



LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY
GOVERNMENT OWNED CORPORATIONS SCRUTINY COMMITTEE
REPORT

Thursday 23 June 2016

The Government Owned Corporations Scrutiny Committee examined the activity, performance, practices and financial management of the Power and Water Corporation, Territory Generation, and Jacana Energy with reference to their Statements of Corporate Intent for 2016-2017.

Questions were raised by Members on the following issues:

CORPORATION	ISSUES
Power and Water Corporation	<ul style="list-style-type: none">• Financial performance and governance• Implementation of structural separation process• Breakdown of staffing by business unit• Costs associated with structural separation• Upgrade of financial management system• Update on cash flow issues• Increase in Community Service Obligation payment• Profitability of PWC business units• Gas contract and projected revenues• Financial reconciliation issues associated with Indigenous Essential Services, Jacana Energy and Territory Generation• Shared bank accounts• Asset management and stranded assets• Transitional services agreements• Update on System Control and proposed transfer of control to AEMO• Job security and downsizing as a consequence of business transformation strategy• Sustainability of Howard East bore field• Water extraction licences• Provision of water supply for proposed Noonamah Ridge development• Future investment in water storage and water farming• Current capacity to meet demand for town water

CORPORATION	ISSUES
	<ul style="list-style-type: none"> • Sewerage infrastructure Howard Springs activity centre • Leanyer waste stabilisation ponds • Update on Robinson River project • Epenarra water supply
Jacana Energy	<ul style="list-style-type: none"> • Increase in Community Service Obligation payment • Status of structural separation process • Cost of systems required as a consequence of structural separation • Changes to commercial customer base • Purchase agreements with power generators • Impact of economic downturn on revenue base • Impact of roof-top solar on revenue base • Feed-in tariffs • Breakdown of staffing • Travel expenditure • Cost of installing a prepayment meter • Advertising expenditure • Pre-payment options
Territory Generation	<ul style="list-style-type: none"> • Status of structural separation process • Cost of asset management system • Breakdown of staffing • Profit forecasts and dividend paid to NT Government • Generation performance and reliability • Gas supply arrangements • Impact of uptake of roof-top solar • Modelling regarding solar as primary source of power for Alice Springs • Investment in renewable technology • Solar thermal technology • Update on decommissioning of Ron Goodin power station and impact on staff • Upgrade of Owen Springs power station • Pine Creek Power Station Purchase Agreement • Brewer Estate Power Station Purchase Agreement • Potential for solar power options in Tennant Creek and Katherine



**Mrs Robyn Lambley MLA
CHAIR**