined licences to suit particular circumstances. Table 1 sets out the various licences available for entities that seek to participate in the electricity supply industry.

**Table 1: Types of licences currently issued**

Licence type	Description
Standard generation licence	Authorises the electricity entity to generate electricity for sale to electricity entities holding generation or retail licences (or as otherwise stated in the licence).
Retail licence	Authorises the electricity entity to trade in electricity (where 'trade' means the buying and selling of electricity other than to final consumers) and retail electricity to customers (where 'retail' means the selling of electricity to specified groups of final consumers).
Network licence	<p>Authorises the electricity entity to operate the electricity network in the geographical area stated in the licence.</p> <p>If stated in the licence, it allows entities to connect the electricity network to another electricity network.</p>
System control licence	<p>Authorises the electricity entity to monitor, plan and control the operation of the power system with a view to ensuring the system operates safely and securely. It provides the authority to issue directions to other licensed electricity entities.</p> <p>In May 2015, the Electricity Reform (Administration) Regulations were amended to prescribe operating a wholesale market as an operation for which a licence is required. These Regulations also define that an entity licensed for system control is also licensed to operate a wholesale market in relation to that power system.</p> <p>A system control licence is only issued where the power system is of sufficient size and complexity to warrant monitoring and control 'at arm's length'. In isolated communities with a single generator of electricity, management of system loads and frequency control is undertaken by the generator. Coordination of generation with third-party interconnected networks would be a matter for normal commercial contractual arrangements.</p> <p>In relation to the I-NTEM, which operates in the Darwin-Katherine system only, System Control is the market operator.</p>
Special generation licence – independent power producer (IPP)	<p>Authorises the electricity entity to generate electricity for sale to electricity entities holding a standard generation licence (or as otherwise stated in the licence).</p> <p>This licence is a 'cut down' version of a generation licence for those entities that do not wish to participate fully in the electricity supply market and instead generate electricity under contract for another generator.</p>
Special licence – isolated system operations (ISO)	<p>Authorises the electricity entity to generate electricity at specified electricity generating plants. It also allows entities to sell electricity to other generators or a retailer.</p> <p>Entities can also sell electricity to customers, but only in respect of electrical installations or premises situated within specified locations.</p> <p>Finally, it allows entities to own and operate an electricity network within specified geographic areas and connect that network to another specified electricity network.</p> <p>This licence is a combination of generation, network and retail licence for entities operating in remote locations, for example, where a mining company supplies electricity to a nearby town that predominantly houses workers associated with the mine.</p>



## Licensing advice and guidance

Following the unprecedented number of licence applications in 2017-18 and early 2018-19, the commission reviewed its licensing guidance and supporting material for potential licensees. Accordingly, the commission developed an electricity licensing fact sheet and licence application checklist, which it trialled and then published in December 2018.

## New licences during 2018-19

The commission executed three generation licences during 2018-19.

The commission received a generation licence application from Batchelor Solar Farm Pty Ltd on 5 May 2018. The commission sought comments on the licence application from market participants and stakeholders, and following consideration of two submissions and the intending licensee meeting various conditions, a licence was issued on 1 October 2018 to own and operate a 10MW solar photovoltaic (PV) power station at Batchelor.

The commission received a generation licence application from Katherine Solar Pty Ltd on 11 October 2017. Following a consultation period, consideration of two submissions and the intending licensee meeting various conditions, a licence was issued on 1 November 2018 to own and operate a 25 MW solar PV power station at Emungalan, Katherine.

Subsequently, the commission received an application from Katherine Solar Pty Ltd to transfer its generation licence to Eni Australia Limited, in accordance with section 33 of the *Electricity Reform Act 2000*. The commission consulted with stakeholders on the proposed licence transfer and no submissions were received. The commission executed the transfer on 11 January 2019.

The commission received a generation licence from Trutinor NT Pty Ltd on 19 July 2018. The commission sought comments on the licence application from market participants and stakeholders, and following consideration of two submissions and the intending licensee meeting various conditions, a licence was issued on 21 December 2018 to own and operate a 12 MW gas-fired power station at Wishart, Darwin.

During 2018-19, the commission also approved Infigen Energy NT Solar Pty Ltd's application for a generation licence to construct, own and operate two 10 MW solar PV power stations on the Darwin-Katherine network (at Manton Dam and Batchelor), subject to conditions including finalisation of a Generator User Agreement with PWC. As at 30 June 2019, Infigen Energy NT Solar Pty Ltd had not sought to further progress with the generation licence. Airport Development Group Pty Ltd has also not progressed with its generation licence for existing solar PV facilities at Darwin International Airport, Alice Springs Airport and Tennant Creek Airport.

## Surrendered licence during 2018-19

The commission received written notice on 8 August 2018 of ERM Power Retail Pty Ltd's intent to surrender its retail licence. The commission accepted the surrender of the licence effective 31 August 2018.



### Current standard generation licences

As at 30 June 2019, there were six standard generators licensed in the Territory.

The standard generation licensees were:

- Batchelor Solar Farm Pty Ltd, for a 10 MW solar PV power station at Batchelor
- EDL NGD (NT) Pty Ltd (EDL), for the Pine Creek power station
- Eni Australia Limited, for a 25 MW solar PV power station expected to be built and operated at Emungalan near Katherine
- Power Generation Corporation (trading as Territory Generation), which owns and operates various power stations including Channel Island, Weddell, Katherine, Tennant Creek, Ron Goodin, Owen Springs, Yulara and Kings Canyon power stations
- PWC, which owns and operates power stations at Berrimah (decommissioned), in Aboriginal communities under the Indigenous Essential Services (IES) program and minor commercial power stations (Elliott, Daly Waters, Ti Tree, Timber Creek and Borroloola)
- Trutinor NT Pty Ltd, for a 12 MW gas-fired power station (Hudson Creek power station) expected to be built and operated at Wishart, Darwin.

### Current retail licences

As at 30 June 2019, there were six electricity retailers licensed in the Territory. The retail licensees were:

- EDL for Darwin, Katherine, Alice Springs and Tennant Creek (townships and surrounding rural areas)
- Next Business Energy Pty Ltd for Darwin, Katherine, Alice Springs and Tennant Creek (townships and surrounding rural areas)
- Power Retail Corporation (trading as Jacana Energy) for the townships and surrounding areas of Darwin, Katherine, Tennant Creek, Alice Springs, as well as Daly Waters, Borroloola, Timber Creek, Elliott, Newcastle Waters, Yulara, Ti Tree and Kings Canyon
- PWC for Jabiru, Nhulunbuy, Alyangula, McArthur River Mine and Aboriginal communities under the IES program
- QEnergy Limited (QEnergy) for Darwin, Katherine, Alice Springs and Tennant Creek (townships and surrounding rural areas)
- Rimfire Energy Pty Ltd (Rimfire) for Darwin, Katherine, Alice Springs and Tennant Creek (townships and surrounding rural areas).

### Current network and system control licences

PWC holds a network licence to own and/or operate an electricity network in designated regulated and non-regulated electricity networks.

PWC also holds a system control licence for the Darwin-Katherine, Tennant Creek and Alice Springs power systems.

### Current special licences

As of 30 June 2019, there were five special (IPP) licences held by:

- EDL for generating plants at the McArthur River Mine site and electricity sales to McArthur River Mining Pty Ltd

- Energy Resources of Australia Ltd for generating plants at the Ranger Uranium Mine site and electricity sales to persons specified in schedule 2(b) of the licence
- LMS Energy Pty Ltd for generation at the Shoal Bay Renewable Energy Facility (1.1 MW landfill gas-fuelled renewable energy facility)
- TKLN Solar Pty Ltd for various remote solar PV systems at Ti Tree, Kalkarindji and Alpururulam.
- Uterne Power Plant Pty Ltd for generation via a single-axis tracking PV system at Lot 5148 Alice Springs.

There was one special (ISO) licence as at 30 June 2019, held by Groote Eylandt Mining Company Pty Ltd for electricity generation, electricity sales and owning and operating a network at Alyangula.

## Exemptions from licensing

The Electricity Reform (Administration) Regulations provide an exemption from the requirement to be licensed for some activities. Licences are not currently required for:

- own-use generation and low volume sales of electricity
- on-supply of electricity, as long as the on-supplier complies with certain conditions.

The commission may, under section 87 of the *Electricity Reform Act 2000* and with the approval of the minister, grant an exemption from the requirement to be licensed.

As at 30 June 2019, the following section 87 exemptions were current:

- an exemption from the requirement to hold a licence with respect to its electricity operations in the township of Nhulunbuy and at the mine, issued to Alcan Gove Pty Ltd
- an exemption from the need to hold a generation and retail licence issued to GPT RE Limited and Innogen Australia Pty Ltd in relation to solar PV electricity at Casuarina Square shopping centre
- a class exemption – the Small Scale Renewable Energy Operations exemption – issued for the generation of electricity by small-scale solar PV systems and the sale of any residual electricity exported to the distribution network.

### Application for exemption

During 2018-19, the commission considered one application for an exemption from the requirement to be licensed under section 87 of the *Electricity Reform Act 2000*.

On 20 July 2018, the commission received an application from Origin Energy Retail No. 2 Pty Limited (Origin) for an exemption from the requirement to hold a licence with respect to the generation and sale of electricity from solar PV arrays it was proposing to construct, own and operate at the Charles Darwin University's Casuarina and Alice Springs campuses.

Following public consultation and consideration of the matter, the commission endorsed a section 87 exemption to Origin for the proposed retail operations at Charles Darwin University (with an exemption for generation not considered necessary), subject to conditions including the minister's approval. As at 30 June 2019, Origin had not sought to further progress with the exemption.

## Codes and guidelines

### Review of Electricity Ring-fencing Code and guidelines

In the Territory, the commission is authorised to make codes or rules (including varying or revoking codes) regarding ring-fencing in the electricity supply industry under section 24 of the *Utilities Commission Act 2000* and Regulation 2 of the Utilities Commission Regulations.

The Ring-fencing Code was first introduced in 2001 and last reviewed in 2008. The Ring-fencing Code aims to promote and safeguard competition and fair and efficient market conduct in the electricity supply industry by promoting the simulation of competitive market conduct and preventing the misuse of market power.

Since 2008, there have been significant changes in the Territory electricity supply industry that directly impact the Ring-fencing Code, including the legal separation of PWC, implementation of I-NTEM in the Darwin-Katherine regulated network, adoption of the NEL and NER (amended for the Territory's circumstances) and associated transfer of network price regulation to the AER. Further, a number of private retailers and generators are licensed in the Territory and competing against the government owned corporations.

Accordingly, in May 2019, the commission commenced a review of the Ring-fencing Code with the publication of an issues paper, which identified topics to be considered as part of the review and invited submissions from stakeholders by 28 June 2019.

The commission received four submissions to its issues paper, and is considering the feedback received. The commission expects to issue a draft version of the updated Ring-fencing Code for consultation in October 2019.

### Review of Electricity Retail Supply Code

In the Territory, the commission is authorised to make codes or rules (including varying or revoking codes) relating to retail supply in the electricity supply industry under section 24 of the *Utilities Commission Act 2000* and Regulation 2A of the Utilities Commission Regulations.

The Electricity Retail Supply Code was first issued in 2011 and last amended in 2016. It provides for matters such as the transfer of customers between retailers, credit support arrangements, billing, metrology, service order arrangements, retailer of last resort arrangements and dispute resolution.

In April 2016, PWC made an application to the commission for amendments to the Electricity Retail Supply Code in light of substantial reform to the Territory electricity sector.

Following extensive consultation and consideration of five submissions in response to a proposed amended Electricity Retail Supply Code and Statement of Reasons during 2017-18 and 2018-19, in June 2019, the commission published an updated version of proposed amendments to the Electricity Retail Supply Code and an updated Statement of Reasons, with submissions due on 2 August 2019.

The commission expects to make a final decision to amend the code, including the issuing of a varied code, in September 2019.

## Electricity Industry Performance Code – Direction issued

The Electricity Industry Performance Code (Standards of Service and Guaranteed Service Levels) (EIP Code) applies to electricity entities operating in the regulated network (excluding IPP) and sets out:

- guaranteed service levels performance indicators and payment levels
- generation service performance indicators for reporting purposes
- network service performance indicators (network services) for reporting and target setting purposes
- retail service performance indicators for reporting purposes.

In late, 2018, the commission became aware of anomalies in the EIP Code (and previously the Electricity Standards of Service Code). The known anomalies are isolated to Schedule 2 (Generation Service Performance Indicators) and Schedule 7 (Definitions and Interpretation).

Accordingly, on 20 November 2018, in accordance with section 1.6 of the EIP Code, the commission issued a direction to electricity entities, that any annual reporting against the EIP Code is done in accordance with the revised Schedule 2 and Schedule 7 until a variation of the EIP Code is made or advised otherwise.

The commission intends to incorporate the revised schedules into the EIP Code as part of a variation to the code, and expects to commence the process during 2019-20 in accordance with legislative requirements and in consultation with stakeholders.

## Price regulation

The commission regulates certain prices in the monopoly sectors of the Territory's electricity supply industry, and other relevant prices, in accordance with relevant industry legislation.

### Electricity Pricing Order

Retail electricity prices charged to residential and commercial customers (those consuming less than 750 MWh of electricity per annum) are regulated by the Territory Government through a pricing order made by the Treasurer under section 44 of the *Electricity Reform Act 2000*.

On 14 June 2018, the Treasurer issued an Electricity Pricing Order to regulate associated prices from 1 July 2018 for 12 months to 30 June 2019.

The commission is required to enforce compliance with the Electricity Pricing Order as if the order were a determination of the commission under the *Utilities Commission Act 2000*.

### Review of system control charges

In late 2018, PWC made a submission to the commission proposing an increase to the system control charge on the basis that there had been a significant change in the number and nature of System Control's functions and the cost of undertaking the functions since the last review of the charge. The increased functions are primarily in relation to the addition of a market operator role and associated responsibilities which were incorporated into the System Control Technical Code (SCTC) in 2015.

Under the *Electricity Reform Act 2000*, a system controller is entitled to impose and recover charges relating to the operations of system control (s.39(1)) and the schedule of charges to be applied for the purpose of section 39(1) is to be approved by the Utilities Commission (s.39(2)).

In November 2018, the commission published an associated issues paper which identified topics that should be considered as part of the review of the system control charge and sought feedback from all stakeholders.

Following consideration of the four submissions received from stakeholders, and additional detailed information provided by PWC, the commission published its associated draft decision in March 2019. The commission met with the Treasurer (as Regulatory Minister), the Hon. Nicole Manison MLA on 5 April 2019 to discuss the draft decision and also received one submission from a stakeholder.

On 30 April 2019, the commission published its final decision in relation to the system control charge to be applied from 1 July 2019, including a revenue cap formulae with a 5 per cent materiality threshold for an overs and unders account. The charge consists of two components, being a system control component and a market operator component, with the market operator component to only be paid by customers supplied by the Darwin-Katherine regulated system.

### Ancillary services pricing

Ancillary services are defined in the SCTC as the following services provided by generators or other system participants: voltage control, reactive power control, frequency control and black start capability. Regulation 3(2) of the Utilities Commission Regulations authorise the commission to make determinations relating to prices for providing ancillary services in the electricity supply industry.

Currently the ancillary services price in relation to the provision of ancillary services by Territory Generation in the Darwin-Katherine system is embedded in the SCTC (Attachment 6.11 Market Operator – Ancillary Services Calculations). The commission approved the amended SCTC, which incorporated this charge, in 2015.

## Power system reporting

Regular and comprehensive reporting on the electricity supply industry should help increase understanding and transparency of issues, and consequently improve planning, investment, understanding of value for money (price compared to level of service) and general performance.

The *Electricity Reform Act 2000* (s.45) requires the commission to report to the minister and electricity entities on various things in relation to the Territory's power system. Further, the commission must advise the minister, either on its own initiative or at the request of the minister, on other electricity supply industry and market policy matters.

Since 2001, to meet its legislated reporting requirements, the commission has published an annual PSR as a single document providing a review of past and current generation, network and retail performance, forecasts of system demand and supply reliability, and an assessment of the adequacy of the fuel supply.

During 2018-19, the commission undertook a stakeholder survey to gauge the usability and usefulness of the PSR. Following this, to improve the commission's annual reporting, the commission decided to split the PSR into three reports, namely:

- the 2017-18 Northern Territory Electricity Retail Review
- the 2017-18 Northern Territory Power System Performance Review
- the 2017-18 Northern Territory Electricity Outlook Report.

Each of these reports is discussed below, including a summary of key findings and recommendations.

### 2017-18 Northern Territory Electricity Retail Review

The 2017-18 Northern Territory Electricity Retail Review was published in March 2019 and focuses on electricity retail performance and quality of service provided to residential and small business electricity customers, defined as consuming less than 160 MWh per annum by the EIP Code.

The 2017-18 Northern Territory Electricity Retail Review focuses solely on Northern Territory retail performance and was the first report of its type in the Territory.

The review found, among other things:

- there was very limited retail competition in the Territory in 2017-18, particularly for small customers, and no indication of increased competition eventuating under current market conditions
- the Territory Government's community service obligation payment to electricity retailers lacks transparency for customers and industry and may be an associated barrier to competition
- while Jacana Energy has reported a 10.6 per cent reduction in complaints as a percentage of customers for 2017-18, there has been a significant increase in approaches to the Ombudsman NT
- a reduction in Ombudsman NT approaches may be achieved through putting in place obligations on all retailers to provide appropriate internal dispute resolution procedures. Accordingly, the commission will consider updating its Electricity Retail Supply Code to include associated obligations
- to date, there are no external dispute resolution services available to customers of privately owned electricity retailers, which the commission considers is a gap in customer protections
- over the last three years, the Territory has seen a continued reduction in the number of residential customers disconnected for non-payment. However, the number is still considered very high compared to other jurisdictions
- the commission is concerned by the high number of residential customer disconnections for non-payment given the low number of small customers reported to be on a hardship program and the lack of customer protections in the Territory
- the percentage of small business customers disconnected for non-payment in 2017-18 is significantly higher than reported in 2016-17, and significantly higher than in other jurisdictions

- the commission recommends the Territory Government introduces fit-for-purpose obligations on retailers to have an approved hardship policy in place for small customers that is appropriate for the Territory's circumstances, in line with electricity industry best practice.

The commission intends to further develop the Northern Territory Electricity Retail Review over the coming years. This will be achieved primarily with improvements to the data the commission receives from licensed retailers and the way it is used, including observing trends.

### 2017-18 Northern Territory Power System Performance Review

The 2017-18 Northern Territory Power System Performance Review was published in June 2019 and focuses on the 2017-18 generation and network performance of the regulated systems.

Overall, the review found the performance of the Territory's power systems in 2017-18 to be satisfactory, and in general the standards of service and adequacy of the network and generating units are being maintained. However, performance is inconsistent across the power systems and there are warning signs that are concerning, particularly in Alice Springs and Tennant Creek where observed generation and network performance, respectively, was poor.

This overall performance in 2017-18 was in the context of a year of transition and other challenges. This includes upgrades and testing of new generation in Alice Springs and Tennant Creek, a tropical cyclone in the north and increasing behind-the-meter solar PV generation across the Territory.

While there are differences across the three systems, in terms of the generation plant, network, customer demand and weather, through the review the commission identified some common trends and issues. These include issues related to the robustness of the power systems (ability to recover quickly when conditions change) and incorrect operations.

Given the generation upgrades in Alice Springs and Tennant Creek continued into 2018-19, and the rapid changes to demand and supply expected in all three systems in the near term as government implements its plan to achieve 50 per cent renewable generation by 2030, the ability for the systems to be agile to enable continued secure and safe operation is vital. To address the risks, the commission considers the need for overall:

- improvements to the performance and condition monitoring of existing generators
- better administrative procedures in terms of coordination and cooperation between licence holders
- better planning, including modelling of system changes and associated operations, by PWC Power Services in consultation with System Control and licensees.

The commission will continue to follow up on implementation of the associated recommendations and commitments made in its report.

## 2017-18 Northern Territory Electricity Outlook Report

The 2017-18 Northern Territory Electricity Outlook Report was published in June 2019 and focuses on the system demand and supply reliability outlook (2018-19 to 2027-28) for the regulated power systems, and an assessment of the adequacy of the fuel supply for electricity. Further, renewable capacity and impacts on demand and consumption at the regional level are forecast out to 2029-30 to align with the government's renewable energy commitment.

The commission considered two scenarios to provide insight into demand and supply impacts under different levels of renewable energy generation: a base (business-as-usual) scenario and a RE50% (50 per cent renewables by 2030) scenario, with the assistance of the Australian Energy Market Operator (AEMO). Both scenarios identified challenges over the outlook period.

The review found, among other things:

- under the base scenario, the generation capacity in the Darwin-Katherine power system is currently sufficient, if not over supplied. However, the commission forecasts capacity issues in 2026-27 and 2027-28 due to Territory Generation's planned retirement of generation at Channel Island and Katherine power stations
- under the base scenario, forecast unserved energy levels in Alice Springs are expected to fluctuate across the outlook period to 2027-28, primarily due to the timing of planned maintenance of generators at the Owen Springs power station occurring in the high demand summer periods and the connection of a large industrial facility to the network
- under the base scenario, Tennant Creek's electricity supply is forecast to be reliable with a negligible level of unserved energy, with no concerns for the remainder of the forecast period
- under the RE50% scenario, the commission found the generation capacity issues highlighted in the base scenario for the Darwin-Katherine and Alice Springs power systems are less severe due to additional solar PV being forecast to come on-line to achieve the target. However, capacity forecasts still show issues remain in relation to unserved energy
- the commission's RE50% scenario found curtailment (periods where supply exceeds demand) of large-scale solar PV starts significantly increasing midway through the forecast period. The greatest curtailment, in 2027-28, occurs in Alice Springs at around 41 per cent, with approximately 20 per cent forecast in Darwin-Katherine
- while storage and demand management (which come with additional costs) were not included in the modelling for this report, it is noted that without these solutions, every additional step towards 50 per cent renewables is increasingly more difficult, with increasing levels of solar PV required to be installed and substantial curtailment incurred
- in all three regulated systems, minimum demand is forecast to shift from the early morning to the middle of the day due to increased solar. Along with this shift, it is forecast that minimum demand will continue to decrease under the base scenario and, to a much greater extent, under the RE50% scenario. Minimum demand is forecast to reach zero in Alice Springs towards 2028-29



- maximum demand is forecast to remain largely unchanged from current levels, although occurring later in the day. Further, there will be intermittent renewable generation for periods such as extended cloud cover events during the monsoon. During both maximum demand and intermittent generation, additional solar PV generation alone cannot meet system demand
- the investment required to address decreasing minimum demand, shifts in maximum demand and intermittent renewable generation will significantly increase system costs over a business-as-usual scenario in order to achieve the 50 per cent target
- the commission is concerned the increase in costs to address the challenges will negatively impact Territory consumers either directly through increased costs or indirectly through increased community service obligation payments to retailers, which government funds to account for the shortfall between the cost of supply and the regulated tariffs.

The commission recommends the Territory Government, in progressing towards its 50 per cent renewable energy target, builds on the commission's modelling and comprehensively assesses the most economic and technically feasible pathway to ensure the long-term interests of consumers and taxpayers are protected.

## Compliance

### System Control incident reporting

Under the SCTC, the system controller is required to report power system incidents that occur within the parameters of the Code to the commission. The commission's view is that this incident reporting is vital to ensure that System Control is identifying and addressing problems with relevant system participants, and learning lessons from this to, among other things, ensure ongoing reliability and quality of electricity services and supply.

During 2018-19, the commission asked relevant system participants if the current form of System Control incident reporting is useful. The commission's informal investigation identified a number of issues with the incident reporting process, such as an electricity business not receiving the incident reports and another receiving the incident reports, but not directing them to the relevant technical officer. The issues identified by the commission were quickly and easily rectified by the relevant businesses and immediately improved the usefulness of the incident reports.

Also during 2018-19, the commission met with System Control and the PWC Chief Executive Officer to discuss the commission's concerns in relation to the number of outstanding and late System Control incident reports. Through further discussions and subsequent correspondence, the commission has been assured by PWC that it will clear all outstanding incident reports greater than six months old by the end of the 2019 calendar year, and consider potential options, including changes to the SCTC, that may reduce System Control's incident reporting burden without putting the reliability and quality of electricity services and supply at risk.

## Safety Management and Mitigation Plan

A Safety Management and Mitigation Plan (SMMP) is a licence condition for all generation and network licences issued by the commission. The commission considers the SMMP in consultation with the Electricity Safety Regulator.

The commission regards a SMMP as a good representation of a licence holder's policies, procedures, systems and strategies to ensure the safety of employees, contractors and the public around electricity infrastructure. The commission encourages licence holders to continually update and improve their plans to ensure the plan remains consistent with good electricity industry practice.

During 2018-19, the commission considered and approved three updated SMMPs, noting that the commission's approval does not detract from the relevant board's responsibility in relation to ensuring safety, including public safety, as it relates to licensed operators. The commission also considered proposed SMMPs for two new generators which were not approved, as the associated infrastructure had not been fully designed or built. The licensees were advised to resubmit a SMMP for the commission's consideration once the design of generation is complete.

## Complaint investigation

Under section 48 of the *Electricity Reform Act 2000* the commission must investigate complaints against any electricity entity made on the grounds the entity is engaging in conduct contrary to the objects of the *Electricity Reform Act 2000* or the *Utilities Commission Act 2000*. The commission is exempted from investigating if it believes the complainant is not, or unlikely to be, adversely affected by the alleged complaint, the complainant has not shown a genuine attempt to resolve the complaint with the electricity entity, or the complaint is frivolous or vexatious.

During 2018-19, the commission did not receive any formal complaints from parties in relation to licensed electricity entities.

## Advice to the minister

The commission provides independent advice to the minister on matters such as utility pricing, access to infrastructure, service quality and security of supply.

Advice to the minister can be provided:

- when the minister refers a matter to the commission for inquiry under Part 7 of the *Utilities Commission Act 2000*. Inquiries conducted under Part 7 of the *Utilities Commission Act 2000* are public inquiries and the commission's final report must be tabled in the Legislative Assembly
- when the minister requests advice from the commission in accordance with section 6(1)(g) of the *Utilities Commission Act 2000*. The minister may include a requirement in the terms of reference that the report setting out the commission's findings and recommendations remains confidential to government.

The commission is also empowered to provide advice to the minister at its own initiative on the operation of the *Electricity Reform Act 2000*.

During 2018-19, the commission did not receive any requests from the minister for formal advice.

# 5 | Water supply and sewerage services



## Responsibilities under *Water Supply and Sewerage Services Act 2000*

The commission is responsible for certain regulatory functions in the water supply and sewerage services industries. Its activities relate mainly to licensing, price regulation and some compliance monitoring.

The *Water Supply and Sewerage Services Act 2000* regulates the Territory's water supply and sewerage services industries to:

- promote the safe and efficient provision of water supply and sewerage services
- establish and enforce standards of service in water supply and sewerage services
- facilitate the provision of financially viable water supply and sewerage services
- protect the interests of customers.

The *Water Supply and Sewerage Services Act 2000* and the Administrative Arrangements Order allocate ministerial responsibility for the *Water Supply and Sewerage Services Act 2000* as summarised below:

- the Minister for Health is responsible for quality of drinking water (s.46)
- the Minister for Renewables, Energy and Essential Services is responsible for making a determination in relation to the commission taking over operations (s.32(1) and (5)), approving a code for connections, upgrade of connections and increased loads on a licensee's infrastructure (s.52(2)), appointing a services officer and associated identity card form (s.55(1) and 57(2)), declaring a water supply or sewerage services extension area (s.61(1)) and dealing with a dispute between a licensee and agency in relation to carrying out work on public land (s.63(5), (6) and (7))
- the Treasurer is responsible for provisions including, among other things, declaration of water supply and sewerage services licence areas (s.8 and 9), setting licence application and annual fees, approving varied terms or conditions of a licence (s.20(1)), approving the commission to grant an exemption (s.26(1)), approving an authorised officer (s.35(1)), approving conditions under licence (s.42(1), (3) and (4)), specifying minimum standards that a licensee must meet in providing water supply or sewerage services to customers (s.45(1)), issuing a pricing order to regulate the prices for the sale of water supply and sewerage services (s.60(1) and (7)) and restricting the consumption of water or use of sewerage services (s.80).

## Licensing

The commission issues licences to persons wishing to carry on operations in the Territory's water supply and sewerage services industries under a sole supplier model.

Specific geographical areas may be declared by the minister, by way of a notice in the Gazette, to be a water supply or sewerage services licence area pursuant to sections 8 and 9 of the *Water Supply and Sewerage Services Act 2000*.

A licence is required for the provision of water supply and sewerage services within an area gazetted under the *Water Supply and Sewerage Services Act 2000*.

For each water supply or sewerage service within a licence area, the commission may only grant a single licence for each of the relevant services provided. The commission is not empowered to issue licences for service provision that takes place outside a water or sewerage licence area.

The commission must make a water supply or sewerage services licence subject to conditions approved by the minister.

As at 30 June 2019, PWC held two licences under Part 2 of the *Water Supply and Sewerage Services Act 2000* for:

- water supply
- sewerage services.

A general exemption from the need to hold a licence is also in effect for entities on-supplying water services within prescribed licence areas. This is conditional on the person having been granted approval of the licensee of the water supply licence area to perform on-supply operations in the water supply licence area.

During 2018-19 there were no applications for water or sewerage licences or exemptions, and no variations applied for or made to the terms and conditions of existing licences.

## Price regulation

Water and sewerage prices paid by customers, whether residential or commercial, are regulated by the Territory Government through a pricing order made by the Treasurer under section 60 of the *Water Supply and Sewerage Services Act 2000*.

On 13 June 2018, the Treasurer issued a Water Supply and Sewerage Services Pricing Order to regulate associated prices from 1 July 2018 for 12 months to 30 June 2019.

The commission is required to enforce compliance with the Water Supply and Sewerage Services Pricing Order as if the order were a determination of the commission under the *Utilities Commission Act 2000*. As at 30 June 2019, the commission was not aware of any breaches to this Pricing Order.

## Water supply and sewerage services asset management plans

PWC is required to maintain and implement asset management plans for its water supply and sewerage services infrastructure, and each year submit an updated copy of the plan to the commission. The commission considers the plans to be useful tools for monitoring and planning for the efficiency of future capital investment.

On 31 October 2018, PWC submitted to the commission its water and sewerage asset management plans for the major and minor centres in accordance with section 48 of the *Water Supply and Sewerage Services Act 2000* and clauses 12.2 of PWC's water supply and sewerage services licences.

The commission reviewed and noted PWC's asset management plans. As the asset management plans contained additional information not relevant to the commission's functions and responsibilities, the commission provided appropriate copies to the Minister for Renewables, Energy and Essential Services and the Minister for Health.

## Service performance

The commission has no role in developing service standards in the water and sewerage industries.

Minimum standards that a licensee must meet in providing water supply or sewerage services to customers may be set by the Treasurer in accordance with section 45 of the *Water Supply and Sewerage Services Act 2000*.

As of 30 June 2019, no service standards have been set by the Treasurer, and subsequently no service standard monitoring functions have been assigned to the commission.

## Advice to the minister

During 2018-19, the commission did not receive any requests from the minister for advice in relation to water supply and sewerage services.



# |A ppendices



## Appendix A: Utilities Commission meetings and major decisions

Table A1: Commission meetings

Commission meeting	Location	Pat Walsh <sup>1</sup>	Lyndon Rowe	Richard Owens
6 July 2018	Phone	Present	Present	Present
9 August 2018	Darwin	Present	Present	Present
13 September 2018	Phone	Present	Present	Present
20 September 2018	Darwin	Present	Present	Present
19 October 2018	Phone	Present	Present	Present
16 November 2018	Darwin	Present	Present	Present
14 December 2018	Darwin	Present	Present	Present
8 February 2019	Darwin	n.a.	Present	Present
14 March 2019	Phone	n.a.	Present	Present
5 April 2019	Darwin	n.a.	Present	Present
13 June 2019	Phone	n.a.	Present	Present

n.a.: not applicable

<sup>1</sup> Dr Patrick Walsh resigned as Utilities Commissioner as of 31 December 2018, with Mr Lyndon Rowe commencing in the role from 1 January 2019.

Table A2: Major decisions

Date	Agenda item	Item	Industry
23-Jul-18	OOS no. 1	Approved the Draft Report for the 2018 Ports Access and Pricing Review, including publication.	Ports
9-Aug-18	2.1	Approved a generation licence being issued to Batchelor Solar Farm Pty Ltd.	Electricity
	2.2	Endorsed the process to assess Power and Water Corporation's (PWC) system control charges submission.	Electricity
23-Aug-18	OOS no. 2	Approved the Origin Energy Retail No.2 Pty Ltd Licence Exemption Application - Issues Paper.	Electricity
20-Sept-18	2.1	Approved a generation licence being issued to Trutinator NT Pty Ltd (Trutinator), subject to conditions.	Electricity
	2.2	Endorsed a retail licence exemption being issued to Origin Energy Retail No.2 Pty Ltd, subject to conditions, including the minister's approval.	Electricity
	2.4	Endorsed a review of the commission's licensing regime.	Electricity
4-Nov-18	OOS no. 3	Endorsed the Commissioner approving an increase to the order for legal services for the ports access and pricing review.	Ports
8-Nov-18	OOS no. 4	Approved the 2018 Ports Access and Pricing Review Final Report.	Ports
16-Nov-18	2.1	Approved a generation licence being issued to Infigen Energy NT Pty Ltd, subject to conditions.	Electricity
	2.3	Approved the Licensing Fact Sheet and Checklist.	Electricity
	2.4	Approved a Direction being issued and published on the commission's website to address Electricity Industry Performance (EIP) Code errors and variations, and to undertake the proposed process to vary the EIP Code.	Electricity
	2.5	Approved the Annual Compliance Report for 2017-18, including publication.	Electricity
	2.6	Endorsed the Commissioner writing to the Chief Minister acknowledging the government's renewable energy and electricity market reforms and offering the assistance of the commission to deliver the Plan as considered appropriate.	Electricity
	2.7	Approved the draft annual report on material instances of non-compliance with the Port Access Policy and Determinations for 2017-18, including publication, once provided to the minister and tabled in the Legislative Assembly.	Ports
	2.9	Approved the System Control Charges Review Issues Paper, including publication.	Electricity
2-Dec-18	OOS no. 5	Approved the 2019-2022 Prescribed Port Services Draft Price Determination for the Port of Darwin, including publication.	Ports
14 Dec-18	2.2	Approved writing to the PWC Chief Executive Officer advising of the commission's concerns in relation to outstanding System Control incident reports as required under the System Control Technical Code (SCTC).	Electricity
	2.3	Approved Territory Generation's proposed updated (2018) Safety Management and Mitigation Plan (SMMP), subject to addressing any potential feedback from the Electricity Safety Regulator, NT Worksafe.	Electricity
20-Dec-18	OOS no. 6	Approved the engagement of Hydro Electric Corporation (trading as Entura) to provide expert services for the 2017-18 Northern Territory Electricity Outlook and Power System Performance reports (previously referred to as the Power System Review).	Electricity
30-Dec-18	OOS no. 7	Approved the engagement of ACIL Allen to provide expert services for the System Control Charges Review.	Electricity

continued

Date	Agenda item	Item	Industry
10-Jan-19	OOS no. 8	Approved the transfer of Katherine Solar Pty Ltd's generation licence to Eni Australia Limited, subject to conditions.	Electricity
8 Feb-19	2.1	Did not approve Batchelor Solar Farm Pty Ltd's proposed SMMP, noting a revised SMMP must be submitted for the commission's consideration once the design of Batchelor Solar Farm Pty Ltd's generation system is complete.	Electricity
	2.2	Approved the Utilities Commission's Strategic Plan 2019-2021 and 2019 Priorities, including publication.	All
13-Feb-19	OOS no. 9	Approved the 2019-2022 Prescribed Port Services Final Price Determination for the Port of Darwin, including publication.	Ports
14-Mar-19	2.1	Approved the 2017-18 Northern Territory Electricity Retail Review report, including publication.	Electricity
18-Mar-19	OOS no. 10	Approved the Draft Decision for the System Control Charges Review, including publication.	Electricity
27-Apr-19	OOS no. 11	Approved the Final Decision for the System Control Charges Review, and the associated system control charges approval instrument, including publication.	Electricity
19-May-19	OOS no. 12	Approved the Issues Paper for the Northern Territory Electricity Ring-fencing Code and Guidelines Review, including publication.	Electricity
23-May-19	OOS no. 13	Approved execution of the Consultancy Agreement between the commission and the Electricity Generation and Retail Corporation (trading as Synergy) under the Commission's Common Seal.	Electricity
1-June-19	OOS no. 14	Approved the Deputy Under Treasurer, Department of Treasury and Finance, to be an authorised representative of the Utilities Commission for the purpose of signing the Variation to Services Agreement between the Australian Energy Market Operator and the Utilities Commission.	Electricity
13-Jun-19	2.1	Approved PWC's updated SMMP.	Electricity
	2.2	Did not approve Trutinator's proposed SMMP, noting a revised SMMP must be submitted for the commission's consideration once the design of Trutinator's generation system is complete.	Electricity
	2.3	Approved the draft amended Electricity Retail Supply Code and associated Statement of Reasons, including publication.	Electricity
	2.4	Approved the publication of a statement about the changes to port charges at the Port of Darwin on the commission's website.	Ports
	2.5	Approved the 2017-18 Northern Territory Power System Performance Review report, including publication.	Electricity
	2.6	Approved the 2017-18 Northern Territory Electricity Outlook Report, including publication.	Electricity
	2.7	Approved writing to PWC regarding concerns with the proposed amendments to the SCTC regarding System Control incident reporting, whilst acknowledging its commitment to clear the backlog of all outstanding incident reports older than six months, from the initial incident, by the end of the 2019 calendar year.	Electricity

## Appendix B: Expenditure and receipts

The Utilities Commission is established as a separate administrative unit within the Department of Treasury and Finance. The commission does not separately compile its own financial statements, but its activities are included in the consolidated financial statements provided in the Department of Treasury and Finance's Annual Report.

This appendix publishes the expenditures of the commission funded directly from consolidated revenue, through the Department of Treasury and Finance, as well as the associated receipts.

Table B1: Expenses by category of cost

	2017-18	2018-19
	\$000	\$000
<b>EMPLOYEE EXPENSES</b>	<b>453</b>	<b>475</b>
<b>GENERAL EXPENSES</b>	<b>607</b>	<b>877</b>
Regulatory/commission expenses	159	218
Expert advice (including legal)	437	638
Office expenses, administration etc.	9	13
Recruitment and training	2	8
<b>TOTAL EXPENSES</b>	<b>1060</b>	<b>1352</b>

Table B2: Licence fees and charges

	2017-18	2018-19
	\$000	\$000
<b>FEES AND CHARGES</b>		
Licence application fees	6	5
Electricity licence fees	438	454
Water and sewerage licence fees	50	50
<b>TOTAL REVENUE</b>	<b>493</b>	<b>509</b>

Notes: Section 19 of the *Utilities Commission Act 2000* provides that, unless otherwise directed by the minister, fees and other monies received by the commission are paid into the Consolidated Revenue Account. No such direction has been issued.

The licence fee schedule was approved by the minister effective 1 July 2013, to reflect a reasonable contribution towards administrative costs of the commission.

## Appendix C: Advisers to the Utilities Commission

In 2018-19, the Utilities Commission used the services of various consultants and legal services. Total fees paid to consultants was \$0.463 million, compared with \$0.346 million in the previous year. Total costs for the year were \$0.176 million for legal expenses, compared with \$0.091 million in the previous year.

The commission engaged consultants and legal advisers in 2018-19 that included:

- ACIL Allen Consultants, for economic advice in relation to the commission's review of system control charges
- Electricity Generation and Retail Corporation (trading as Synergy), to provide technical advice regarding renewable energy modelling
- Allens Linklaters, for legal advice on a number of minor legal issues and in relation to the review of the Electricity Retail Supply Code
- Australian Energy Market Operator, to assist the commission with the development of, and modelling undertaken for, the 2017-18 Northern Territory Electricity Outlook Report
- Entura, to assist the commission with technical advice relating to the 2017-18 Northern Territory Power System Performance Review
- Johnson Winter & Slattery Lawyers, to provide legal advice regarding the port regulatory regime, including the Ports Access and Pricing Review, Price Determination and a review of negotiated agreements
- WSP (formerly WSP/Parsons Brinkerhoff), to provide technical advice to the commission relating to System Control's proposed generation performance standards.

## Appendix D: Publications and reports

Table D1: During 2018-19, the commission published the following reports and documents

Date released	Publication
July 2018	Power System Review 2016-17
August 2018	2018 Ports Access and Pricing Review – Draft Report Utilities Commission of the Northern Territory – Pricing Orders, Specified Procedures Licence Exemption Application Issues Paper – Origin Energy Retail No. 2 Pty Ltd Port of Darwin: Changes to Tariffs for Standard Charges for Prescribed Services effective 1 August 2018
September 2018	Annual Compliance Report 2016-17 Tropical Cyclone Marcus Natural Event Report: Electricity Industry Performance Code Approved Targets for Power and Water Corporation (Networks) 2019-20 to 2023-24
October 2018	Utilities Commission Annual Report 2017-18
November 2018	Annual Compliance Report 2017-18 Electricity Industry Performance Code Direction System Control Charges Review – Issues Paper
December 2018	Electricity Licensing Fact Sheet 2019-22 Prescribed Ports Services Price Determination for the Port of Darwin – Draft
February 2019	2019-22 Prescribed Ports Services Price Determination for the Port of Darwin – Final 2017-18 Annual Report to the Minister on Material Instances of Non-compliance for the Port of Darwin 2019-21 Strategic Plan and 2019 Priorities
March 2019	2017-18 Northern Territory Electricity Retail Review System Control Charges Review – Draft Decision 2018 Ports Access and Pricing Review – Final Report
April 2019	System Control Charges Review – Final Decision
May 2019	Northern Territory Electricity Ring-fencing Code and Guidelines Review – Issues Paper
June 2019	2017-18 Northern Territory Electricity Outlook Report 2017-18 Northern Territory Power System Performance Review Proposed Electricity Retail Supply Code and Statement of Reasons – June 2019

These publications can be viewed on the Utilities Commission's website:  
[www.utilicom.nt.gov.au](http://www.utilicom.nt.gov.au)

