

## **Independent Competition and Regulatory Commission (Regulated Water and Sewerage Services) Terms of Reference Amendment Determination 2013**

### **Disallowable instrument DI2013–35**

made under the

*Independent Competition and Regulatory Commission Act 1997* (the Act), Section 15 (Nature of industry references) and Section 16 (Terms of industry references).

### **EXPLANATORY STATEMENT**

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On 13 October 2011 the Treasurer, by disallowable instrument DI 2011-287, determined Terms of Reference for the Independent Competition and Regulatory Commission (the Commission) to undertake an investigation into and the making of a price direction for regulated water and sewerage services provided to ACT residents by ACTEW Corporation Limited from 1 July 2013.

As part of the Terms of Reference, the Commission is required to complete the inquiry by 1 May 2013. The purpose of setting this deadline was to allow sufficient time for ACTEW to complete any final administrative tasks to implement the new pricing direction prior to its commencement on 1 July 2013.

However, it has become apparent that the completion date of 1 May 2013, as originally set for the inquiry, cannot be met for the following reasons:

- The Commission has considered a wider range of issues at greater depth than has been done in recent reviews and was expected before the commencement of the investigation;
- The Commission has made a range of recommendations in the draft report in addition to the price direction itself; and
- The Commission has undertaken a thorough review of the regulatory model used to generate the price direction.

As a result, the draft report is likely to generate a larger volume of submissions than typically has been the case during previous investigations. In order to allow for proper public discussion and to allow ACTEW a reasonable opportunity to develop its position on the content of the draft report, the Commission has requested a later release date for the final report of 12 June 2013.

Following consultation with ACTEW, it has been determined that the new reporting date will not hinder on the ability for the pricing direction to be successfully implemented in time for the new prices to commence on 1 July 2013. Therefore, this disallowable instrument amends the original Terms of Reference to reflect the revised final reporting date of 12 June 2013.

Section 46 of the *Legislation Act 2001* provides that a power given under an Act or statutory instrument to make a statutory instrument includes power to amend or repeal the instrument. The power to amend or repeal the instrument is exercisable in the same way, and subject to the same conditions, as the power to make the instrument.