

WRITTEN QUESTION NO 31

NATIONAL REGULATORY FRAMEWORK FOR ELECTRICITY

Question

1. When will a decision be reached on the National Regulatory Framework for Electricity.
2. What is the anticipated impact on Territory electricity tariffs as a result of the application of that framework.

Answer

The Government is examining the merits of adopting the regulatory framework which applies in the national electricity market. No decision has been made as yet.

In April 2008, the Government released a draft policy paper entitled: A New Legislative Framework for the Northern Territory Electricity Industry as the basis for a stakeholder consultation process on electricity reform.

A key conclusion of the consultation process was that physical inter-connection is not a necessary condition of moving to the national arrangements. Adopting national laws and rules and conferring authority on national regulatory bodies to operate in the Territory is required.

A final draft policy paper is being refined to incorporate the results of stakeholder consultation, and is expected to be submitted for consideration by Government shortly.

Under the national regulatory framework the Territory Government would reserve the right to subsidise electricity prices, meaning no changes to the existing uniform tariff policy would be necessary.