



UTILITIES COMMISSION
OF THE NORTHERN TERRITORY

STRATEGIC PLAN 2022-2024

www.utilicom.nt.gov.au

The plan

This document sets out the Utilities Commission's strategy for 2021-22 to 2023-24, including its goals, how these goals relate to the Commission's primary objective and indicators of success.

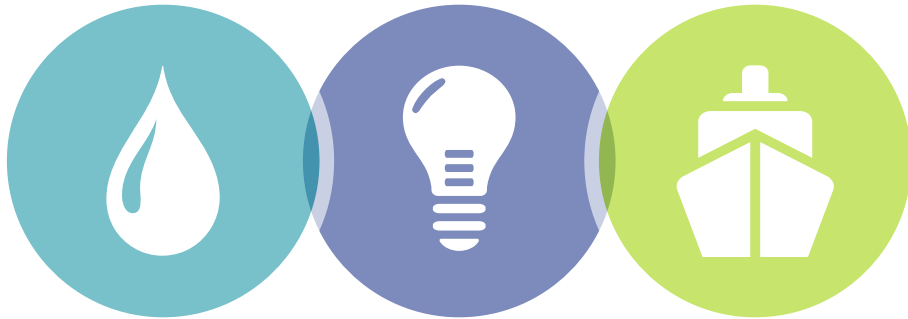
The purpose of this Strategic Plan is to communicate the Commission's organisational goals and planned actions to achieve these goals to Commission staff and stakeholders alike, and ensure the Commission is accountable for achieving its goals.

We will regularly revisit our strategy to ensure it continues to be relevant and appropriate. This is particularly important given the dynamic environment in which we operate.



Our primary objective

The Utilities Commission seeks to protect the long-term interests of Territory consumers of services provided by regulated industries with respect to price, reliability and quality.



Our stakeholders

To meet our objectives, the Commission fosters and maintains relationships with stakeholders, with our key stakeholders being the consumers of services provided by the industries that the Commission regulates.

Our stakeholders include:

- relevant ministers and Territory Government departments across the areas of treasury, renewables, energy and essential services, and infrastructure, planning and logistics
- regulated electricity, water and sewerage, and ports entities
- potential regulated industry entities
- users and potential users of services provided by regulated entities
- representatives of industry and consumer bodies
- Australian, state and territory regulatory bodies.

Our values

In achieving the Commission's primary objective, we are guided by our six corporate values:

Independence

Independent and impartial in advice and decision-making.

Accountable

Transparent and accountable in all our actions.

Professional

Conduct ourselves in a professional, effective and efficient manner.

Consultative

Engage and consult with all stakeholders and genuinely consider their views.

Ethical

Act honestly, fairly and with integrity.

Respectful

Respect the value and diversity of our staff and stakeholders.

Our functions

The Utilities Commission is a statutory authority established under the *Utilities Commission Act 2000 (Act)* as the independent economic regulator for the Northern Territory.

The Act (s. 5) provides that the Commission is constituted by the Utilities Commissioner (chair of the Commission) and by any person appointed as an Associate Commissioner.

The object of the Act (s. 2) 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.

The Act (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. At present, the Commission's regulatory roles encompass the electricity, water and sewerage, and ports industries in the Territory.

The Act (s. 6(2)) requires, in the conduct of its functions, the Commission have regard to various factors, with particular emphasis on achieving economic efficiency and protecting consumers. The Commission must also have regard to any relevant objectives in industry-specific legislation.



Electricity 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 and sewerage industry

In accordance with the *Water Supply and Sewerage Services Act 2000*, the Commission administers a licensing regime and pricing order.



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).

Advisory

The Commission is empowered to provide advice to the minister on any matter as requested from time to time, and is obligated to undertake various reviews and provide reports to the relevant minister under acts such as the *Electricity Reform Act 2000* and *Ports Management Act 2015*.

Further, the Commission may provide advice to the relevant minister at any time on the operation of the *Electricity Reform Act 2000* (s. 6(b)) and *Water Supply and Sewerage Services Act 2000* (s. 6(b)), and may publish reports and statements in accordance with the *Ports Management Act 2015* (s. 120).

Our goals

Four goals guide us in meeting our primary objective of protecting the long-term interests of Territory consumers of services provided by regulated industries with respect to price, reliability and quality.



GOAL 1

A targeted, risk-based approach to compliance and enforcement.

We will effectively monitor and report on regulated entities' compliance and performance, and focus our enforcement action where the risks and potential impacts are greatest.

Our priorities over the next three years:

Priorities

- Monitor licensees' compliance with regulatory obligations, including ensuring regular internal audits
- Require independent audits of licensees' compliance with licence conditions and other regulatory obligations as appropriate
- Publish annual reports on licensees' compliance with regulatory obligations
- Monitor and report on the private port operator's compliance with its access policy and pricing for prescribed services for the Port of Darwin, and the price determination
- Review our Compliance Framework and Reporting Guidelines

Indicators of success

- Regulated entities appropriately held to account for compliance, with non-compliance and relevant remedial and/or enforcement action documented in the Commission's annual reports
- Increased compliance with regulatory obligations such as through fewer instances of non-compliance
- Compliance Framework and Reporting Guidelines is current and relevant



GOAL 2

A consultative and transparent approach to our decision-making.

We will engage with stakeholders, including government, industry and users of regulated services to inform our decisions and build understanding of economic and regulatory issues through our consultation and decision-making.

Our priorities over the next three years:

Priorities

- Continue to build and maintain strong professional relationships with our diverse stakeholders
- Continue to review and improve our consultation methods to inform and optimise decision-making
- Build stakeholder confidence in our work, advice and decisions

Indicators of success

- Regular engagement with our stakeholders including through the Commission's e-newsletter, meetings and site visits
- Consultation methods are varied and meet the needs of our stakeholders
- Decisions and advice are clearly explained, well-informed, accurate, evidence-based and accessible in our publications and through our website
- Website is accessible and up to date
- A stakeholder survey is undertaken at least once within a three-year period with outcomes considered and appropriately addressed

GOAL 3

Add value through providing proactive, independent and robust advice and delivering a targeted work program.

We will take a best practice regulation approach, showing leadership in regulatory matters and focusing on our core responsibilities while remaining responsive to requests from the Territory Government and other stakeholders.

Our priorities over the next three years:

Priorities

- Review the Commission's licensing regime as appropriate
- Review and update relevant codes, such as the Electricity Industry Performance Code and Electricity Retail Supply Code, as appropriate
- Publish annual reviews and reports to inform stakeholders of current and future performance, requirements and risks to the Territory's electricity industry
- Issue a new price determination for the Port of Darwin
- Undertake ports access and pricing review
- Review Port of Darwin Reporting Guidelines
- Provide advice and assistance to government in relation to the planned Darwin ship lift access and pricing regulatory regime
- Provide advice to the Territory Government to assist in the development and implementation of its sustainable water strategy as appropriate
- Provide advice to the Territory Government through inquiries, reviews and advisory functions, in accordance with legislated requirements, including the *Ports Management Act 2015* and *Electricity Reform Act 2000*

Indicators of success

- Licensing regime is current and relevant (within legislative boundaries)
- Commission's regulatory instruments, including guidelines are current and relevant
- Relevant advice provided through ongoing public reporting and direct advice to government
- Legislative obligations, including in relation to reviews, reports and determinations are met
- Active participation on government's Ship Lift Working Group
- Appropriate advice provided to the Territory Government consistent with terms of reference



GOAL 4

A capable and experienced regulator that values its people.

We will ensure we have access to the appropriate resources and maintain a supportive, professional and collaborative culture that grows our expertise and attracts and retains capable, motivated staff.

Our priorities over the next three years:

Priorities

- Continue to foster a positive, motivated and collaborative team culture that grows employees' economic and regulatory expertise, capability and careers
- Ensure the Commission is appropriately resourced to address current and emerging issues
- Be an employer of choice for new and existing staff

Indicators of success

- Staff attend and contribute to relevant stakeholder and Commission meetings
- Staff complete ongoing training and professional development
- Maintain approved staffing levels
- Deliver high quality outputs within required timeframes