



---

# MEDIA RELEASE

---

## SESSIONAL COMMITTEE ON THE NORTHERN TERRITORY'S ENERGY FUTURE

---

2 December 2015

### ELECTRICITY PRICING OPTIONS REPORT TABLED

The Hon Gary Higgins MLA, Chair of the Committee on the Northern Territory's Energy Future, today tabled the Committee's latest report on Electricity Pricing Options.

Minister Higgins noted that, "the Committee's first inquiry found that the security of the Northern Territory's energy future is not just about access to a reliable fuel source. It's also about ensuring we have an efficient electricity market and that includes having a choice when it comes to electricity tariffs."

While Jacana Energy recently introduced the *Switch to Six* time-of-use electricity tariff, for most people this means upgrading their electricity meter. However, the Committee found that many of the older houses in the Territory have asbestos meter boards which also need to be replaced. "The cost of that is a significant barrier for many people who would like to upgrade their meter and move on to a tariff that can help them manage their electricity consumption and decrease their bills." Minister Higgins said. The report includes two recommendations regarding electricity meters. "First off we need to have a look at our policy for new and replacement electricity meters and ensure that it supports a market-led, consumer driven uptake of advanced meters. The Committee has also recommended that an *Advanced Meter Upgrade Rebate* program is established to compensate domestic and small business customers for costs associated with replacing asbestos meter panels." Minister Higgins said.

The Committee also found that the Territory's *Solar Buyback Scheme* no longer complies with the *National Principles for Feed-in Tariff Arrangements* and is out of step with other jurisdictions. The Committee heard that the cost of the scheme has doubled in the past 12 months and currently amounts to \$1.5 million per year. "Of particular concern to the Committee is the fact that the difference between the feed-in tariff rate and the avoided cost of generation is effectively borne by non PV owners in the form of higher prices."

The report also indicates that a number of issues were raised during the inquiry about the effectiveness and transparency of the Territory's retail price setting process. Minister Higgins stated that "given the Australian Energy Market Commission recently released its *Advice on Best Practice in Retail Price Methodology*, the Committee is of the view that it would be beneficial and timely to review and consider options for improving our current processes."

**END**

**For Comment Contact: Hon Gary Higgins MLA, Tel: 8999 7540**