



LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

GOVERNMENT OWNED CORPORATIONS SCRUTINY COMMITTEE

REPORT

Thursday 4 June 2015

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 2015-2016.

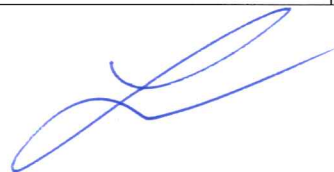
Questions were raised by Members on the following issues:

CORPORATION	ISSUES
Power and Water Corporation	<ul style="list-style-type: none">• Structural separation – legal, financial, organisational• Financial performance and projections• Benefits of structural separation• Capital works investment program• Staffing and EBA• Water and sewerage charges• Indigenous essential service charges• 14-15 revenue attributed to tariff increases• Privatisation of poles and wires• Network access agreements• Separation of gas business unit• Surplus gas• Gas contract with Territory Generation• Uptake of solar by home owners• Impact of battery energy storage• Solar feed in tariff policy• Renewable energy projects• Leanyer waste stabilisation ponds• Ludmilla sewerage upgrades
Jacana Energy	<ul style="list-style-type: none">• Accuracy of financial data post structural separation• Status of shared services – customer care, billing and credit management• Transitional service agreements• Cost savings associated with implementing separate IT systems and retail services

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CORPORATION	ISSUES
	<ul style="list-style-type: none"> • Customer gains and losses • Implications of introduction of gentailers in the market • Financial performance and projections • Cost reflectivity of Community Service Obligation • Access to more competitive generation • Solar feed in tariff policy • Staffing • Customer contract • Costs associated with structural separation • Introduction of Time of Use tariffs • Metering services • Contractors and consultants utilised by Jacana Energy • Staff and board travel • Costs associated with board members • Advertising and marketing costs
Territory Generation	<ul style="list-style-type: none"> • Transitional service level agreement • Shared service arrangements post 1 July 2015 • Staffing • Timing of full financial separation • Financial performance and projections • Costs associated with new IT systems • Gas supply • Customer base • Capital works, repairs and maintenance budgets • Future of Ron Goodin power station and site • Staffing implications if Ron Goodin is decommissioned • Upgrade of Tennant Creek power station • Life extension works at Channel Island • Power purchase agreements • Renewable energy generation • Uptake of renewable energy by households • Impact of battery energy storage • Staff and board travel • Costs associated with board members



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CHAIR