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Anna McGill
Manager – Regulation, Economics & Pricing

Power and Water Corporation
Level 7, Mitchell Centre
55 Mitchell Street
Darwin NT 0800



**Northern Territory
Chamber of Commerce**

ABN 36 160 572 513
T: (08) 8982 8100
E: info@chambernt.com.au
W: www.chambernt.com.au

The Voice of
Territory Business

Dear Anna,

NTESMO Regulatory Proposal Consultation

The Chamber supports the proposal to the Energy Regulator, and we are appreciative of the fact that it is proactive in managing the complex challenges presented by the transition to renewables, data complexity and uncertainty of reform. Given the potential exposure to the high cost of system failure, the proposed investment into the TDE, probably at Level 2, seems sensible and timely to us.

We do note however, that a probable network charge increase in the order of 10%, combined with a likely generation cost increase of a similar order, will have a significant impact on high energy users and whilst smaller consumers will be protected via the Pricing Order and CSO payments, ultimately it is the taxpayer who funds these subsidies.

One of our key focus areas is the current upward spiral of increasing business costs which continue to limit the competitiveness of Territory business when compared to our interstate counterparts and ultimately these increases will be passed onto consumers across the NT.

We also note that the forward projections in base load do not seem to factor in any uplift in that load from increased consumption. Projects such as data centres, manufacturing precincts and mining activities will contribute to future stability of the network by lifting the threshold of solar energy impacts. In addition, future battery projects, whilst currently not a reality, will no doubt become an influence into the future.

Thank you for the opportunity to provide our feedback and we look forward to further discussions.

Kind Regards,

Greg Ireland
Chief Executive Officer