CITY OF PALMERSTON

Notice of Special Council Meeting
to be held in Council Chambers, Civic Plaza, Palmerston
on Thursday, 25 June 2015 at 5:30pm

AGENDA

Audio Disclaimer
An audio recording of this meeting will be made for minute taking purposes as authorised by City of Palmerston Policy MEE3 Recording of Meetings, available on Council's Website.

1. PRESENT

2. APOLOGIES

3. DEPUTATIONS / PRESENTATIONS

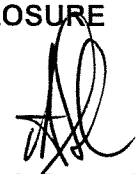
4. REPORTS OF OFFICERS

   4.1. Street Lighting Maintenance 8/0688

5. CONFIDENTIAL REPORTS

   Nil

6. CLOSURE



Mark Spangler
A/Chief Executive Officer

Any member of Council who may have a conflict of interest, or a possible conflict of interest in regard to any item of business to be discussed at a Council meeting or a Committee meeting should declare that conflict of interest to enable Council to manage the conflict and resolve it in accordance with its obligations under the Local Government Act and its policies regarding the same

ITEM NO. 4.1 **Street Lighting Maintenance**

FROM: **Acting Chief Executive Officer**
REPORT NUMBER: **8/0688**
MEETING DATE: **25 June 2015**

Municipal Plan:

3. Environment & Infrastructure

3.2 Assets and Infrastructure

3.2 We are committed to maintaining and developing community assets and infrastructure which meet the needs of our community

Summary:

The PowerWater Corporation (PWC) will introduce a capital charge for street lighting on 1st July 2015. The charge is relevant to all street light infrastructure owned by PWC in Council parks and on Council roads.

Currently Council pays a tariff for street light Power Consumption and street light Repairs and Maintenance (R+M). All tariffs charged by PWC and Jacana Energy are ratified by the Energy Commission. The Commission is a separate administrative unit established within the NT Treasury and Finance, but has specific statutory powers and undertakes its considerations independent from Treasury.

General:

This report provides further information to the Committee or how other Territory Council are addressing street lighting charging by PWC.

At the EDI Committee meeting held on 11 June 2015 the CEO was requested to investigate how other Councils in the Territory were addressing PWC R+M charges and Capital Charges and provide a report to Council prior to 1 July 2015.

No other Council is currently paying the R+M Charges that have been imposed since December 2014. Councils have stated that until they sign a detailed service agreement payment won't be made. To date City of Palmerston has made two (2) quarterly payments for Repairs and Maintenance.

Some other Councils such as Katherine and Alice Springs are investigating whether it would be financially advantageous to take over R+M from PWC.

City of Palmerston are the only Council that has enquired with PWC about 2015/16 Capital Charges.

Financial Implications:

The best estimate of the repair and maintenance charges and capital charges from PWC in the 2015/16 year are:

R&M	$ 422,900
Capital	$1,451,351

Policy / Legislation:

Council does not currently undertake street light repairs and maintenance, therefore does not have a policy in place for this.

RECOMMENDATION

1. THAT Council receives Report Number 8/0688.

2. THAT a proposal be requested from PowerWater Corporation detailing the extent of the street light infrastructure intended to be handed over to the Council.

3. THAT until PowerWater Corporation are clear on the extent of the street light infrastructure intended to be handed to Council Council is unable to make a decision on whether or not to accept it.

4. THAT no payment of Capital Charges be made to PowerWater Corporation until long term ownership of the infrastructure is resolved.

5. THAT no further payments for Repairs and Maintenance of street lights be made until such time as PowerWater Corporation defines the infrastructure intended to be handed to Council and defines any conditions that it intends to place on the infrastructure maintenance should Council resolve to undertake maintenance.

Recommending Officer: Mark Spangler, Acting Chief Executive Officer

Any queries on this report may be directed to Mark Spangler, Acting Chief Executive Officer on telephone (08) 8935 9958 or email mark.spangler@palmerston.nt.gov.au.

Schedule of Attachments:

Attachment 1: EDI/163 report and attachments.

Attachment 2: Additional PowerWater Information.

ITEM NO. 9.2 **Street Lighting Maintenance**

FROM: **Director of Technical Services**
REPORT NUMBER: **EDI/163**
MEETING DATE: **11 June 2015**

Municipal Plan:

3. Environment & Infrastructure

3.2 Assets and Infrastructure

3.2 We are committed to maintaining and developing community assets and infrastructure which meet the needs of our community

Summary:

This report outlines two options for Council's consideration to take ownership of street lighting assets from Power Water Corporation (PWC) from 1 July 2015 or incur an annual capital charge.

Background:

The City of Palmerston currently has approximately 3680 streetlights and 63 lights in parks that are owned, operated and maintained by PWC.

All other lights in parks are owned by Council.

General:

On 1 July 2014 PWC introduced a maintenance charge for streetlights. The current charges are:

1-100watts	$108.35 per year
101-200watts	$118.66 per year
201-300watts	$138.30 per year
301-400watts	$148.32 per year

Council's total streetlight maintenance charge for the period 1/1/2015 to 31/03/2015 was $104,552. This equates to an annual charge of approximately $420,000.

Council has been informed by PWC that as of 1 July 2015 a capital charge will apply to all street lighting. This charge will likely be $1,451,351 or higher. This is in addition to the maintenance charge and usage charges already being paid by Council.

PWC have informed Council that if they were to take on the maintenance charges and the ownership of the lights neither the maintenance or capital charge would be payable in future **(Attachment A).**

The PWC calculations of maintenance and depreciation is based on a Territory wide assessment of costs. Council's oldest streetlight is approximately 30 years old and

the average age is more likely to be around 15 years. This is a very different scenario in an area like Darwin where infrastructure dates back to Cyclone Tracey in 1974 or even further.

This difference in age translates to an average maintenance cost per light that would be higher than actual cost in younger suburbs and lower in older. Given that the entire Palmerston community is relatively young, Council should consider taking on the ownership and maintenance of streetlights with a view to only paying actual cost.

Actual cost of streetlight maintenance in 2013/2014 was reputed by PWC to be $327,000. This cost excludes minor consumables, vehicle costs and labour administration. The maintenance tariff for Palmerston appears to be about $90,000 above actual cost.

Council staff have put together a schedule of rates for streetlight maintenance and had the existing electrical contractor provide unit rates. Staff have examined the rates and compared them to the likely scope of annual works maintaining streetlights and determined the unit rates to be quite fair and reasonable.

The Council electrical services contract expires on 3 October 2016. The Council could go back out to public tender with an increase in scope and achieve a competitive price in 2016.

Should Council resolve to maintain streetlights there appears to be a significant annual cost saving.

The value of the future capital charge is determined by the replacement cost of the asset and the assets expected life. In this particular case we have been informed by LGANT that PWC is depreciating streetlight assets over 20 years. Our asset managers have advised that new light poles in the Darwin climate would normally have a useful life of between 50-60 years. It is likely that in arriving at a useful life of 20 years PWC has averaged the outstanding life of streetlights across its entire Territory network.

The capital charge will apply from 1 July 2015. Should Council choose to accept ownerships of the assets then this charge will not be applicable.

Financial Implications:

The best estimate of the repair and maintenance charges and capital charges from PWC in the 2015/16 year are:

R&M	$ 422,900
Capital	$1,451,351

Policy / Legislation:

Council does not currently undertake street light repairs and maintenance, therefore does not have a policy in place for this.

RECOMMENDATION

1. THAT the Committee receives Report Number EDI/163.

2. THAT Council take ownership of the street lighting infrastructure from Power Water Corporation as of 1 July 2015.

3. THAT Council agrees to vary the cost of repairs and maintenance to street lighting infrastructure into the current electrical period contract

Recommending Officer: Mark Spangler, Director of Technical Services

Any queries on this report may be directed to Mark Spangler, Director of Technical Services on telephone (08) 8935 9958 or email mark.spangler@palmerston.nt.gov.au.

Author: Rishenda Moss, Environment/Emergency Operations Officer.

Schedule of Attachments:

Attachment A: Correspondence dated 29 May 2015 – Estimated Streetlight Charges for 2015/16 – City of Palmerston.

Attachment B: Correspondence dated 24 March 2015 – Streetlighting charges - LGANT

Mark Spangler

From: Pollard, Djuna <Djuna.Pollard@powerwater.com.au>
Sent: Friday, May 29, 2015 5:33 PM
To: Mark Spangler
Cc: Lee Savage; Vlahovic, Stephen; Gomatos, Maryanne
Subject: Estimated Streetlight Charges for 2015/16 - City of Palmerston

Good Afternoon Mark,

Please find below a summary of the estimated annual Streetlight Repairs & Maintenance Charges and the Streetlight Capital Charges that relate to the City of Palmerston for the 2015/16 financial year to inform your budgeting process for next financial year.

	R+M charge	Capital charge (light without pole)	Capital charge (light with pole)	2015/16 TOTAL (estimated)
City of Palmerston	$422,900	$14,696	$1,451,351	**$1,888,947**

The 2015/16 estimated charges for streetlight repairs and maintenance and capital is based on:

- the number of streetlights used for the December 2014 quarter streetlight repairs and maintenance charge invoices; and
- the current charges have been escalated using the latest ABS CPI data (eight capital cities, consistent with the Utilities Commission 2014 Networks Pricing Determination).

It is important to note that the current charges are underpinned by labour rates that were last reviewed in 2009/10. There is currently a review of charges underway, which is scheduled to include a review of the labour rates. This review is nearing completion and the proposed charges for 2015-16 will be considered by the Power and Water Corporation Board at its June meeting.

As such, the 2015/16 charges relating to streetlight repairs and maintenance and capital charges may change and therefore the overall total charge to streetlight customers will be subject to change.

Changes in the number of streetlights operated by each streetlight customer will also change the total overall charge to streetlight customers.

Kind regards

Djuna Pollard
Senior Executive Manager

Strategy, Economics and Regulation
Power and Water Corporation
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Please consider the environment before printing this email.

Natasha Clifton

From: Rishenda Moss
Sent: Monday, 1 June 2015 12:51 PM
To: Natasha Clifton
Subject: FW: Streetlighting Charges

From: Tony Tapsell [mailto:tony.tapsell@lgant.asn.au]
Sent: Tuesday, 24 March 2015 2:15 PM
To: Brendan Dowd; Ricki Bruhn; Rex Mooney; Edwina Marks; Michael Berto; Cathryn Hutton; Stuart Duncan; Leigh Ashford; Iian Wilson ; robert.jennings@ktc.nt.gov.au
Subject: Streetlighting Charges

Good afternoon,

Yesterday Peter and I met with officers of the Power and Water Corporation ('the Corporation') over the following street lighting matters:

1. Repairs and maintenance – service level agreement
2. Capital charge .

Both apply to all of your councils, some much more than others. Regional councils will only have these matters apply in their 'open towns' eg Borooloola in Roper Gulf Regional Council.

1. Repairs and maintenance

Officers from the Corporation will be contacting you soon to arrange meetings to negotiate service level agreements(including new price determinations on the repairs and maintenance charges for 2015-16) using the draft agreement that LGANT supplied to you (and to the Power and Water Corporation) on 19 November 2015.

It is likely that the Darwin, Palmerston, Barkly, Alice Springs, Katherine and Litchfield councils will have priority because they have the most street lights. It is time to finalise this work and if you receive no contact I suggest you follow it up especially now you have received your first invoice for 2014-15. Your next one is due is May 2015 and is based on the charges approved by the Utilities Commission for that year.

You should aim to have an agreement which:

- has effect from 1 July 2015
- reflects the new charges that the Corporation advises
- is in line with the service levels agreed to by individual councils
- has as an attached schedule that lists the number and type of lights which accords with your audit of streetlights.

If you are considering using a third party provider to do your maintenance you will need the draft service level agreement in any case.

If during your negotiations you consider the charges are worth challenging you can do a submission to the Utilities Commission. We can only put in submissions if we determine that the pricing is not 'fair and reasonable'.

2. Capital charge

This is due for introduction on 1 July 2015 and will be based on depreciation charges which accord with a twenty (20) year life of a streetlight asset. The Corporation Board will approve these charges for 2015-16 at its meeting in June 2015. If you are not happy with the pricing there is an opportunity to apply to the Utilities Commission to have the matter resolved.

You now have three months in which to decide whether or not you will take ownership of streetlighting assets or pay the capital charge. Some streetlights are going to be difficult for councils to take ownership of because they are used for multiple electricity purposes.

The crucial part for you in cemeting this arrangement will be you signing off on your list of streetlight assets under your repairs and maintenance service level agreement because it is largely against those lists (minus the multi-purpose poles) that the capital charges will be made. If you do not do this the Corporation will use its own lists.

CEO Forum

I will be contacting the CEO of Power and Water Corporation Mr John Baskerville to see if he can make the CEO Forum in Tennant Creek.

All the best with your negotiations. The invoices will not stop coming regardless of where you might be with your agreements. I think you should get on the front foot with this one, time is running out.
Best regards

Tony Tapsell
CEO
Local Government Association of the Northern Territory
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PO Box 2017, Parap, NT, 0804
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Email: tony.tapsell@lgant.asn.au
Website: www.lgant.asn.au

LGANT
Local Government Association of the Northern Territory

PowerWater

POWER NETWORKS

2014-15 Electricity Network Tariffs and Charges

and

Future Price Trends

August 2014

Power and Water Corporation

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1 Business Characteristics

Power Networks is a ring-fenced electricity network business within Power and Water Corporation that has responsibility for planning, building and maintaining reliable electricity networks to transport electricity between electricity generators and electricity consumers in the Northern Territory. Its mission is to achieve this in a safe, reliable, efficient and environmentally sustainable manner.

Power Networks operates under a Network Licence[1] issued by the Utilities Commission that authorises it to:

- Own and operate an electricity network within the geographic area specified in Schedule 2 of that Network Licence; and
- Connect the electricity network to another electricity network, in accordance with the terms and conditions of the Network Licence.

Power Networks provides services to network users, including electricity retailers or end-use customers.

In effectively managing network services for its customers, Power Networks must take account of a range of regional, climatic, customer and asset issues. Some of the key issues that affect the Power Networks business and are relevant to its provision of network services include:

- The supply area is very diverse and subject to generally harsh climactic conditions, ranging from arid inland areas to the tropical environment in the northern part of the Territory;
- Power Networks has lower customer/load densities than most other distribution network service providers and higher costs to provide network services;
- Power Networks also services rapidly growing commercial and domestic development areas in and around the Darwin area;
- The extended hot and humid conditions in the northern part of the Territory in the wet season have resulted in the almost universal adoption of air conditioning, which is used for extended periods. The resulting high and sustained electrical demand in the wet season makes obtaining access to network equipment for maintenance or repairs problematic; and
- The climatic conditions in the Territory lead to the premature ageing of electrical equipment. Whilst a significant program of refurbishment and replacement work was carried out on major equipment in the 2009-14 regulatory control period, the refurbishment and replacement of a range of assets and equipment is necessary and ongoing.

[1] Utilities Commission, *Network Licence*, last varied 28 October 2011.

2 2014 Network Price Determination

The Electricity Networks (Third Party Access) Code (the Code) requires the Utilities Commission, in consultation with interested parties, to review the network price regulation methodology that is used to set Power Networks' Standard Control Network Tariffs for the regulated network.

This process occurs every five years and the review and consideration of the price regulation methodology to apply from 1 July 2014 to 30 June 2019 was referred to as the '2014 Network Price Determination'. The purpose of Network Price Determination process is to establish the funding required by Power Networks to continue to provide a safe, secure and reliable supply of electricity.

Retail electricity prices currently paid by customers comprise a number of cost components, which are combined into their bundled electricity prices:

- Electricity generation costs;
- Electricity network costs (Standard Control Services);
- System operation and control costs; and
- Customer retail services.

The 2014 Network Price Determination concerns only the network component of electricity prices.

Residential and small to medium sized business customers are not currently impacted by Standard Control Network Tariff pricing decisions, as they are subject to an Electricity Pricing Order issued by the Northern Territory Government.

While the Network Price Determination establishes the Network Service Classification, it does not set the pricing methodology or charges for Alternative Control Services or Excluded Network Services that are subject to effective competition. Charges for these services are developed in accordance with the Code on a fair and reasonable basis.

3 Classification of Services

The Utilities Commission has determined a Network Service Classification to apply from 1 July 2014 to 30 June 2019[2]. Power Networks must provide services, and charge for those services, in accordance with this approved Network Service Classification, which can be found at Appendix A.

The 2014-19 Network Service Classification defines the following services:

- Direct Control Services – Standard Control Services (also termed 'regulated network access services');
- Direct Control Services – Alternative Control Services (also termed 'excluded network access services not subject to effective competition'); and
- Excluded network access services subject to effective competition.

3.1 Standard Control Services

Standard Control Services are provided by Power Networks and include services such as planning, designing, and constructing the electricity network, connecting customers to the network and metering the consumption and demand of customers connected to the network to the standards set out in the Network Technical Code and Network Planning Criteria.

Power Networks recovers the capital, operating and maintenance expenditure associated with providing a safe, secure and reliable supply of electricity through Power Networks' Standard Control Network Tariffs. These tariffs are charged to electricity retailers.

3.2 Alternative Control Services

Alternative Control Services are services that Power Networks undertakes for a network user, that are not part of the standard service that Power Networks provides to all users (termed Standard Control Services). The provision of Alternative Control Services is not currently subject to effective competition.

The expenditure associated with providing Alternative Control Services is not recovered through Power Networks' Standard Control Network Tariffs, which are charged to all electricity customers. Alternative Control Services are instead only charged to the network user that requests the service.

Alternative Control Services are distinguished between:

- Fee-based Services that are provided based on a set schedule of charges; and
- Quoted Services that are provided on a quoted basis using a consistent methodology. These are services for which their nature and scope cannot be

[2] Utilities Commission, *2014 Network Price Determination Final Determination Part A – Statement of Reasons*, April 2014, Appendix A, p. 160.

known in advance, irrespective of whether they are customer requested or triggered by an external event.

In accordance with clause 72(4) of the Code, Power Networks provides Alternative Control Services on fair and reasonable terms.

3.3 Excluded Network Services (Competition)

Excluded Network Services (Competition) are services that Power Networks undertakes for a network user, that are not part of the standard service that Power Networks provides to all users (termed Standard Control Services). The provision of these services is subject to effective competition in the Territory (i.e. there are other service providers).

The expenditure associated with providing these services is not recovered through Power Networks' Standard Control Network Tariffs, which are charged to all electricity customers. They are instead only charged to the network user that requests the service.

In accordance with clause 72(4) of the Code, Power Networks provides Excluded Network Services subject to effective competition on fair and reasonable terms.

4 Standard Control Network Tariffs

Power Networks' Standard Control Network Tariffs are regulated by the Utilities Commission in accordance with the Code.

The 2014-15 Standard Control Network Tariffs can be found at Appendix B.

4.1 Network Tariff Objectives

The major objectives of network pricing are as follows:

- ***Pricing efficiency*** – an efficient network price is one that signals to the customer their contribution to the cost of providing network services, although moves towards efficient pricing need to be tempered to limit their impact on some customers;
- ***Customer equity*** – customers should pay a reasonable allocated share of costs;
- ***Pricing simplicity*** – price structures should be understandable, simple and transparent; and
- ***Revenue sufficiency*** – prices are formulated to recover the regulated revenue allowance.

4.2 Network Tariff Changes

Power Networks' Standard Control Network Tariff changes are principally driven by the requirement to improve the cost reflectivity of network pricing. The revised tariffs provide more equitable outcomes for customers, whilst contributing to managing network demand.

Power Networks has made alterations to the structure of Standard Control Network Tariffs in 2014-15. Power Networks will also make additional changes progressively throughout the 2014-19 regulatory control period, within all regulatory compliance requirements, and with due regard for the impact upon Power Networks' customers.

4.2.1 2014-15

Power Networks made the following amendments to Standard Control Network Tariffs in 2014-15:

- Established additional consumption block levels for Domestic and Commercial customers with an annual consumption less than 750 MWh per annum (the Domestic and Commercial tariffs each have three blocks but with different threshold levels);
- Established separate tariffs for street lighting (and similar consumption profiled unmetered supplies) and for traffic lights (and similar unmetered 24 hour supplies), initially with the same rates;

- Established separate tariffs for low voltage and high voltage connected Commercial customers with an annual consumption more than 750 MWh per annum, initially with the same rates; and
- Applied a uniform increment to existing tariff charging parameters to permit recovery of the annual revenue requirement, in accordance with the Ministerial Direction received from Power and Water Corporation's Shareholding Minister.

4.2.2 2015-16 to 2018-19

Over the remainder of the 2014-19 regulatory control period (2015-16 to 2018-19), the expected changes to Standard Control Network Tariffs are as follows:

Domestic Tariffs

- Progressively move from a declining to an inclining block structure.

Commercial Tariffs (commercial customers consuming less than 750 MWh pa)

- Progressively move from a declining to an inclining block structure; and
- Increase the level of the Service Availability Charge.

Unmetered Supplies

- Introduce separate tariffs for street lighting (and similar consumption profiled unmetered supplies) and for traffic lights (and similar unmetered 24 hour supplies), to improve cost reflectivity.

Commercial Tariffs (commercial customers consuming more than 750 MWh pa)

- Introduce separate, voltage based, tariffs for low voltage and high voltage connected customers;
- Progressively simplify the tariff structure and rebalance the charging parameters to provide greater cost reflectivity;
- Introduce an Excess kVAr charge, as an incentive to customers to improve compliance with power factor specifications of the Network Technical Code; and
- For further consideration – adoption of a seasonal tariff profile.

4.3 Network Tariff Classes

The tariff class groupings for the 2014-19 regulatory control period are shown in the table below.

Table 1 – Standard Control Network Tariffs: Tariff Classes

Tariff Class	Tariff
Commercial HV	>750 MWh pa Commercial HV: Commercial customers consuming >750 MWh pa connected to the HV network

Tariff Class	Tariff
Commercial	>750 MWh pa Commercial LV: Commercial customers consuming >750 MWh pa connected to the LV network
	<750 MWh pa Commercial: Commercial customers consuming <750 MWh pa
	Unmetered: • Street lighting and similar consumption profiled unmetered supplies; & • Traffic lights and similar unmetered 24 hour supplies.
Domestic	Domestic

The number of tariff classes has been kept to a minimum, to avoid unnecessary transaction costs. In addition, customers have been grouped together on an economically efficient basis, recognising the material differences between network users arising from:

- The pattern and level of network usage (as between domestic and commercial customers, which have different consumption patterns and average consumption); and
- The nature of the plant or equipment required to provide the network access service (in the case of the Commercial HV tariff class, as these customers do not make use of the low voltage network or distribution substations).

4.3.1 Domestic Tariff Class

The Domestic tariff class is composed of one tariff, the Domestic tariff, which applies to network users supplied at a connection point where:

- Total electricity consumption, per financial year, is less than 750 MWh; and
- The tariff is applicable for premises intended to be used for residential purposes, excluding serviced apartments, but including:
  - Electricity used on vacant land zoned for residential purposes; and
  - Living premises of retirement villages (must be separately metered).

4.3.2 Commercial Tariff Class

The Commercial tariff class is made up of three different tariffs:

- Commercial customers consuming more than 750 MWh per annum connected to the LV network; and
- Commercial customers consuming less than 750 MWh per annum;
- Unmetered customers.

The >750 MWh pa Commercial LV tariff applies to network users supplied at a connection point where:

- Total electricity consumption, per financial year, is greater than 750 MWh; and
- Electricity is supplied at a voltage level defined as low voltage – nominally 230/400 V.

The <750 MWh pa Commercial tariff applies to network users supplied at a connection point where:

- Total electricity consumption, per financial year, is less than 750 MWh; and
- The tariff is applicable for premises intended to be used for non-residential purposes, including:
  - Electricity used on vacant land zoned for commercial purposes;
  - Temporary supply (ie. for building purposes);
  - Motels, hotels, serviced apartments and any form of temporary accommodation;
  - Shops, offices, warehouses and industrial/manufacturing plants;
  - Mining enterprises; and
  - Farms.

The Unmetered tariff applies to connection points that, with the agreement of Power Networks, are unmetered. In these circumstances, the consumption at the connection point is estimated.

4.3.3 Commercial HV Tariff Class

The Commercial HV tariff class is composed of one tariff, the >750 MWh pa Commercial HV tariff, which applies to network users supplied at a connection point where:

- Total electricity consumption, per financial year, is greater than 750 MWh; and
- Electricity is supplied at a voltage level of 11 kilovolts (kV) or higher.

4.3.4 Generator Users

Standard Control Network Tariffs do not apply to generator users, with the exception of the following.

The only instance when Standard Control Network Tariffs apply to customers with generation facilities is when the customer requests network capacity to be reserved for purposes such as standby supply.

In this case, the allocation to a tariff class will be made on the same basis as other customers; this being the extent and nature of consumption, and the nature of the connection to the network. The same Standard Control Network

Tariffs will apply as for other customers. The energy charge will be based on actual energy consumed over the period. However, the demand charge may apply to a demand schedule (as agreed to with the customer) in recognition that requested capacity will need to be made available to the customer even if no supply is taken.

5 Alternative Control Service Charges

Alternative Control Services are classified as excluded network access services not subject to effective competition in the approved Network Service Classification. Therefore, in accordance with the Code, the Utilities Commission does not have a role in determining price controls or approving charges for Alternative Control Services.

The Code requires Power Networks to provide any excluded network access services to network users on fair and reasonable terms, and states that the Utilities Commission is to determine what may constitute fair and reasonable terms if the network provider and affected network users are unable to reach agreement on such terms.

5.1 Alternative Control Services – Fee Based

Fee Based Alternative Control Services are provided based on a set schedule of charges.

The 2014-15 Alternative Control Services Fee Based Charges, found at Appendix C, have been developed based on the following formula such that the price is equal to:

- The materials employed for the project multiplied by the incremental (above standard) cost of those materials; plus
- The labour involved for the project (in hours) multiplied by the hourly rate for that project.

5.2 Alternative Control Services – Quoted

Quoted Alternative Control Services are services for which their nature and scope cannot be known in advance irrespective of whether they are customer requested or triggered by an external event.

Quoted Services are therefore provided by Power Networks on a quoted basis using a consistent methodology, which ensures recovery of the material and labour costs of providing the service.

Network users are only charged the incremental cost of the work above the cost of the mandated Standard Control Service.

A list of the types of Quoted Alternative Control Services that Power Networks provide can be found at the Network Service Classification (Appendix A).

6 Excluded Network Services (Competition) Charges

In accordance with the Code, the Utilities Commission does not have a role in determining price controls or approving charges for Excluded Network Services that are subject to effective competition.

The Code requires Power Networks to provide any excluded network access services to network users on fair and reasonable terms, and states that the Utilities Commission is to determine what may constitute fair and reasonable terms if the network provider and affected network users are unable to reach agreement on such terms.

These services are provided by Power Networks on a quoted basis. The provision of these services is also subject to effective competition in the Territory and therefore customers are able to select from a number of alternative service providers.

A list of the types of Excluded Network Services, which are subject to effective competition, that Power Networks provide can be found at the Network Service Classification (Appendix A).

Appendix A – Network Service Classification

Regulated network access services (Direct Control Services – Standard Control Services)

Service group	Activities description
Network service (mandated standard)	Network services include: • planning, designing and constructing the electricity network; • maintaining and operating the electricity network; and • emergency response and administrative support; to the standards provided for in the Network Technical Code, and in accordance with good electricity industry practice. Network Services are services provided using the shared electricity network, to all users connected to the electricity network. They do not include Connection Services which make use of assets dedicated to the supply of a single network user.
Unmetered supply (energy delivery) service	Network services (energy delivery) provided to unmetered supplies such as street lights, traffic lights, advertising signs, CCTV cameras and similar applications where energy consumption may reasonably be estimated and it is not economic or practical to install, maintain and read a meter.
Connection services (mandated standard)	Connection services include: • commissioning of connection assets; • service connection; • installation inspection; and • operating and maintaining connection assets, to the standard provided for in the Network Technical Code, and in accordance with good electricity industry practice. Connection Services are provided at the request of a network user and are dedicated to the individual network user. Connection assets include all of the dedicated electrical equipment that is used to transfer electricity to (entry) or from (exit) the shared electricity network at the connection point.

Service group	Activities description
Metering services (mandated standard)	Metering services, including meter data services, provide the means by which the electricity that is transferred to or from a network user is measured at a connection point. Metering services include, but are not necessarily limited to: • provision, installation and commissioning of metering assets; and • periodic accuracy testing, maintenance and replacement of metering assets, to meet legislated accuracy requirements and conform to good electricity industry practice. Meter data services include by are not necessarily limited to: • meter reading, either locally or remotely; • collection, storage and management of metering data; and • routine transfer of data to participant billing systems, to meet legislated accuracy requirements and conform to good electricity industry practice. Where supply is unmetered, consumption is estimated at the connection point.

Excluded network access services not subject to effective competition (Direct Control Services – Alternative Control Services)

Service group	Activities description
Quoted services	
Quoted network services	Network services provided at the request of a network user with higher (or lower, where permissible) quality or reliability standards than are required under applicable legislation, codes or other regulatory instruments Quoted Network Services include above standard or non-standard services associated with: • planning, designing and constructing the electricity network; • maintaining and operating the electricity network; • emergency response and administrative support; and • other associated services, to the performance standard agreed with the network user. Under Quoted Network Services, network users are only charged the incremental cost of the work above the cost of the mandated standard Network Service. Quoted Network Services exclude above standard or non-standard Connection Services which make use of dedicated assets.
Quoted connection services	Connection services provided at the request of a network user with higher (or lower, where permissible) quality or reliability

Service group	Activities description
	standards than are required under applicable legislation, codes or other regulatory instruments Quoted connection services include above standard or non-standard services associated with: • commissioning of connection assets; • service connection; • installation inspection; and • operating and maintaining connection assets to the performance standard agreed with the network user. Quoted Connection Services also include: • supply abolishment; and • ancillary Connection Services. Associated services for which PWC Networks may seek payment from the user include, but are not necessarily limited to: • responding to enquiries in relation to the provision of the above standard or non-standard connection services; • provision of technical specifications in relation to the connection; • provision of duplicate or underground supply where requested by a network user; and • preliminary communications with potential or existing network user where more than 6 hours work is or is likely to be required. Under Quoted Connection Services, network users are only charged the incremental cost of the work above the cost of the mandated standard Connection Service. Connection Services are provided at the request of a network user and are dedicated to the individual network user. Connection assets include all of the dedicated electrical equipment that is used to transfer electricity to (entry) or from (exit) the shared electricity network at the connection point.
Quoted metering services	Metering services, including meter data services, provided at the request of a network user of a type that exceeds the normal requirements for the type of network user. Quoted metering services include, but are not necessarily limited to: • provision, installation and commissioning of additional or above standard or non-standard metering assets; • periodic accuracy testing of additional of additional or above standard or non-standard metering assets; and • maintenance and replacement of additional or above standard or non-standard metering assets. Quoted meter data services include: • reading, either locally or remotely, of additional or above standard or non-standard meters provided at the request of the network user; • installing and maintaining communications for additional or above standard or non-standard remotely read meters; and

Service group	Activities description
	• transfer of meter data to the meter data system and management of the stored meter data, for additional or above standard or non-standard meters. Quoted ancillary Metering Services include: • non-standard read of a standard meter, either locally or remotely; and • non-routine transfer of meter data to participant billing systems or network users. Under Quoted Metering Services, network users are only charged the incremental cost of the work above the cost of the mandated standard Metering Service. Several of the more commonly provided excluded metering services are subject to standard fees (Fee based services).
Asset relocation, temporary disconnection and reconnection	Removal, relocation or other permanent or temporary change to PWC Network assets at the request of a network user.
Emergency recoverable works	Repairs to shared electricity network or network connections caused by a third party (for example, due to vehicle accident).
Services associated with temporary supply	Services associated with temporary supply include: • provision electric plant or stand-by generator for temporary supply at the request of a network user; and • provision of temporary supplies at both low and high voltage at the request of a network user.
Illegal connections and damage to network equipment	Costs incurred by PWC Networks as a result of a network user not complying with relevant contractual obligations. Repair of equipment damaged by a network user or third party.
Provision of non-standard street light assets	Provision, construction and maintenance of street light assets based on non-standard designs or new technology such as LED.
Wasted attendance	Additional costs incurred by PWC Networks where service provision could not be undertaken and/or completed as planned due to action or inaction of a network user or their agent.
Asset location and identification services	PWC Networks' identification of its assets, including location of buried cables, at the request of a network user.
High load transport escorts	Provision of high load transport escort, including administration costs.
Covering of low voltage mains	Insulation coverage of low voltage mains at the request of a network user or other person.
Fee-based services	
Fee-based metering services	Fee-Based Metering service provided at the request of a network user include, but are not necessarily limited to: • out of sequence (unscheduled) meter reading services; • meter program changes; • testing or inspection of metering assets; • removal or relocation of metering assets; • the exchange or replacement of metering assets;

Service group	Activities description
	• installation of prepayment meters; and • provision of a permanent three-phase service. The provision of less routine services is subject to quotation (Quoted Services).
Street light services	Provision, construction and maintenance of street lighting assets.
Non-standard data services	Provision of non-standard data services of a routine nature.
Disconnection and reconnection	Providing temporary disconnection and reconnection of supply at a connection point at the request of a network user or market participant and in accordance with the terms of the Network Technical Code.
Fault response – not PWC Networks' equipment	Attendance in response to advice of a fault by a network user where the fault is not associated with PWC Networks' assets or metering equipment.
Installation of minor equipment to the network	This includes but is not necessarily limited to: • installation of tiger tails on PWC Networks assets; • polylogger test equipment at the user's premises; and • rental cost of minor equipment.
Travel costs	Where PWC Networks' personnel are required to attend rural locations more than 100kms from the relevant PWC Networks depot.

Excluded network access services subject to effective competition

Service group	Activities description
Equipment rental for non-network purposes	Equipment rental charges may be but are not necessarily limited to the following: • for the attachment of communications services such as coaxial or fibre optic cables; • for pole attachments, ducts or conduits; and • for the use of tunnels or ducts by communications or other services.
Investigation and testing services	Investigation and testing services requested by a network user.
Contestable networks engineering consulting services	Consulting services provided by PWC Networks to network users and third parties.

Appendix B – 2014-15 Standard Control Network Tariffs

Schedule A - All Regions 2014/15 INCLUDING GST

A - For High Voltage Connected Customers with consumption above 750 MWh per year

Reference Service[1] Provided: Normal transmission and distribution of electricity consumed through customers' metering for customers supplied and metered at high voltage

	System Availability Charge	$/kVA peak[2]	$/kVA off peak[2]	¢/kWh peak[2]	¢/kWh off peak[2]
System Availability Charge					
Dollars per month per meter	$705.448				
Plus charges related to monthly demand					
First 50 kVA per month		$10.042	$2.334		
Next 100 kVA per month		$8.808	$2.094		
Next 300 kVA per month		$7.339	$1.620		
Next 500 kVA per month		$5.816	$1.620		
Any further kVA per month		$4.067	$1.221		
Plus charges related to energy metered					
First 10,000 kWh per month				5.910	5.588
Next 20,000 kWh per month				4.484	3.978
Next 50,000 kWh per month				3.655	3.147
Next 100,000 kWh per month				3.087	2.564
Any further kWh per month				2.043	1.367

[1] Charges for increased or reduced service such as for higher reliability or for back-up supply to on-site generation are subject to negotiation.

[2] Peak and off-peak periods for demand and energy related charging rates will be as determined from time to time. The peak period rates currently apply to usage between 6.00 am and 6.00 pm on any day. Off-peak period rates apply at other times.

Schedule B - All Regions 2014/15 INCLUDING GST

B - For Low Voltage Connected Customers with consumption above 750 MWh per year

Reference Service[1] Provided: Normal transmission and distribution of electricity consumed through customers' metering for customers supplied and metered at low voltage

	System Availability Charge	$/kVA peak[2]	$/kVA off peak[2]	¢/kWh peak[2]	¢/kWh off peak[2]
System Availability Charge					
Dollars per month per meter	$705.448				
Plus charges related to monthly demand					
First 50 kVA per month		$10.042	$2.334		
Next 100 kVA per month		$8.808	$2.094		
Next 300 kVA per month		$7.339	$1.620		
Next 500 kVA per month		$5.816	$1.620		
Any further kVA per month		$4.067	$1.221		
Plus charges related to energy metered					
First 10,000 kWh per month				5.910	5.588
Next 20,000 kWh per month				4.484	3.978
Next 50,000 kWh per month				3.655	3.147
Next 100,000 kWh per month				3.087	2.564
Any further kWh per month				2.043	1.367

[1] Charges for increased or reduced service such as for higher reliability or for back-up supply to on-site generation are subject to negotiation.

[2] Peak and off-peak periods for demand and energy related charging rates will be as determined from time to time. The peak period rates currently apply to usage between 6.00 am and 6.00 pm on any day. Off-peak period rates apply at other times.

Schedule C - All Regions 2014/15

INCLUDING GST

C - For Customers with consumption below 750 MWh per year

Reference Service[1] Provided: Normal transmission and distribution of electricity consumed through customers' connection.

System Availability Charge	
Cents per day per meter - Domestic	33.310
Cents per day per meter - Commercial	58.134
Plus charges related to energy metered	**¢/kWh anytime**
Domestic	
First 500 kWh per month	11.484
Next 500 kWh per month	11.484
Energy used above 1,000 kWh per month	9.310
(pro-rated per billing period)	
Commercial	
First 1,000 kWh per month	11.484
Next 1,000 kWh per month	9.310
Energy used above 2,000 kWh per month	9.310
(pro-rated per billing period)	
Unmetered	
Street lighting and similar consumption profiled unmetered supplies	6.587
Traffic lights and similar unmetered 24 hour supplies	6.587

[1] Charges for increased or reduced service such as for higher reliability or for back-up supply to on-site generation are subject to negotiation.

Appendix C – 2014-15 Alternative Control Services Fee Based Charges

2014-15 Fee Based Alternative Control Service Charges			
Service	**After Hours Charge?[1]**	**Service Description**	**2014-15 Charge Incl. GST**
Re-Connection (CT)	No	Reconnection after failure to pay (CT Meter) - Business Hours	$160.60
Re-Connection (CT)	Yes	Reconnection after failure to pay (CT Meter) - After Hours	$205.70
Re-Connection (No CT)	No	Reconnection after failure to pay (No CT Meter) - Business Hours	$53.53
Re-Connection (No CT)	Yes	Reconnection after failure to pay (No CT Meter) - After Hours	$68.57
Additional Crew per person - per hour	No	Where additional crew is required at a service call for health, safety or security reasons - Business Hours	$160.60
Additional Crew per person - per hour	Yes	Where additional crew is required at a service call for health, safety or security reasons - After Hours	$205.70
Attending Loss of Supply	No	Where Power Networks attends a location but concludes that it is the customer's installation that is at fault - Business Hours	$240.90
Attending Loss of Supply	Yes	Where Power Networks attends a location but concludes that it is the customer's installation that is at fault - After Hours	$308.55
Exchange Or Replace Meter (CT)	No	Exchange of one CT meter for another CT meter at the customer's request - Business Hours	$321.20
Exchange Or Replace Meter (CT)	Yes	Exchange of one CT meter for another CT meter at the customer's request - After Hours	$411.40
Exchange or Replace a Meter (No CT & Three Phase)	No	Exchange of one No CT & Three Phase meter for another No CT & Three Phase meter at the customer's request - Business Hours	$240.90
Exchange Or Replace Meter (No CT & Three Phase)	Yes	Exchange of one No CT & Three Phase meter for another No CT & Three Phase meter at the customer's request - After Hours	$308.55
Exchange Or Replace Meter (No CT & Single Phase)	No	Exchange of one No CT & Single Phase meter for another No CT & Single Phase meter at the customer's request - Business Hours	$240.90
Exchange Or Replace Meter (No CT & Single Phase)	Yes	Exchange of one No CT & Single Phase meter for another No CT & Single Phase meter at the customer's request - After Hours	$308.55
General Meter Inspection (CT and No CT)	No	General metering inspection is required to check a reported or suspected fault, undertaken at the customer or retailer's request. This charge only applies if no fault is found with the meter - Business Hours only	$120.45
Meter Program Change (CT and No CT)	No	Changes to tariff that requires meter reprogramming at customer's request - Business Hours only	$120.45
Photovoltaic (PV) Installation Charge (Single Phase)	No	Supply and install Single Phase PV meter at customer's request - Business Hours only	$512.38

2014-15 Fee Based Alternative Control Service Charges			
Service	**After Hours Charge?[1]**	**Service Description**	**2014-15 Charge Incl. GST**
Photovoltaic (PV) Installation Charge (Three Phase)	No	Supply and install Three Phase PV meter at customer's request - Business Hours only	$715.76
Pillar Box, Pit or Pole Top (CT and No CT)	No	De-energisation by a physical disconnection of the service mains at the connection to the network - Business Hours only	$321.20
Prepayment Meter Installation	No	Installation of Prepayment Meter at customer or Retailer's request - Business Hours only	$391.60
Provision of a Permanent Three Phase Service	No	Provision of a permanent three phase service at the customer's request (if single phase only is determined as necessary) - Business Hours only	$516.50
Relocation of Meter (CT and No CT)	No	Relocation of meter after customer has relocated meter panel. This service is undertaken at the customer or retailer's request - Business Hours only	$160.60
Remove Fuse (CT)	No	De-energisation at the fuse or meter (CT Meter) - Business Hours only	$160.60
Remove Fuse (No CT)	No	De-energisation at the fuse or meter (No CT Meter) - Business Hours only	$53.53
Remove Meter (CT and No CT)	No	Permanent removal of connection point (meter) from meter panel - Business Hours only	$120.45
Replacement of a prepayment meter due to tampering or damage by a customer	No	Replacement of prepayment meter due to tampering or damage by a customer - Business Hours only	$528.60
Replacement of meter due to tampering or damage by a customer (Three Phase)	No	Replacement of Three Phase meter due to tampering or damage by a customer - Business Hours only	$412.60
Replacement of meter due to tampering or damage by a customer (Single Phase)	No	Replacement of Single Phase meter due to tampering or damage by a customer - Business Hours only	$297.60
Service Establishment - New Infrastructure	No	Connection of supply from network to supply point (meter panel); and the installation of metering at supply point (meter panel) - Business Hours	$321.20
Service Establishment - New Infrastructure	Yes	Connection of supply from network to supply point (meter panel); and the installation of metering at supply point (meter panel) - After Hours	$411.40
Special Meter Read	No	Reading of meter at customer's request - Business Hours only	$28.11
Special Meter Test - Single Phase (CT and No CT)	No	Testing of meter for single phase supply - Business Hours only	$160.60
Special Meter Test - Three Phase (CT and No CT)	No	Testing of meter for three phase supply - Business Hours only	$240.90
Tamper Meter Inspection (CT)	No	Inspection is required where supply or equipment tampering is suspected (CT Meter) - Business Hours only	$240.90
Tamper Meter Inspection (No CT)	No	Inspection is required where supply or equipment tampering is suspected (No CT Meter) - Business Hours only	$160.60

2014-15 Fee Based Alternative Control Service Charges			
Service	**After Hours Charge?[1]**	**Service Description**	**2014-15 Charge Incl. GST**
Temporary Disconnection - Low Voltage - No Dismantling (Overhead)	No	Temporary disconnection and reconnection of supply, with no dismantling of service required - Business Hours	$481.80
Temporary Disconnection - Low Voltage - No Dismantling (Overhead)	Yes	Temporary disconnection and reconnection of supply, with no dismantling of service required - After Hours	$617.10
Installation of Minor Apparatus	No	Installation of tiger tails, polyloggers and other minor equipment - Business Hours only	$722.70
Rental of Minor Equipment (daily charge)	No	Rental cost per day for minor equipment (e.g. tiger tails)	$1.37
Meter Data Processing Services - Higher Standard (Previous Year)	No	Collection, processing and transfer of higher standard energy data (from the previous year) for customers than would otherwise be provided - retailer requested - Business Hours only	$160.60
Meter Data Processing Services - Higher Standard (Archive Data)	No	Collection, processing and transfer of higher standard energy data (archive data i.e. any year other than the previous year) for customers than would otherwise be provided - retailer requested - Business Hours only	$321.20
Provision of Standard Data	No	Provision of up to 12 months of old billing data (standard) or load profiles (where available) to customers or retailers - Business Hours only	$80.30
Streetlight Repairs and Maintenance[2] (LW 1-100)	No	Annual repairs & maintenance charge per streetlight of streetlights within the 1-100 light wattage category	$108.35
Streetlight Repairs and Maintenance[2] (LW 101-200)	No	Annual repairs & maintenance charge per streetlight of streetlights within the 101-200 light wattage category	$118.66
Streetlight Repairs and Maintenance[2] (LW 201-300)	No	Annual repairs & maintenance charge per streetlight of streetlights within the 201-300 light wattage category	$138.30
Streetlight Repairs and Maintenance[2] (LW 301-400)	No	Annual repairs & maintenance charge per streetlight of streetlights within the 301-400 light wattage category	$148.32
Streetlight Repairs and Maintenance[2] (LW 1000)	No	Annual repairs & maintenance charge per streetlight of 1000 watt streetlights	$174.54
Travel Costs - Rural	No	Labour cost for travel 100+km from depot - Business Hours	$321.20
Travel Costs - Rural	Yes	Labour cost for travel 100+km from depot - After Hours	$411.40

[1] **Business Hours:** Monday to Friday - 6am to 6pm
After Hours: Monday to Friday - 6pm to 6am and Saturday
Please note that After Hour services are only available to the customer when Power Networks has the resources available to complete the work.
Please note that work completed on a Sunday or a Public Holiday may attract additional fees.

[2] The Streetlight Repairs and Maintenance charge will be implemented from 1 October 2014 and, therefore, a pro-rated rate will apply for 2014-15.

Consumption Charges.

Schedule A - All Regions 2014/15 — INCLUDING GST

A - For High Voltage Connected Customers with consumption above 750 MWh per year

Reference Service[1] Provided: Normal transmission and distribution of electricity consumed through customers' metering for customers supplied and metered at high voltage

	System Availability Charge	$/kVA peak[2]	$/kVA off peak[2]	¢/kWh peak[2]	¢/kWh off peak[2]
System Availability Charge					
Dollars per month per meter	$705.448				
Plus charges related to monthly demand					
First 50 kVA per month		$10.042	$2.334		
Next 100 kVA per month		$8.808	$2.094		
Next 300 kVA per month		$7.339	$1.620		
Next 500 kVA per month		$5.816	$1.620		
Any further kVA per month		$4.067	$1.221		
Plus charges related to energy metered					
First 10,000 kWh per month				5.910	5.588
Next 20,000 kWh per month				4.484	3.978
Next 50,000 kWh per month				3.655	3.147
Next 100,000 kWh per month				3.087	2.564
Any further kWh per month				2.043	1.367

[1] Charges for increased or reduced service such as for higher reliability or for back-up supply to on-site generation are subject to negotiation.

[2] Peak and off-peak periods for demand and energy related charging rates will be as determined from time to time. The peak period rates currently apply to usage between 6.00 am and 6.00 pm on any day. Off-peak period rates apply at other times.

Schedule B - All Regions 2014/15 — INCLUDING GST

B - For Low Voltage Connected Customers with consumption above 750 MWh per year

Reference Service[1] Provided: Normal transmission and distribution of electricity consumed through customers' metering for customers supplied and metered at low voltage

	System Availability Charge	$/kVA peak[2]	$/kVA off peak[2]	¢/kWh peak[2]	¢/kWh off peak[2]
System Availability Charge					
Dollars per month per meter	$705.448				
Plus charges related to monthly demand					
First 50 kVA per month		$10.042	$2.334		
Next 100 kVA per month		$8.808	$2.094		
Next 300 kVA per month		$7.339	$1.620		
Next 500 kVA per month		$5.816	$1.620		
Any further kVA per month		$4.067	$1.221		
Plus charges related to energy metered					
First 10,000 kWh per month				5.910	5.588
Next 20,000 kWh per month				4.484	3.978
Next 50,000 kWh per month				3.655	3.147
Next 100,000 kWh per month				3.087	2.564
Any further kWh per month				2.043	1.367

[1] Charges for increased or reduced service such as for higher reliability or for back-up supply to on-site generation are subject to negotiation.

[2] Peak and off-peak periods for demand and energy related charging rates will be as determined from time to time. The peak period rates currently apply to usage between 6.00 am and 6.00 pm on any day. Off-peak period rates apply at other times.

Schedule C - All Regions 2014/15

INCLUDING GST

C - For Customers with consumption below 750 MWh per year

Reference Service[1] Provided: Normal transmission and distribution of electricity consumed through customers' connection.

System Availability Charge	
Cents per day per meter - Domestic	33.310
Cents per day per meter - Commercial	58.134
Plus charges related to energy metered	**¢/kWh anytime**
Domestic	
First 500 kWh per month	11.484
Next 500 kWh per month	11.484
Energy used above 1,000 kWh per month	9.310
(pro-rated per billing period)	
Commercial	
First 1,000 kWh per month	11.484
Next 1,000 kWh per month	9.310
Energy used above 2,000 kWh per month	9.310
(pro-rated per billing period)	
Unmetered	
Street lighting and similar consumption profiled unmetered supplies	6.587
Traffic lights and similar unmetered 24 hour supplies	6.587

[1] Charges for increased or reduced service such as for higher reliability or for back-up supply to on-site generation are subject to negotiation.

ATTACHMENT 2

Commission's Role

The Commission is responsible for the regulation of prices for certain monopoly services, licensing of regulated industry participants, and monitoring the performance of regulated operators. The Commission also investigates and helps to resolve complaints relating to the conduct of licensees, provides consumers and others with information, and provides advice to the Minister.

In performing these functions, the Commission has regard to the need to promote competitive and fair market conduct and to prevent the misuse of monopoly or market power, as well as to facilitate entry into the market and to promote economic efficiency. In addition, the Commission seeks to ensure that consumers benefit from competition and efficiency, and to protect their interests with regard to reliability and quality of services and supply. The Commission must also consider the need to maintain the financial viability of regulated industries and to ensure an appropriate rate of return on regulated infrastructure assets.

The Commission is a separate administrative unit established within the NT Treasury and Finance, but has specific statutory powers and undertakes its considerations independently from Treasury.

While the Commission was established initially to play a regulatory role in the Territory's electricity supply market, its functions have been expanded to include a regulatory role in the water and sewerage services industries within a sole supplier model.

Related regulatory entities

The Commission undertakes its regulatory functions in the Territory's regulated industries in conjunction with other regulatory entities, notably:

- the 'Regulatory Minister', currently the Treasurer;
- the Electricity Safety Regulator - part of NT Worksafe - who has responsibility under the *Electricity Reform Act* for monitoring and enforcing safety standards, and for establishing and enforcing safety-related standards for electrical equipment;
- the Chief Health Officer - located in Territory Health Services - who has responsibility under the *Water Supply and Sewerage Services Act* for monitoring and enforcing certain standards with respect to the water and sewerage industries; and
- the NT Ombudsman, who continues to have responsibility for investigating complaints from small electricity, water supply and sewerage services customers of the Power and Water Corporation.

For more information, see Links

Public Information

One of the functions of the Commission is to assist consumers and others with information and other services. This website provides the primary means for the Commission to make information available to the general public.

All statements, reports, guidelines and other documents published by the Commission, as well as submissions made to the Commission by interested parties, will be posted on this website. For more information, see Publications.

In making information available, the Utilities Commission has an obligation to preserve confidentiality of any information that could affect the competitive position of licensed entity or other person, or is commercially sensitive for some other reason. For more information on confidential information, see Consultations

Advisory Committees

The Commission may set up advisory committees to provide advice on specified aspects of its functions.

No advisory committees are currently constituted, however when this occurs details of any committee, including terms of reference, members and meeting minutes will be made available on this website.

Complaints and Disputes

One of the Commission's functions is the investigation of complaints against licensed market participants. For more information, see Electricity Disputes and Water and Sewerage Disputes.

It is the Commission's view that formal complaint mechanisms should only be used where informal methods of dispute resolution have failed. The Commission stands ready to assist any party with a complaint against a market participant on an informal basis.

With respect to access disputes between the network provider (currently Power and Water Corporation) and third parties, the Commission maintains a list of qualified arbitrators. However, the Commission has and intends to continue to use its 'good offices' and connection with market participants to facilitate access to infrastructure on reasonable terms. For more information, see Negotiation of Network Access.

Power and Water Corporation's head of power for levying streetlight repairs and maintenance and capital charges?

To align with other jurisdictions and enable greater transparency of costs and service delivery to customers, prior to structural separation, the Power and Water Corporation Board decided to unbundle streetlight services (consumption, repairs and maintenance and capital).

As a result, the unmetered consumption charges are approved by the Northern Territory Government and are now recovered by Jacana Energy under the powers of the Electricity Pricing Order (clause 8 of the Electricity Pricing Order, made under section 44(8) of the *Electricity Reform Act*).

The streetlight repair and maintenance and capital charges are however levied by Power and Water Corporation (as the network service provider) as 'excluded network access services' as defined by the Utilities Commission in the 2014 Network Price Determination (refer also to clause 72 and in particular subclause (4) of the Network Access Code).

Excluded network access services are not standard control services, they are classified as being services and associated costs excluded from the revenue cap determined by the Utilities Commission and therefore not recoverable through standard control service (network) tariffs.

Schedule 3 of the 2014 Network Price Determination specifies streetlight services to be excluded network access services not subject to effective competition (i.e. alternative control services / those services referred to in clause 72(4) of the network access code).

Clause 72(4) requires that alternative control services must be provided on fair and reasonable terms. The Utilities Commission does not approve pricing for these excluded network access services.

The approval function for excluded network access services lies with the Power and Water Corporation Board, within the parameters set by the Utilities Commission in the 2014 Network Price Determination and the Network Access Code.

Please also note that the Power and Water Corporation Board recently approved a deferral of the introduction of the capital charge to 1 December 2015 and that formal notification of this decision will be forthcoming.