

**1996**

**THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL  
TERRITORY**

**ENERGY AND WATER ACT 1988**

**ENERGY AND WATER (REGULATION OF CHARGES) REGULATIONS  
REQUIREMENTS IN RELATION TO INVESTIGATIONS**

**NO. 196 OF 1996**

**EXPLANATORY STATEMENT**

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Tony De Domenico MLA  
Minister for Urban Services

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*Legislative background*

The Energy and Water (Regulation of Charges) Regulations (“the Regulations”) provide for a scheme of independent regulation of the charges of ACTEW Corporation

The Regulations provide for the creation of an Energy and Water Charges Commission, which will be constituted by a Commissioner.

Regulation 10 allows the Minister, by notice in writing, to refer to the Commission the question of regulating charges for services in respect of a period specified in the notice.

Regulation 12(1) allows the Minister, by instrument, to specify the requirements in relation to the conduct of an investigation or a report on an investigation by the Commission. Such an instrument is a disallowable instrument for the purposes of section 10 of the Subordinate Laws Act 1989.

The attached document covers the matters set out in Regulations 10 and 12(1).

*Matters relevant to Regulation 10*

The document refers to the Energy and Water Charges Commission to conduct an investigation into charges for electricity, water and sewerage services supplied by ACTEW Corporation in the ACT. In relation to period of regulation, the Commission is required to provide specific recommendations for charges in 1997-98 and also an implementation strategy that would move towards a pricing path for monopoly services covering at least three years. Consistent with the requirements of Regulation 10, the investigation is to consider all prices determined under section 48 of the Energy and Water Act 1988.

*Matters relevant to Regulation 12(1)*

The document sets out a number of matters that are to be considered by the Commission when conducting its investigation

The requirements are set out in two sets: the first set of requirements, numbered from 1 to 6, contains guiding principles for the Commission. The second set of requirements, numbered from 1 to 7, are to be the subject of specific attention in the investigation

**Closest attention is to be paid to those charges for services that would appear to the Commissioner to be monopoly provided services or where competition is not effective.**

**The outcome of the investigation is to form the basis of a report to the Minister by March 1997.**