



Mr Lyndon Rowe
Commissioner
Utilities Commission of the Northern Territory
by email: utilities.commission@nt.gov.au

Dear Mr Rowe

Re: Review of the Retail Supply Code – further information

Thank you for the opportunity to provide further input to the Utilities Commission's review of the Retail Supply Code.

At the time of submitting our original submission, Power and Water was not aware of the intent for the coverage of the revised Retail Supply Code to take account of the remote communities and outstations serviced by Power and Water under its Indigenous Essential Services (IES) subsidiary, and its retail centres. As such, the opportunity to provide further information in this regard, is appreciated.

Life support provisions

Power and Water supports the principle behind ensuring residents in its remote communities, outstations and mining centres, to be afforded protections for life support requirements.

However the blanket adoption of the National Energy Retail Rules (NERR) will create unintended consequences and the interests of the customers within these areas can best be served through a revised process that takes into account their unique circumstances.

This process would require further consultation and engagement with the various stakeholders involved, including the mining companies involved in the retail centres, community leaders and the Department of Local Government, Housing and Community Development (DLGHCD).

IES remote communities and outstations

In the IES remote communities and outstations, customers utilising prepayment meters (which represent more than 75% of all residents) do not sign-up directly with Power and Water and consequently Power and Water does not hold their details necessary for the application of NERR based life support provisions.

On occasion, some IES customers will approach Power and Water directly to register as a life support customer and although the current IES agreement with the DLGHCD doesn't outline any Life Support obligations, Power and Water works to ensure a life support register is in place and being maintained, in consultation with the Department of Health.

Furthermore, the majority of customers within these communities utilise prepayment meters to better manage their debt. In these remote communities, it is very common for small electricity purchases to be made for prepaid credit by all occupants, who then place this credit in the meter to support the communal living arrangement.

The proposed requirement to have all life support registered customers placed on a credit meter may result in unintended social outcomes which could in fact result in poorer health outcomes than the current arrangements. These include:

- Increasing the debt levels for the actual customer and their community as whole.
- Possible overcrowding issues related to pressure from family, friends and other members within the community to live at the registered customer's property, knowing that they will not be disconnected.

Furthermore, the additional cost of administering any new life support arrangements will need to be met through increased funding via the IES Agreement with the DLGHCD. Power and Water has not made the department aware of these developments and will be contacting DLGHCD in the coming week to discuss the issue.

Retailing centres

Retail (predominantly mining centres) such as Jabiru and Nhulunbuy, are maintained by the mining companies and as such Power and Water is often not made aware of any planned works or maintenance being scheduled on either the generation facilities, or the electrical grid.

Power and Water is the retailer within these areas under legacy arrangements arising out of historic decisions by previous governments. In any event, Power and Water does have customer records for invoicing purposes and therefore we will be able to maintain a life support register if modifications to the sign up process, and are negotiated and agreed to with the mining companies.

Mid-month churns

The clause preventing mid-month churns has been removed. Power and Water can implement the changes noting that we will need adequate time to adjust our current systems and processes, including:

- start/end date feature is enabled in the Settlement System;
- validation added to the automated Power and Water/Jacana Energy automated B2B process; and
- billing for the sites remain at the beginning of each month for the previous month, the main difference being two customers on the one site will need to be invoiced.

Should you have any further queries with regards to this information please do not hesitate to contact Jodi Triggs – Core Operations, on (08) 8985 8456 or jodi.triggs@powerwater.com.au.

Yours sincerely



Michael Thomson
Chief Executive
23 August 2019