

Annual Compliance Monitoring Report 2024-25

A summary and assessment
of compliance reports
received from licensees for
the 2024-25 financial year

January 2026

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Executive Summary

This compliance monitoring report provides a summary of the breaches of compliance obligations reported by electricity supply, water supply and sewerage services licensees for the 2024-25 period. This report also provides the Commission's assessment of, and any enforcement action it has taken in relation to, those breaches.

The following summarises the 2024-25 Annual Compliance Monitoring Report's key findings:

- one material breach was reported during 2024-25, in relation to a breach by the Power and Water Corporation (PWC) of its life support equipment customer protection obligations (see below)
- non-material breaches were reported by six licensed entities including PWC
- several licensees' submitted annual compliance reports which did not comply with the Commission's Compliance Framework and Reporting Guidelines (version 2), and were required to resubmit or provide further explanation in order for their annual compliance reports to be accepted by the Commission.



Life support equipment customers

In 2024-25, PWC reported a material breach of its life support equipment obligations, with electricity supply disrupted to two customers without the required notice. While PWC met the initial notification timeframes, it failed to submit its formal notification to the Commission by the required deadline, and the Commission remains dissatisfied with the timeliness with which PWC is implementing remedial actions.

PWC and Jacana Energy (Jacana) also reported non-material breaches of life support obligations, reinforcing the need for the Commission to continue to monitor licensees' implementation of remedial actions and future compliance.



Wrongful disconnections

Jacana reported fewer wrongful disconnections in 2024-25, but the improvement will only be meaningful if it is sustained over future periods.

The Commission investigated a customer complaint regarding Jacana disconnecting power at the pole rather than at the meter for non-payment. The Commission found Jacana's conduct was contrary to the objects of the ER Act as it failed to give the reasonable opportunity for the customer to provide access to the property and avoid the more costly fee associated with disconnection at the pole. Jacana refunded the customer the fee and advised it is improving disconnection procedures when there are access limitations at a property.



Compliance by PWC

In addition to its material life support breach, PWC reported 11 other instances of non-compliance. The Commission also identified further non-compliances not included in PWC's annual compliance report and has included them in this report. These matters include material non-compliance with communications protocols, failures to meet required timeframes, and on-going issues with identification of services and electricity officers.

The Commission is concerned and dissatisfied with PWC's management of, and approach to, compliance. This report sets out the Commission's assessment and reasons for its position.

1 | Introduction

The Commission is an independent statutory body established by the *Utilities Commission Act 2000* (UC Act) with defined roles and functions, including economic regulation of the electricity supply, water supply and sewerage services industries. The Commission is responsible for administering licensing of the electricity supply industry under the *Electricity Reform Act 2000* (ER Act) and water supply and sewerage services industry under the *Water Supply and Sewerage Services Act 2000* (WSSS Act). A licence is required for the following operations under the ER Act and associated regulations and the WSSS Act:

- the generation of electricity
- owning or operating an electricity network or a dedicated connection asset
- selling electricity (retail)
- monitoring and controlling the operation of a power system (system control)
- operating a wholesale market
- water supply services
- sewerage services.

Under the *Ports Management Act 2015*, the Commission also regulates access to and pricing of prescribed services provided by a private port operator and private pilotage provider of a designed port, currently Landbridge Darwin Port for the Port of Darwin. Compliance reporting by Landbridge Darwin Port is excluded from this report, but it is subject to separate reporting obligations under the *Ports Management Act 2015* and related regulatory instruments. Reports produced by the Commission relating to the port access and pricing regime can be found on the Commission's website at <https://utilicom.nt.gov.au/ports/reporting>.

The purpose of this report is to provide transparency on the compliance performance of relevant licensees. Further, the report promotes licensee accountability for rectifying breaches and informs how the Commission implements its approach to compliance.

Licensing and compliance reporting

Licensees are required to comply with the conditions of their licence and relevant laws, codes and other regulatory instruments. Obligations under these instruments provide important protections for customers and help ensure services are reliable, safe, efficient and cost-effective.

Each year licensees are required to report to the Commission on compliance with the requirements of their licence, relevant legislation, codes and other regulatory instruments, as well as their framework to support compliance. As part of reporting requirements, licensees submit an annual compliance report to the Commission, which declares, among other matters, instances of non-compliance (referred to as breaches) in the immediately preceding financial year.

The Commission's Compliance Framework and Reporting Guidelines (version 2) (Guidelines) require licensees to submit an annual compliance report addressing several matters, and including a Board declaration confirming that:

- an appropriate compliance framework is in place and meets licence requirements; and
- the licensee has complied with all licence obligations during the reporting period, except from those non-compliances disclosed in its compliance report.

The information sought by the Commission as part of the annual compliance report is consistent with the type of information that the licensee should be providing to its Board, with further information supplemented by an audit process from time to time.

The requirement to submit an annual compliance report does not extend to all licensees. For example, holders of independent power producer (IPP) and isolated system licences are not required to submit annual compliance reports, noting these are legacy arrangements. These licence holders are, however, required to comply with all applicable laws and regulatory instruments. Entities holding an exemption from the requirement to be licensed are also not required to submit an annual compliance report. The Commission does, however, require some licensees and exempted entities who do not provide annual compliance reports to provide annual confirmation that there have been no material breaches of licence conditions or other applicable regulatory instruments.

Classification and reporting of breaches

Breaches are classified as material or non-material under the Guidelines. Annual compliance reports must list all breaches; however, material breaches trigger immediate action by the licensee, as outlined below.

A breach is material if it has had, may have or could reasonably have had a serious consequence for a customer or regulated entity (or both). In assessing whether a consequence is “serious”, the licensee must consider:

- the number of customers or regulated entities affected
- the extent of any damage, disruption or financial impact
- whether consumer protections were contravened, including those for life support equipment customers or customers affected by family violence and
- the overall impact of the breach.

Licensees must also consider whether repeated non-material breaches, in aggregate, amount to a material breach.

Under the Guidelines, electricity licensees are required to notify the Commission of any material breach within two business days of becoming aware of that breach, with water supply and sewerage service licensees required to notify within three business days. The Guidelines also require the licensee to make its Chief Executive Officer (CEO or equivalent) and Board aware of any material breaches without delay.

If a licensee is in doubt as to whether a breach is material, the licensee should immediately notify the Commission and seek guidance.

The Commission’s approach to compliance

The Commission aims to promote compliance with regulatory obligations by granting licences on the condition that regulated entities:

- establish a compliance process
- report on identified material breaches
- undertake compliance audits and
- submit an annual compliance report and declaration.

The Commission requires licensees to establish, implement, maintain and comply with appropriate auditable internal policies, procedures and systems to ensure compliance (a compliance process). The compliance process must reflect industry best practice (*ISO AS 37301:2023 Compliance Management Systems* or equivalent). The requirement for a licensee to develop and maintain an adequate compliance process assists licensees to manage risk in a systematic and proactive manner. Failure to establish a compliance process is considered a breach of licence condition.

As part of the compliance process, licensees must maintain a compliance register which systematically identifies compliance obligations and the way which they impact on activities, products and services. The compliance register must be sufficiently detailed in identifying all of the licensed entity’s

compliance obligations. Licensees must appropriately assess risks associated with the compliance obligations listed in the compliance register.

Licensees must also have processes in place to identify new and changed laws, regulations, codes and other compliance obligations and evaluate the impact of the identified changes and implement any changes in the management of compliance obligations.

Monitoring and enforcement

The Commission primarily monitors licensees' compliance through audit requirements and material breach and annual compliance reporting. The Commission may also investigate complaints from members of the public, but this role is limited to investigating conduct that is contrary to the conditions of an electricity entity's licence, the ER Act or the UC Act and subject to the complaint meeting other conditions set out under Division 8 of the ER Act.

In most cases, where a breach has occurred, the Commission expects to resolve compliance matters with the regulated entity by requesting active steps be taken to remedy the breach. However, the Commission may escalate the matter to punitive action where appropriate.

The Commission exercises judgement and discretion in determining what enforcement action to take in response to a breach. Its response is guided by a risk-based assessment that considers the nature and impact of the breach, the licensee's compliance culture and history, the adequacy and timeliness of remedial actions and other relevant factors.

When a licensee identifies a breach, the Commission expects licensees to address matters promptly and proactively, taking steps to remedy the impact of a breach and prevent reoccurrence of similar breaches. However, where the Commission is not satisfied with the sufficiency of the licensee's actions, the Commission will request additional steps be taken. Should the licensee fail to respond to such a request, the Commission's response to the matter will escalate and could include taking more serious or punitive enforcement action.

The statutory enforcement instruments available to the Commission under legislation are limited and tend to be punitive such as a fine or recovery of amounts equal to any benefit to the licensee of contravening a licence condition. The Commission cannot impose fines or civil penalties itself and must seek a Court order for any such action. The Commission may also suspend or cancel a licence. These measures would typically only be applied in the most serious cases where other enforcement measures have not resulted in compliance, are not considered to be sufficient or where there is significant public benefit from applying statutory enforcements, for example, to deter others from engaging in similar conduct.

The Commission considers that transparency on compliance matters is in the public interest and that public scrutiny may incentivise licensed entities to maintain a positive reputation. To this end, the Commission publishes information on breaches in this report to inform the public of licensees' compliance performance. Reporting is not limited to identifying deficiencies; the Commission also acknowledges instances where remedial action delivers improved consumer protections or other positive outcomes. The Commission notes that proactive identification, reporting and rectification of breaches also demonstrates a robust compliance framework and an appropriate compliance culture.

2 | Licensees' compliance reporting

Most licences issued by the Commission require the licence holder to provide an annual compliance report to the Commission. As shown in **Table 1**, for 2024-25, 14 licensees submitted annual compliance reports relating to 21 licences. Under clause 5.1.2 of the Guidelines, all licensees are required to submit their annual compliance reports by the due date of 30 September 2025.

Table 1 Summary of licensees' compliance reporting 2024-25

Licensee	Licence held	Breaches reported		No breaches reported
		Material	Non-material	
Assure Energy Asset Pty Ltd (Assure Energy)	Generation			X
BSF Co Pty Ltd as trustee for the BSF Unit Trust (BSF)	Generation			X
Darwin International Airport Pty Limited (DIA)	Generation		X	
EDL Jabiru Pty Ltd (EDL Jabiru)	Generation			X
EDL NGD (NT) Pty Ltd (EDL NGD)	Generation, Retail			X
Eni Australia Limited and Eni New Energy Batchelor Pty Ltd (Eni ENEB)	Generation		X	
Eni Australia Limited and Eni New Energy Katherine Pty Ltd (Eni ENEK)	Generation		X	
Eni Australia Limited and Eni New Energy Manton Dam Pty Ltd (Eni ENEMD)	Generation		X	
HCPS Co Pty Ltd as trustee for the HCPS Unit Trust (HCPS)	Generation			X
Next Business Energy Pty Ltd (Next Business Energy)	Retail			X
Power and Water Corporation (PWC)	Generation, Network, Retail, Sewerage Services, System Control, Water Supply	X	X	
Power Generation Corporation trading as Territory Generation (TGen)	Generation, Retail			X
Power Retail Corporation trading as Jacana Energy (Jacana)	Retail		X	
Rimfire Energy Pty Ltd (Rimfire)	Retail			X

Eight licensees reported no instances of non-compliance (breaches) in their 2024-25 compliance reports. Nonetheless, the Commission does not infer that a licensee's report of zero breaches necessarily indicates favourable compliance outcomes. This can sometimes arise from deficiencies within the licensee's compliance processes.

The Commission is aware of breaches during 2024-25 that were not disclosed by licensees. This awareness is based on information obtained from various sources, including complaints and interactions with licensees and exempt parties. These breaches are also discussed in this report.

Some licensees were not required to submit an annual compliance report and are excluded from Table 1 above.

The conditions of the Commonwealth Department of Defence's retail licence do not require the Department of Defence to submit an annual compliance report; however, they are required to report on material breaches each year under their licence return. No material breaches were reported by this licensee for 2024-25.

IPPs are exempt from the requirement to provide annual compliance reports; however, the Commission requests that IPPs confirm that there have been no material breaches of licence conditions or other applicable regulatory instruments as part of their annual licence return reporting processes. All five IPPs advised there had been no material breaches in 2024-25. The Commission notes, however, that Uterne Power Plant and TKLN Solar submitted their annual returns after the due date of 1 August 2024, which was a non-material breach of condition 8.1 of their IPP licences.

The Groote Eylandt Mining Company Pty Ltd holds an isolated system licence and is only required to declare material breaches. Groote Eylandt Mining Company Pty Ltd advised there had been no material breaches in 2024-25.

There are parties operating in the Territory's electricity industry that are exempt from the requirement to hold a licence and are not required to provide an annual compliance report. They are, however, required to comply with the conditions of the exemption under which they operate.

RTA Gove Pty Ltd (RTA Gove) holds an exemption under section 87 of the ER Act which relieves it from the requirement to hold a licence for its electricity operations in Nhulunbuy. The Commission requests RTA Gove confirm, as part of its annual licence return, that there have been no material breaches of its obligations under the section 87 exemption. For the 2024-25 reporting period, RTA Gove indicated that there were no material breaches; however, the Commission notes that RTA Gove submitted its safety management and mitigation plan for approval after the due date. The delay constituted a non-material breach of condition 2(h) of RTA Gove's section 87 exemption, as amended in June 2024. The Commission approved the safety management and mitigation plan on 17 October 2024 and no action in relation to the non-compliance is proposed.

The Commission recognises that the reporting of breaches serves as an indicator of the effectiveness of a licensee's compliance processes and demonstrates the licensee's accountability in addressing and remediating underlying issues to improve compliance. Consequently, the act of reporting of breaches alone should not be perceived as a negative reflection on a licensed entity. Further, it is important to note that certain entities may report a higher number of breaches due to their larger and more complex operations.

3 | Compliance with requirements for annual compliance reports

The Commission amended the Guidelines in 2023-24 (version 2) with these taking effect on 28 October 2024. Clause 5.1 of the Guidelines outlines the requirement to lodge an annual compliance report by 30 September each year. The report must be approved and signed by both the chair of the board and CEO of the licenced entity. The Guidelines indicate that signing arrangements may include individuals holding different titles who have been formally delegated equivalent, provided the licensee gives advance notice and sufficient explanation (as specified clause 5.1.3). Additionally, in consideration of other corporate structures, a licensee may propose reasonable alternative arrangements for sign-off for the Commission to approve (clause 5.1.4).

Clause 5.2 of the Guidelines outlines requirements for the content of the annual compliance report, which must contain the information specified in the template provided in Annexure 3 of the Guidelines, as well as a declaration affirming that the licensed entity maintains a robust and effective compliance process. Annexure 3 provides a template for licensees to use for their annual compliance report including a template declaration. The Commission's 2023-24 Annual Compliance Monitoring Report advised that, in accordance with clause 5.2 of the Guidelines, compliance reports for the 2024-25 period must adhere to the prescribed template. Furthermore, the Commission communicated directly with licensees who did not follow the previous template for their 2023-24 compliance report, advising of the approach moving forward.

As noted in the previous chapter, all licensees submitted their annual compliance reports by the due date, with most using the template provided at Annexure 3 of the Guidelines. Some licensees made minor modifications to the wording in the template; however, these did not alter the intent or purpose of the clauses, and therefore the Commission accepted their reports. However, four licensees were required to resubmit their report due to the use of an outdated template, omission of required information or alterations to the wording of the template declaration that rendered it non-compliant with the Guidelines.

Additionally, it is concerning that several licensees had individuals other than the chair of the board and CEO sign their annual compliance report without prior notice and explanation of the alternative arrangements. These licensees were contacted regarding their non-compliance, as adherence to the Guidelines is a condition of their licences and were requested to provide explanation for their alternative arrangements. The Commission expects that in the future it will not be necessary to take further action to ensure there is conformity with requirements.

4 | Non-compliance relating to life support customers

In 2019, the Commission varied its Electricity Retail Supply Code (ERS Code) to include, among other things, strengthened protections for customers requiring life support equipment at their premises (life support customers). This addressed the lack of formal protections under the ER Act or other legislation, which posed a significant risk to these vulnerable customers. The ERS Code was again amended in 2023 to strengthen protections for life support customers.

Clause 10 of the ERS Code places obligations on retailer and network providers to advise each other of life support customers, keep updated registers of these customers and undertake specific actions designed to protect life support customers in relation to interruptions and disconnection. For the purposes of the provisions under clause 10 of the ERS Code, life support customers are persons who have medical confirmation that a person residing, or intending to reside at the customer's premises requires any of the following equipment:

- an oxygen concentrator
- intermittent peritoneal dialysis machine
- a kidney dialysis machine
- a chronic positive airways pressure respirator
- crigler najjar syndrome phototherapy equipment
- a ventilator for life support and
- in relation to a particular customer – any other equipment that a registered medical practitioner certifies is required for a person residing at the premises for life support.

Any non-compliance with the life support provisions in the ERS Code is a serious matter as the failure to comply with these obligations could have detrimental and even fatal consequences.

Material breaches - PWC

Failure to notify life support customers of a planned interruption

ERS Code clause 10.4B.1(d) requires a network provider to give a life support customer at least four business days written notice of a planned interruption to electricity supply, or alternatively, obtain the life support customer's consent to the interruption occurring on a specified date. While electricity supply can never be guaranteed, and unplanned interruptions to electricity supply do occur, the obligation is intended to mitigate the risk associated with interruptions and assist life support customers plan for and manage interruptions to the extent possible.

In May 2025, PWC notified the Commission of a material breach of clause 10.4B.1(d) of the ERS Code in failing to notify a life support customer of a planned power outage electricity supply. PWC advised it was alerted to the failure when the customer contacted PWC to advise they had not received notification of an outage affecting one of their properties. PWC advised support was arranged to assist the customer during the outage and follow-up by PWC confirmed the customer experienced no ongoing impacts.

PWC's investigation into the incident subsequently found that a second life support customer was not notified of the outage. PWC contacted the customer who advised they were not reliant on life support equipment and not adversely affected by the outage. This breach was not reported separately, with the Commission agreeing to its inclusion in the formal notification for the incident.

While PWC met its obligation to provide the initial notification of the material breach within two business days of becoming aware of the incidents, it did not meet the requirement to provide its formal notification of the material breach within 20 business days. Instead, PWC requested an extension of time on the date that the formal notification was due, which constituted a breach of clause 12.1 of its network licence which provides reporting timeframes. PWC reported this as a non-material breach in its 2024-25 annual compliance report.

The formal notification provides the Commission with important information on the circumstances, reasons for and consequences of the breach in addition to remedial action being undertaken to rectify the breach. PWC submitted its formal notification eight business days after the due date (nearly a month and a half after the incident occurred).

PWC's formal notification was accompanied by an initial remedial action plan responding to the material breach. A revised (final) plan was to be provided by late June 2025, but this was not received until early July 2025 (two months after the incident) due to delays in PWC's internal review processes. PWC's final remedial action plan comprised nine actions, of which only one had been completed. Of the remaining actions, the majority were targeted for completion by the end of November, with one by the end of December. These include actions to improve life support SMS outage notification processes and training for operational staff involved in the life support outage notification process.

The Commission commends PWC's support for the affected customer on learning they were without power and considers the remedial actions taken or committed to by PWC in response to the breach to be reasonable. Nonetheless, the Commission is dissatisfied with the timeliness of implementing the actions. The delayed implementation means a continued risk of life support customers not being notified of planned electricity outages, as the contributing factors and underlying causes identified in PWC's investigation remain unaddressed.

The Commission wrote to PWC seeking explanation as to why its remedial actions cannot be implemented in a timelier fashion and requested a response be provided with PWC's 2024-25 annual compliance report due at the end of September. PWC did not meet this timeframe, eventually providing a response to the Commission in late November. PWC did not improve its timeframes for implementing remedial actions. PWC will provide a progress update to the Commission on implementing its remedial actions in December 2025 after which the Commission will decide if further enforcement action is needed.

The Commission's experience with this material breach exemplifies what it views as a deterioration in PWC's compliance performance during 2024-25 and 2025-26. This is further reinforced by PWC's response to a non-material breach of life support provisions discussed below. The next chapter discusses other non-compliance by PWC along with other commentary on PWC's compliance performance and the Commission's approach going forward.

Non-material breaches

PWC

Failure to register a life support customer within 1 business day

Clause 10.3D.1 of the ERS Code requires a network provider to register, within one business day of receiving advice from the retailer, that a person residing or intending to reside at the customer's premises requires life support equipment. Both the retailer and the network provider are required to register life support customers under the ERS Code, which aims to mitigate risks to these customers and aligns with customer protections in other jurisdictions.

PWC reported that a life support customer was incorrectly deregistered as part of a bulk de-registration request from a retailer for customers no longer needing life support protections. Although a correction notice was received from the retailer the following day, the customer's life support status was not reinstated until the error was identified during a reconciliation process. PWC advised there was no impact on the customer; however, the affected customer's life support status was not visible in its system for 19 days. PWC acknowledged the situation may not have fully reflected the spirit of the protections outlined in the ERS Code, and indicated the incident created operational risk and highlighted weaknesses in the manual registration process. In response, PWC advised it undertook a process review to strengthen communication and verification between PWC and the retailer regarding bulk deregistration requests.

The Commission notes that during the 19-day period the customer was not identified as a life support customer in PWC's system, there was a risk that the customer would not receive notification of a planned interruption to electricity supply. This indicates a failure to provide the protections that the ERS Code mandates should be afforded. PWC's assessment of the situation is concerning and does not accurately reflect the potential risks involved. While PWC has not detailed the enhancements made to its processing bulk deregistration requests, the Commission expects the corrective actions implemented will adequately address the identified weaknesses and reduce the likelihood of a recurrence of this breach.

Jacana

Failure to provide information within five business days after receiving a life support notification

Clause 10.3A.1(b) of the ERS Code requires an electricity retailer to provide, in writing, a medical confirmation form and other specified information within five business days to a customer who has advised there is a person residing or intending to reside at their premises who requires life support equipment. The medical confirmation form is required to be returned by the customer to confirm the life support registration.

In its annual compliance report, Jacana advised there were two instances in 2024-25 where the medical confirmation form and associated information was not generated within the required five business days of receiving advice of a resident requiring life support equipment. Jacana identified that these incidents occurred due to customer care agents omitting a step in the life support registration process, and the missing correspondence was overlooked by staff reviewing the daily life support report. In response to the breach, Jacana advised it has undertaken the following remedial actions:

- updating of process instructions to clarify expectations
- provision of additional training
- implementing enhanced quality assurance and monitoring checks.

Additionally, Jacana reported that the Market Settlement and Transfer system, implemented in 2025, introduced a control check that triggers a life support registration activity requiring Jacana's verification. Jacana also noted that the medical confirmation form is publicly available on its website.

Jacana assessed that the breach was not material, submitting that it did not and could not have reasonably resulted in serious consequence for the customer. Jacana stated that the incident did not involve a contravention of a consumer protection as the customers remained registered as life support customers, the network provider was notified of the registration, and life support services were unaffected (there was no risk of deregistration due to the delayed letter). The Commission accepts Jacana's classification and is pleased that Jacana addressed the amended criteria for determining the materiality of a breach in the Guidelines.

More broadly, the Commission is satisfied that Jacana is taking non-compliance with life support provisions, as well as wrongful disconnections discussed in Chapter 6, seriously and actively seeking to improve its practices. Jacana has previously conducted internal audits to review the design and operating effectiveness of its life support customer processes, key controls, and disconnection practices to prevent wrongful disconnections. In 2024-25, Jacana reassessed the outcomes of these audits through a follow up audit. While some areas for resolution and improvement were found, the Commission acknowledges the auditor's concluding remarks that "Jacana has demonstrated significant progress in strengthening its life support and disconnection processes since the previous internal audits". The auditor also noted that "overall, Jacana has taken commendable steps to improve its life support and disconnection processes, noting opportunities to reinforce governance and maintain positive momentum".

5 | Non-compliance by PWC

In addition to the instances of non-compliance relating to life support customers discussed in the previous chapter, PWC reported 11 other breaches which are outlined in the sections below. There were also instances of non-compliance that PWC did not include in its annual compliance report but are discussed in this chapter. The chapter concludes with the Commission's views, and proposed approach going forward, on non-compliance by PWC.

Material non-compliance – NTESMO Communications Guideline

Clause S7A.1.3(a) of the Northern Territory National Electricity Rules requires PWC's Northern Territory Electricity System and Market Operator (NTESMO) to develop, maintain and publish a guideline detailing the implementation of metering and energy data and other information exchange processes will be implemented (Communications Guideline). NTESMO's initial version of its Communications Guideline had an effective date of 2 October 2023, which was subsequently changed to 1 September 2024.

In June 2023, the Commission amended its ERS Code to incorporate expiry clauses aimed at addressing overlap between the Communications Guideline and ERS Code's business-to-business service order provisions. These amendments clarified that, effective from the commencement date of NTESMO's Communications Guideline, all service order requests must be submitted in accordance with the Communications Guideline.

Due to delays in implementing operational systems, NTESMO consulted with stakeholders on extending the commencement date for its Communications Guideline but failed to make changes before the effective date. As a result, on 1 September 2024, the obligations in the ERS Code to comply with the Communications Guideline commenced, and the corresponding ERS Code service order provisions expired. This situation left market participants in a state of non-compliance with the ERS Code because they were unable to adhere to the Communications Guideline due to the necessary systems not being operational.

NTESMO sought to retrospectively change the effective date; however, this approach was not legitimate. The Commission subsequently wrote to the CEO of PWC requesting clarification on how NTESMO intended to address the situation, including communicating with relevant licensees. NTESMO's response was received on 1 October 2024 outlining the following actions:

- communicate with market participants to inform them of the situation and clarify the interim process, including that the (expired) ERS Code provisions should be followed until the market was ready to move to the Communications Guideline
- update its website and communication materials to remove the 1 December 2024 date from its attempted retrospective change and issue a clarification notice
- determine a realistic 'activation date' date for the Communications Guideline in consultation with market participants and request the Commission take 'no action' on non-compliance on behalf of Market Participants during the transition
- consult on amending the Communications Guideline to include the expired ERS Code provisions, which would enable all market participants to comply with the Communications Guideline and the ERS Code once those amendments are made.

NTESMO updated the Commission on its progress in implementing its remedial actions and submitted a formal request for regulatory leniency on behalf of market participants. The Commission agreed to take no action in relation to non-compliance during the transition (ending 30 January 2025). PWC's systems ultimately became operational in July 2025 and the Communications Guideline is now in proper effect.

The Commission notes NTESMO's non-compliance with the Northern Territory National Electricity Rules is primarily a matter for the Australian Energy Regulator. However, the Commission also notes that this situation constitutes a breach of clause 11.1(d) of PWC's system control licence, which requires compliance with all applicable laws. This breach should have been included in PWC's annual compliance report to the Commission.

Further, the breach was avoidable had NTESMO adhered to reasonable compliance practices. Instead, NTESMO's actions impacted market participants, and the Commission considers it to be a material breach. While the Commission does not intend to pursue further disciplinary action against PWC concerning NTESMO's non-compliance, this should not be construed as acceptance or tolerance of NTESMO's conduct.

Failure to reconnect customer

PWC advised that a customer was left without power for three days due to a service request for reconnection being marked in its system as complete when the reconnection was not physically carried out due to the premises being locked. PWC advised that once alerted to the error through a complaint to the retailer, its contractor team attended and confirmed power was connected. PWC advised it has reviewed its communication processes between contractors, PWC staff and retailers and has re-trained its service analysts to highlight access issues. The Commission considers PWC's remedial actions to be sufficient and notes PWC was prompt in connecting the customer once the error was identified.

Identification of services and electricity officers

Section 57 the WSSS Act requires PWC to issue a services officer an identity card which is in a form approved by the Minister. Section 58 of the WSSS Act requires a services officer, before exercising a power in relation to another person, to produce that identity card for inspection. Similar obligations exist in the ER Act in relation to electricity officers (sections 54 and 55).

The Commission's 2021-22 annual compliance monitoring report discussed a failure by services officers to show identification, a non-compliance that it became aware of via a customer complaint. As a result of that non-compliance, the Commission advised PWC to schedule an audit within the next two years to ensure the remedial actions in relation to the identity card breach were successfully embedded and effective at reducing the risk of future non-compliance.

In its 2023-24 annual compliance report, PWC reported a further breach, but this time in relation to section 55 of the ER Act, when its electricity contractors failed to produce their identity card for inspection when entering a property to replace an electricity meter. The Commission's 2023-24 annual compliance monitoring report discussed the breach and advised that the Commission had been aware of a further breach occurring in August 2024. PWC should have reported this breach in its 2024-25 compliance report, but did not do so.

Previously, PWC reported these as "potential" breaches. The Commission has clarified its position that these are indeed breaches. Given the repeated nature breaches, and the broader issues discussed in the following paragraphs, it is concerning that this breach has been omitted.

Additionally, the Commission notes that in 2021-22, PWC's customer contract was found to be inconsistent with the WSSS Act and ER Act. Specifically, the contract incorrectly informed customers that PWC employees or contractors (including services and electricity officers) are required to show identification only if requested upon entering a customer's property. Under the legislation the obligation to present identification constitutes a more proactive duty. At the time of writing, PWC had advised the Commission of the updates to its customer contracts and was seeking approval of its Customer Charter.

In 2024, PWC commissioned an independent audit of compliance with requirements under its water and sewerage supply licences, which included, among other things, an audit of PWC's systems, processes and procedures in relation to the identification of services officers. The audit found significant issues, including instances of non-compliance with the issuance and layout of identity cards.

Within a limited sample of services officer identity cards, two were found to be expired and three cards identified the person as an employee of PWC rather than a services officer. PWC has reported these non-compliances in its 2024-25 report.

The Commission expressed concern regarding the findings of the independent audit, which led to the conclusion that PWC may struggle to reliably and accurately respond to customer inquiries seeking to validate the identity and authority of individuals seeking to enter property to undertake works on PWC's infrastructure. The Commission communicated this concern to PWC, along with its dissatisfaction with PWC's response to the audit findings.

The Commission requested that PWC submit a detailed implementation plan addressing the audit findings, including specific actions, timelines, and designated parties responsible for implementation. The plan was also to outline steps taken regarding identity cards for electricity officers, noting that the complaint in 2024 indicated issues with identity cards were not isolated to services officers. Commission requested PWC provide regular progress report on these actions.

Since that time, PWC has reported to the Commission on its progress. The Commission notes that PWC has received Ministerial approval for the format of its identity cards for services and electricity officers, as required under section 57 of the WSSS Act and section 54 of the ER Act and has issued updated cards. The Commission will be monitoring progress on other actions, which are expected to be completed by February 2026.

The Commission considers it essential for PWC to evaluate assess the effectiveness of its remedial actions. Accordingly, the Commission will require PWC to conduct a further audit to examine identity cards and related processes and procedures within the next two years.

The breaches regarding identity cards have resulted in negative customer experiences. As highlighted in the Commission's 2023-24 annual compliance report, it is neither efficient nor acceptable for compliance issues to be identified and dealt with through the complaints process. The extent of the Commission's intervention in this matter is disappointing, as it reflects poorly on PWC and undermines the Commission's confidence in PWC's management of compliance issues.

Failure to meet deadlines

Settlement statements not issued in accordance with the published timetable

Clause A6.5(b) of the System Control Technical Code (SCTC) clause requires that the timing of settlements statements is to be as specified in the settlements timetable. In 2024-25, PWC reported two incidents where settlement statements were not issued in accordance with the timetable:

- one incident where PWC did not meet the timeframe for issuing a 13-week revision settlement statement due to the settlement system running calculations for the wrong month.
- one incident where PWC did not meet the timeframe for issuing a preliminary settlement statement due to reduced system performance.

Settlement statements are used to determine amounts owed for electricity production and distribution to retail customers. In this instance, the statements were issued one business day late, and market participants were informed that the statements would not be delivered on time. PWC advised the Market Operator engaged with PWC ICT and the system developer to investigate and rectify the causes of these breaches.

In 2023-24, PWC reported six incidents where settlement statements were not issued in accordance with the established timetable. While the reduction in the number of these breaches is a positive development, this is to be expected as system issues are worked through and resolved.

Expiry of exemption from clause 13.1.7(a) of the ERS Code

As recorded on the Commission's register of code exemptions¹, PWC has been granted a temporary partial exemption from the obligation specified in clause 13.1.7(a) of the ERS Code. This exemption pertains to prepayment meter (PPM) customers in certain Indigenous Essential Services communities and outstations, where the existing class of magnetic card meters do not require cellular access to operate (that is, they are not smart meters) and therefore do not provide PWC with remote access to the necessary information to identify if a PPM customer is facing hardship. The exemption is time limited to encourage the continued upgrade of metering infrastructure, raise awareness of hardship support options within affected communities and exploring solutions for identifying hardship in areas without cellular connectivity.

PWC did not submit a new exemption request until the day the initial exemption expired in March 2025. This delay resulted in a gap of more than two weeks between the exemption lapsing and the Commission granting an extension of exemption (for an additional year to March 2026) after completing its appraisal processes. To prevent a recurrence of this issue, PWC has committed to reviewing and strengthening its exemption tracking processes to facilitate earlier submissions. Additionally, PWC will proactively engage with the Commission to identify and address potential delays in approvals and will document and communicate the risks associated with delays in regulatory approvals to improve future awareness. The Commission considers these remedial actions sufficient to reduce the likelihood for further non-compliance, but the aim should be to find a solution to avoid the need for the exemption.

Unreported non-compliance

Water and sewerage supply services asset management plans (AMPs)

Each year, PWC is required to submit its water and sewerage supply services AMPs to the Commission by 31 October. This requirement is set out under section 48 of the WSSS Act and condition 12.2 of PWC's water and sewerage supply services licences although neither the Act nor licences specify a due date for the AMPs. Instead, the Commission specified the due date in writing to PWC in 2016 following engagement over their timing.

PWC failed to meet the due date for submitting its AMPs in 2024, submitting these 19 business days late, but did not report this as a non-compliance in its 2024-25 compliance report. In 2025, PWC has again failed to meet the deadline for submitting its AMPs. To avoid any ambiguity, the Commission has advised PWC this is a non-compliance and PWC is required to report the current breach in its 2025-26 compliance report. This will enable the Commission to assess what remedial steps PWC proposes in relation to the non-compliance to determine whether further action is needed.

Annual audit of compliance under PWC's water and sewerage supply services licences

Clause 11.1 of PWC's water supply and sewerage supply services licences state, in simplified terms, that PWC must conduct an annual independent audit of its obligations under these licences. Clause 11.2 requires PWC report the results of its annual audit to the Commission by a date determined by the Commission. The purpose of the obligation is to ensure any issues are identified, reported on and rectified in a timely manner.

PWC had difficulty meeting the previous deadline of 31 August for these reports. To assist PWC the Commission adjusted the due date to 31 October from 2024 onward. The Commission noted in its 2023-24 annual compliance monitoring report that PWC did not meet the revised due date. Furthermore, PWC did not report the non-compliance in its 2024-25 report, and has again failed to meet the 31 October deadline in 2025. The Commission has not granted an extension and expects PWC to report this non-compliance in its 2025-26 annual compliance report. Like the approach taken with the AMPs, the Commission will determine its next steps in relation to the non-compliance once it has evaluated PWC's proposed remedial actions.

¹ Available on the Commission's website at <https://utilicom.nt.gov.au/electricity/codes-and-guidelines>.

Management of metering data

PWC reported five instances of non-compliance in 2024-25 related to metering data:

- two instances where metering data was sent to the wrong retailer
- a failure to provide a customer with historical metering data within three business days
- a failure to provide meter data to a retailer within the required timeframe
- incorrect application of a multiplier associated with transformers resulting in an overcharge for consumption.

The breaches primarily stemmed from issues related to personnel, although PWC has indicated that the root cause of the multiplier error is yet to be determined. PWC's remedial actions to prevent future occurrences involve changes to processes and implementation of additional checks. PWC noted that the error concerning the data sent to the incorrect retailer resulted from manually intensive process that was still in use due to delays in implementing PWC's Meter-to-Cash project, which is intended to automate settlement tasks. PWC also clarified that the data incorrectly provided to the retailer did not contain any identifying customer details. While no further action is proposed in relation to these breaches, the Commission will increase its scrutiny on the Market Operator's management of metering data if additional instances of non-compliance arise, particularly after implementation of new systems.

Water services – approvals for work on public land

PWC advised that a contractor commenced works on public land prior to receiving approval from the responsible council, as required under section 63 of the WSSS Act. Further, PWC's internal processes did not ensure the approvals were obtained and confirmed prior to the work commencing. PWC advised it has undertaken the following remedial actions in relation to the breach:

- standardising the inclusion of notice requirements in all relevant contracts and thus into the contract management process including making notice requirements a key performance indicator in the evaluation process
- introducing a verification process whereby items including notice requirements must be verified prior to approval of a relevant invoice
- training as part of the standard procedures for project/contract start up
- sample audits through the contract review process
- inclusion of a standing agenda item at contract performance review meetings.

The Commission is comfortable with PWC's response to the breach.

The Commission's views on PWC's compliance performance

Over 2024-25 and into the 2025-26 compliance period, the Commission has increasingly noted PWC's failure to meet deadlines and its compliance reporting falling significantly below the expected standard. The Commission does not consider PWC is treating non-compliance with the seriousness it warrants, particularly considering its multiple, repeat material breaches of life support provisions. The Commission is deeply concerned about what it views as a deterioration in PWC's management of, and attitude toward, compliance.

The Commission will raise these issues directly with the PWC Board. Furthermore, this report also serves to publicly articulate the Commission's dissatisfaction with PWC's performance in this regard.

Under the Territory's current legislative framework, the Commission has limited options to escalate its enforcement actions. A licensed entity commits an offence under the ER Act or WSSS Act if it contravenes a provision of its licence. The maximum penalty is 2,500 penalty units, which is around \$2.4 million for a corporate body. However, criminal action for an offence is only likely to be justified

for serious breaches and would require prosecution and a Court ordered penalty. The Commission could suspend or cancel a licence, but this would be impractical for PWC as it would impact the provision of services to customers and there is no alternative service provider. This demonstrates a gap in the current enforcement framework, where powers that are available to electricity and water regulators in other states and territories such as the ability to impose civil penalties or accept enforceable undertakings would be a valuable alternative to Court proceedings for an offence.

6 | Wrongful disconnections

The supply of electricity is essential for the comfort, health and productivity of households and businesses, and a wrongful disconnection has the potential to place a significant burden on a customer who may lose refrigerated food or medication, be unable to work from home, or be required to spend time contacting the electricity retailer. Accordingly, wrongful disconnection is a serious issue that has been criminalised in Victoria,² and can attract significant penalties in other jurisdictions.³

Clause 16 of standard retail licence conditions, applicable to all retail licences currently in effect, stipulates that the licensee must not disconnect or discontinue electricity supply to a customer, except in accordance disconnection procedures in the SCTC or the customer's contract.

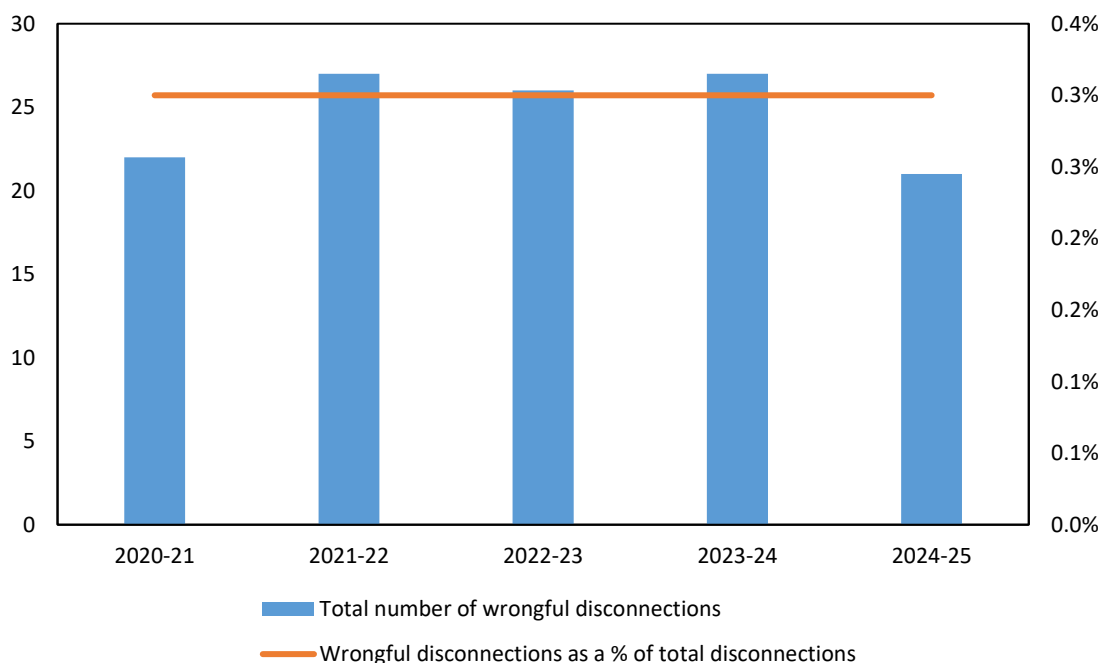
Trends in wrongful disconnections

The Commission monitors trends the number of wrongful disconnections to determine whether there are any concerning trends and to ensure retailers take appropriate remedial action.

Jacana reported 21 incidents where a customer was wrongfully disconnected during 2024-25. Jacana advised that the causes of 16 of these incidents were 'people-related', and the remaining five were system or process-related. No life support equipment customers were wrongfully disconnected. No other electricity retailers reported wrongful disconnections during the 2024-25 period, and the Commission is not aware of any wrongful disconnections attributed to other retailers.

Figure 1 (below) shows the total number of wrongful disconnections reported by Jacana, including as a percentage of total disconnections,⁴ over the five years from 2020-21 to 2024-25. Figure 1 demonstrates there has been no meaningful change in the number or rate of wrongful disconnections, with the issue neither worsening nor improving.

Figure 1: Number of wrongful disconnections reported by Jacana



² *Energy Legislation Amendments (Energy Fairness Act 2021 (Vic) s 40SD – 40SE*

³ For example, the Australian Energy Regulator issued six infringement notices on Origin in 2020: <https://www.aer.gov.au/news/articles/news-releases/aer-takes-action-protect-against-wrongful-disconnections>

⁴ 'Total disconnections' refers to customer-requested disconnections and excludes disconnections for non-payment.

Jacana reported that it has taken remedial actions in relation to the breaches, including the following:

- Jacana has a compensation program for wrongful disconnections. In addition to having any disconnection/reconnection fees waived, customers receive an automatic credit to their account for each day the customer is without power. Customers may also apply for additional compensation for spoiled food.
- If a customer has been disconnected, Jacana seeks to arrange for reconnection on the same day, including after hours if possible. In 2024-25, 15 of 21 customers wrongfully disconnected were reconnected on the same day with a further five reconnected within one day. In the remaining instance, the property was reconnected once the customer who had not been occupying the property advised Jacana of the wrongful disconnection.
- Jacana investigates and conducts root cause analysis of all reported wrongful disconnections with improvement actions tracked to completion.

Jacana reaffirmed its position that wrongful disconnections are unacceptable and stated it maintains a zero-tolerance approach to wrongful disconnections. Jacana considers it continues to take reasonable steps to minimise the risk of wrongful disconnections, while recognising that some residual risk may remain (that is, it is not always possible to fully eliminate the risk of wrongful disconnection).

As noted in previous reports, the Commission acknowledges Jacana's commitment to ongoing improvements in training, targeted coaching, system enhancements and quality assurance monitoring, along with other remedial actions. While there is yet to be a sustained decrease in the number of wrongful disconnections, the Commission recognises Jacana has improved the way it mitigates the impact on affected customers. The Commission considers that Jacana's compensation schedule broadly aligns with the approach taken in other jurisdictions⁵ and does not impose additional burdens on customers by requiring them to submit an application for compensation.

Non-compliance with obligations to provide notice of disconnection

Jacana reported a non-compliance issue concerning its notice of disconnection obligations under section 63 of the ER Act. Specifically, Jacana failed to provide the required notice seeking consent to access a customer's property following an initial unsuccessful attempt to enter the property to disconnect supply. Consequently, the supply was disconnected external to the property at the pole, resulting in the customer incurring a higher disconnection fee.

In responding to a complaint from the customer, the Commission conducted a formal investigation and determined that, irrespective of the requirements under section 63, Jacana's actions were contrary to the object of the ER Act, which aims to protect customer interests. The Commission concluded that the failure to provide written notice seeking access after the first failed attempt denied the customer a reasonable opportunity to provide access to the property and avoid the complex disconnection fee.

Jacana advised that it had formed a different view to the Commission relating the incident but acknowledged the Commission's interpretation of section 63 of the ER Act. Jacana accepted the Commission's recommendations and reimbursed the customer for the disconnection fee and is engaging with the network provider to develop procedural improvements regarding disconnection where there are access limitations. The Commission has requested Jacana provide a progress update on the implementation of procedural amendments and will monitor this matter until remedial actions are complete.

⁵ For example, under the Consumer Protection Code 2020, which applies in the Australian Capital Territory, an electricity retailer is obligated to pay a customer a rebate of \$100 where a customer is wrongfully disconnected.

7 | Other breaches reported for 2024-25

This chapter provides information on other breaches reported by licensees in 2024-25, which are deemed non-material.

Requirement to report a change in officers

Under clause 8.3 of a generation licence, the licensee is required to notify the Commission of any change to any officer or major shareholder within 20 business days of the change. Advice of changes in officers and major shareholders is important because the Commission may only grant a licence if it is satisfied that the applicant is a suitable to hold the licence.⁶

DIA, ENI ENEB, ENI ENEK and Eni ENEMD reported breaches in their 2024-25 compliance reports, whereby they failed to notify the Commission of a change in officers within the required timeframe. The licensees advised that the breaches arose because information did not flow through to relevant staff to notify the Commission. All licensees made changes to their operating processes to improve the flow of information. The remedial action taken appears appropriate and the Commission proposes no further action in relation to these breaches at this stage.

Price regulation

The Electricity Pricing Order (EPO) sets the retail prices that customers may be charged for electricity and related services. While retailers can charge below these limits, they must not be exceeded. Section 44(11) of the ER Act states that an electricity entity (such as Jacana) must comply with an EPO. Jacana is also required to comply with the EPO as a condition of its retail licence.

Jacana reported that, during 2024-25, there were two breaches identified where customers were billed using the incorrect tariff rate. Jacana advised that the breaches were “people-related” and remedial actions include enhancements have been made to training and process documents and that correct tariffs have been applied and any overcharged amounts credited.

The Commission is comfortable with Jacana’s measures to rectify these non-compliances and notes this is a further improvement and more marked decrease compared with 2023-24 when nine breaches related to charging under the EPO were reported (and 11 in the previous year).

⁶ ER Act section 16(2)(a)

Appendix A: Abbreviations and acronyms

AMP	asset management plan
Assure Energy	Assure Energy Asset Pty Ltd
BSF	BSF Co Pty Ltd as trustee for the BSF Unit Trust
CEO	Chief Executive Officer
Commission	Utilities Commission of the Northern Territory
DIA	Darwin International Airport Pty Limited
Eni ENEB	Eni Australia Limited and Eni New Energy Batchelor Pty Ltd
Eni ENEK	Eni Australia Limited and Eni New Energy Katherine Pty Ltd
Eni ENEMD	Eni Australia Limited and Eni New Energy Manton Dam Pty Ltd
EDL Jabiru	EDL Jabiru Pty Ltd
EDL NGD	EDL NGD (NT) Pty Ltd
EPO	Electricity Pricing Order
ER Act	<i>Electricity Reform Act 2000</i>
ERS Code	Electricity Retail Supply Code
Guidelines	Utilities Commission Compliance Framework and Reporting Guidelines
HCPS	HCPS Co Pty Ltd as trustee for the HCPS Unit Trust
IPP	independent power producer
Jacana	Power Retail Corporation trading as Jacana Energy
Next Business Energy	Next Business Energy Pty Ltd
NTESMO	Northern Territory Electricity System and Market Operator
PPM	prepayment meter
PWC	Power and Water Corporation
RTA Gove	RTA Gove Pty Ltd
Rimfire	Rimfire Energy Pty Ltd
SCTC	System Control Technical Code
TGen	Power Generation Corporation trading as Territory Generation
UC Act	<i>Utilities Commission Act 2000</i>
WSSS Act	<i>Water Supply and Sewerage Services Act 2000</i>



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