

Committee: COWTEF  
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## Key Points

### (a) Indigenous Essential Services

- Indigenous Essential Services (IES) Pty Ltd is the not-for-profit subsidiary of Power and Water Corporation contracted by the Northern Territory Government to provide electricity (water and wastewater) services to 72 major Indigenous communities and electricity to 57 homeland (outstation) communities.
- There are 20 communities covered under the agreement defined by the Northern Territory as 'major remote towns' (MRT) and 15 of these are 'Remote Service Delivery' communities.
- Under the *Agreement for Provision of Essential Services to Nominated Indigenous Communities 2013-2016*, IES receives a 'fee for service' for:
  - electricity generation, distribution and retail services;
  - strategic asset and service delivery planning;
  - water and energy Efficiency;
  - development assessments;
  - asset management;
  - operational budget management; and
  - data collection and reporting.
- The operations are funded from \$28m (2012) collected in revenue from the sale of electricity, water supply and sewerage services and a grant of \$56 million (2012) from the Northern Territory Government through a purchaser-provider agreement.
- Customers in remote communities pay the Uniform Tariff for electricity.
- From time to time, IES (applies for and) receives grant funding for major projects outside of the Agreement, including from entities other than Northern Territory Government.
- The Agreement Service Level Guidelines require IES to supply electricity at the defined quality (at a nominal voltage, frequency and variation range) and reliability whereby 'the number and length of outages is not significantly

different from other similarly sized rural communities' and planned outages limited to 6 hours.

- IES Pty Ltd owns, operates and maintains:
  - 52 diesel-fired power stations, total capacity 76 MW;
  - approximately 1320 kilometres of power distribution line (high and low voltage);
  - 4 solar power stations integrated with diesel power stations, total capacity 820 kW; and
  - 1 wind energy power system total capacity 45kW at Alpururulam (and 1 non-operational wind turbine at Epenarra).
- 11 communities are connected to PWC urban gas-fired electricity grids;
- IES purchases electricity from third parties for supply to 8 communities including solar power at 5 communities.
- In total eight renewable energy systems supply 11 IES communities.
- All 57 homeland communities are either connected to PWC urban or IES isolated networks.
- 6 outstation electricity supply assets are not vested in IES and services are carried out on a cost recovery basis;

<b>Current Supply</b>	<b>Major Remote Towns</b>	<b>Other IES Communities</b>	<b>Homelands / Outstations</b>
Diesel only (IES)	12	44	34
Diesel only (Mine)	2	1	
Solar-diesel	5	6	19
Solar-wind-diesel		1	
Gas	1	9	4
Grid connected (gas, diesel, solar-diesel)	4	16	57