Chief Minister, Clare Martin, today assured Territorians that NT Power’s decision to withdraw from the local electricity market would not result in an increase in domestic prices.

"This Government has made a commitment to Territorians that there would be no increase in domestic prices during our first term in office," she said.

"We are, however, concerned by the withdrawal of NT Power. The company has been unable to continue its operations after failing to obtain a competitive supply of gas from the Centralian fields.

"While NT Power has withdrawn from the market we understand that it intends to keep its Channel Island site in order to keep its options open for a return to the market place when Timor Sea gas comes onshore."

Ms Martin said the Government would now be working with the Utilities Commissioner to ensure a legal framework is put in place so that he can guarantee that prices are kept to reasonable levels.

"In the meantime, the Commissioner intends to closely monitor the wholesale energy (generation) charges that Power and Water applies to contestable customers."

The Territory Government was formally advised of NT power’s decision last Friday, however, the Government and Power and Water have been working with the company for a number of weeks to ensure a smooth transition.

"This has involved ensuring that customers have had a secure supply of electricity and, as far as possible, helping its staff remain in work," she said.

"Regardless of this change, domestic electricity prices will remain unchanged over this term of Government – that is our commitment to Territorians."