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Lyndon Rowe  
Utilities Commissioner  
Utilities Commission  
GPO Box 915  
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Dear Commissioner

### **Electricity Retail Supply Code Review – Draft Decision Paper**

Thank you for the opportunity to make a submission in response to the Utility Commission's (**Commission**) proposed amendments to the Electricity Retail Supply Code (**Code**) and Draft Decision Paper (**Draft Decision Paper**) released on 31 October 2022.

In general, Jacana Energy supports the Commission's proposed amendments to the Code, however, has a few comments in relation to some additional amendments. The attached table sets out Jacana Energy's position of each of the issues considered by the Commission as set out in the Draft Decision Paper.

To summarise Jacana Energy's submission:

- **(Coordination Agreement)** Jacana Energy supports the Commission's proposed amendments to clause 4.1.1(b) of the Code to provide clarity on what should be included in a Coordination Agreement but maintains the position that the alternative model in Part 5 of the National Energy Retail Rules and Chapter 6B of the National Electricity Rules (with necessary amendments) is preferable such that a separate Coordination Agreement between PWC and a retailer would therefore not be required.
- **(Metrology)** Jacana Energy acknowledges the Commission's proposal not to remove clause 5.1.1 of the Code or amend the 'interval meter' obligation in the Code to a 'Type 1-4 meter' but notes that customers should be encouraged to replace Type 1-5 meters through appropriate programs and potential solutions to competition barriers should not be to incentivise customers to change retailers but rather to ensure that the regulatory framework supports customer choice.
- **(RoLR Provisions)** In relation to the retailer of last resort provisions, Jacana Energy is of the view that it would be preferable for the existing provisions to remain in the Code until alternative legislative arrangements are in force (see item 5 in attached table).
- **(Dispute Resolution)** Jacana Energy supports the Commission's proposed new clauses 11.4 and 11.5 of the Code however, Jacana Energy is of the view that the obligation in clause 11.5.5 should apply to all retailers and network providers (regardless of whether or not they are government owned corporations) (see item 7 in attached table).

- **(Hardship Policy)** Jacana Energy supports the Commission's proposed new clauses 12 and 13 but is of the view that clause 12 and 13 should be amended to set out the process that will be followed for the approval of hardship policies (see item 8 in attached table).
- **(Family Violence Policy)** Jacana Energy supports the Commission's proposed new clause 14 but is of the view that, for consistency and clarity, clause 14 should be amended to include the set out in rule 76K of the National Electricity Retail Rules (see item 10 in attached table).
- **(Account Errors)** Jacana Energy notes the Commission's comments on Jacana Energy's proposal in its Issues Paper submission relating to prescribing requirements in the Code relating to rectifying account errors and the Commission's proposal not to amend the Code. Jacana Energy requests the Commission considers this issue further (see item 11 in attached table).
- **(Verifiable Consent)** Jacana Energy supports the Commission's proposed amendments to the definition of 'verifiable consent' in the Code.

If you have any questions or wish to discuss any matter raised in this submission, please do not hesitate to contact me.

Yours sincerely



Selina Pollard  
Acting Chief Executive Officer  
**Jacana Energy**



# Attachment

## Electricity Retail Supply Code Review: Draft Decision Paper

### Jacana Energy Submission

	Draft Decision Paper Reference	Issue	Commission's proposed position / amendments	Jacana Energy's comments and considerations
1.	Section 2	Relevance of the Code	<ul style="list-style-type: none"> <li>The Commission has proposed to retain the Code.</li> </ul>	<ul style="list-style-type: none"> <li>Jacana Energy supports the Commission's position to retain the Code and has no further comments on this issue.</li> </ul>
2.	Section 3	Credit Support	<ul style="list-style-type: none"> <li>The Commission has proposed to amend the Code to introduce new clauses 3.2.6 to 3.2.12 so that the Code is largely consistent with the credit support requirements set out in Chapter 6B of the National Electricity Rules.</li> </ul>	<ul style="list-style-type: none"> <li>Jacana Energy supports the Commission's proposed amendments and has no further comments on this issue.</li> </ul>
3.	Section 4	Coordination Agreement	<ul style="list-style-type: none"> <li>The Commission has proposed to amend clause 4.1.1(b) of the Code to provide that a Coordination Agreement will be for specific identified matters.</li> <li>The Commission has proposed not to include specific details relating to the content of the clauses in the Coordination Agreement.</li> </ul>	<ul style="list-style-type: none"> <li>Jacana Energy supports the Commission's proposed amendments to clause 4.1.1(b) of the Code to provide greater clarity on what should be included in a Coordination Agreement.</li> <li>However, Jacana Energy maintains the position that the alternative model in Part 5 of the National Energy Retail Rules and Chapter 6B of the National Electricity Rules (with necessary amendments) is preferable and notes that if that model was adopted and implemented, a separate coordination agreement between PWC and the retailer would not be required.</li> </ul>
4.	Section 5	Metrology	<p><u>Removal of clause 5.1.1 of Code</u></p> <ul style="list-style-type: none"> <li>The Commission proposes not to remove clause 5.1.1 of the Code and noted a potential solution to the barrier to competition where PWC enables customers with an accumulation meter that wish to switch retailers access to a smart meter through its new and replacement smart meter program, rather than requiring the customers to pay more than \$600 each for a new meter.</li> </ul>	<ul style="list-style-type: none"> <li>It is Jacana Energy's view that potential solutions to competition barriers should not be to incentivise customers to change retailers but rather to ensure that the regulatory framework supports customer choice.</li> <li>Prioritising the rollout of smart meters to customers seeking to switch retailers is likely to lead to perverse outcomes, is administratively complex and does not facilitate an efficient delivery of smart meters to the broader community.</li> </ul>

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			<ul style="list-style-type: none"> <li>While recognising the above, customers should not be discouraged from seeking better retail outcomes for themselves because of prohibitively high new metering costs. A potential way to alleviate the competition restriction issues may be, for example, a customer who installs their own meter at their own cost will be reimbursed by the scheme 11 months from installation date.</li> </ul>
		<u>Type 1-4 Meter required to switch retailers</u> <ul style="list-style-type: none"> <li>The Commission proposes not to amend the requirement for an interval meter to switch retailers to require a Type 1-4 meter as defined in the NER (NT).</li> </ul>	<ul style="list-style-type: none"> <li>Jacana Energy acknowledges the Commission's proposal not to amend the interval meter obligation in the Code to a Type 1-4 meter.</li> <li>However, Jacana Energy maintains the position that customers should be encouraged to replace Type 1-5 meters through appropriate programs, noting the concerns raised in effectively rolling out the program as per above.</li> </ul>
5.	Section 7	Retailer of Last Resort <ul style="list-style-type: none"> <li>The Commission acknowledges that an effective, appropriate RoLR scheme is needed in the Territory and is committed to working with government towards this end.</li> <li>The Commission proposed to amend the Code to remove the clause 9 (RoLR clause) in its entirety and associated definitions.</li> </ul>	<ul style="list-style-type: none"> <li>Jacana Energy notes that, whilst the Commission provided that:               <ul style="list-style-type: none"> <li>removing the RoLR provisions in the Code will not create a gap, as suggested in PWC's submission, as a significant gap already exists in the context of deficient provisions; and</li> <li>the RoLR provisions cannot be amended under the current legislative framework to be effective and retaining ineffective provisions in the Code creates confusion and risk,</li> </ul>               it is difficult to see how there will not be a gap until alternative provisions are included.             </li> <li>Removing the provisions from the Code will mean that there are no RoLR provisions at all until alternative legislative arrangements are in place.</li> </ul>



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				<ul style="list-style-type: none"> <li>In Jacana Energy's view, it would be preferable for the existing RoLR provisions to remain in the Code but for the Code to make it clear that they will only apply until alternative legislative arrangements are in force.</li> </ul>
6.	Section 8	Life Support Equipment	<p><u>Exceptions to clause 10.6 – customer retailing prepayment meter despite requiring life support equipment</u></p> <ul style="list-style-type: none"> <li>The Commission proposes not to amend the Code to allow for exceptions to clause 10.6 whereby a customer could provide their explicit informed consent to retain a prepayment meter despite requiring life support equipment at their premises.</li> </ul>	<ul style="list-style-type: none"> <li>Jacana Energy supports the Commission's proposal not to allow exceptions to clause 10.6.</li> </ul>
			<p><u>Explicit obligation for retailers and network providers to comply with life support procedures outside major centres</u></p> <ul style="list-style-type: none"> <li>The Commission proposes to add new clause 10.7.10 to the Code that explicitly states that retailers and network providers must comply with their approved life support equipment procedures for outside major centres.</li> </ul>	<ul style="list-style-type: none"> <li>Jacana Energy supports the Commission's proposal to include new clause 10.7.10 in the Code.</li> </ul>
			<p><u>New obligation for retailers and network providers to review life support equipment procedures</u></p> <ul style="list-style-type: none"> <li>The Commission proposes to add new clause 10.7.11 to the Code that provides that retailers and network providers must review their life support equipment procedures for outside major centres at least once every three years and following a breach of approved life support equipment procedures.</li> </ul>	<ul style="list-style-type: none"> <li>Jacana Energy supports the Commission's proposal to include new clause 10.7.11 in the Code.</li> </ul>
7.	Section 9	Dispute Resolution	<ul style="list-style-type: none"> <li>The Commission proposes to add new clauses 11.4 and 11.5 to the Code to include internal dispute resolution obligations on retailers and network providers for handling customer complaints and disputes consistent with that in the NERL, amended for the Territory's circumstances.</li> </ul>	<ul style="list-style-type: none"> <li>Jacana Energy supports the Commission's proposal to include new clauses 11.4 and 11.5 into the Code.</li> <li>However, proposed clause 11.5.5, which relates to a retailer or network provider informing a customer of their rights and details relating to the NT Ombudsman, is only</li> </ul>

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			<p>expressed to apply to retailers and network providers who are government owned corporations.</p> <ul style="list-style-type: none"> <li>It is not clear to Jacana Energy why this obligation is only expressed to apply to retailers and network providers who are government owned corporations.</li> <li>It is Jacana Energy's view that this obligation should apply to all retailers and network service providers.</li> </ul>
8.	Section 10	<p>Hardship Policy</p> <ul style="list-style-type: none"> <li>The Commission proposes to amend the Code to add a new clause 12 'hardship policy – standard metered customers' and a new clause 13 'hardship policy – prepayment meter customers' which include obligations on retailers to develop, implement and comply with a Commission approved customer hardship policy for their standard metered customers and their prepayment meter customers that meets minimum requirements specified in the Code, which will generally align with that specified in the NERL.</li> <li>The Commission has proposed a 6 month transitional period from the commencement of the amendments for retailers to comply with the requirements of new clauses 12 and 13.</li> </ul>	<ul style="list-style-type: none"> <li>The Commission's proposed clause 12 of the Code is largely consistent with sections 43 to 47 of the NERL with the exception of including provisions equivalent to sections 45(1) and (2) which set out the process for approval of the hardship policies (and what happens if a policy is not approved) have not been included.</li> <li>Jacana Energy is of the view that proposed clause 12 and proposed clause 13 should be amended to set out the process for approval of hardship policies.</li> <li>Jacana Energy supports the Commission's proposed 6 month transitional period.</li> </ul>
9.	Section 11	<p>Regulation of Prepayment Meters</p> <ul style="list-style-type: none"> <li>In the Draft Decision Paper, the Commission proposes not to amend the Code to address Jacana Energy's concerns relating to the regulation of prepayment meters (with the exception of the amendments relating to having an approved hardship policy for prepayment meter customers) but has written to the Territory Government's Treasurer and various Ministers about addressing Jacana Energy's concerns.</li> </ul>	<ul style="list-style-type: none"> <li>Jacana Energy supports the Commission's position to involve the Territory Government's Treasurer and various Ministers to address Jacana Energy's concerns.</li> </ul>



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10.	Section 11	Family Violence Policy	<ul style="list-style-type: none"> <li>The Commission proposes to amend the Code to include a new clause 14 that requires retailers to develop a family violence policy, submit it to the Commission for approval, and publish, maintain and implement the policy as approved.</li> <li>The Commission has proposed a 6 month transitional period from the commencement of the amendments for retailers to comply with the requirements of new clause 14.</li> </ul>	<ul style="list-style-type: none"> <li>Jacana Energy supports the Commission's proposal to include obligations relating to retailers developing and implementing a family violence policy. However, whilst proposed clause 14 is largely consistent with Part 3A of the National Energy Retail Rules (<b>NERR</b>), proposed new clause 14 does not include a clause similar to rule 76K of the NERR which provides that: <ul style="list-style-type: none"> <li>If a retailer is unable to fulfil an obligation under a customer retail contract in complying with this Part, the retailer is not in breach of the contract.</li> <li>If an affected customer is unable to fulfil an obligation under their customer retail contract in using their preferred method of communication with the retailer in accordance with rule 76H(2), the customer is not in breach of the contract.</li> </ul> </li> <li>Jacana Energy is of the view that, for consistency and clarity, proposed new clause 14 should be amended to include the requirements set out in rule 76K of the NERR.</li> <li>Jacana Energy supports the Commission's proposed 6 month transitional period.</li> </ul>
11.	Section 11	Account errors	<ul style="list-style-type: none"> <li>In response to Jacana Energy's comments relating to managing account errors, the Commission has proposed not to amend the Code to prescribe: <ul style="list-style-type: none"> <li>requirements relating to more accurate metering and data records;</li> <li>more detailed obligations relating to billing requirements and accuracy; and</li> <li>a time limit for the correction of account errors.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Jacana Energy notes the Commission's comments in the Draft Decision Paper, however, Jacana Energy further notes that: <ul style="list-style-type: none"> <li>Where there are account/billing errors, PWC is only responsible for the impact the account billing error has on the network costs - even if PWC is at fault/error.</li> <li>The network costs are small portion of the charge that gets passed onto the customer.</li> <li>Therefore, in certain circumstances the retailer ends up wearing the generation and retailer cost despite not</li> </ul> </li> </ul>

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				<p>being at fault – this is a frequent occurrence resulting in loss of revenue for retailers.</p> <ul style="list-style-type: none"> <li>○ It would benefit retailers if the Code were amended to prescribe more detailed requirements as this would result in a better account / billing error rectification process and customer experience.</li> </ul>
12.	Section 11	Solar PV export	<ul style="list-style-type: none"> <li>• The Commission does not intend to proceed with amending the Code to clarify the roles and responsibilities in relation to solar PV exports and feed-in-tariffs as suggested by PWC.</li> </ul>	<ul style="list-style-type: none"> <li>• Jacana Energy supports the Commission's position on this issue.</li> </ul>
13.	Section 11	Definition of verifiable consent	<ul style="list-style-type: none"> <li>• The Commission has proposed to amend the definition of 'verifiable consent' so that: <ul style="list-style-type: none"> <li>○ the defined term applies to all references to 'verifiable consent' in the Code (as opposed to just in relation to a request for historical consumption data request form or a customer transfer request form); and</li> <li>○ verifiable consent can be given verbally (as long as it can be verified).</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Jacana Energy supports the Commission's proposal to amend the definition of 'verifiable consent'.</li> </ul>