

Utilities (Annual Licence Fees Determination 2014-15) Notice 2014

Notifiable Instrument NI2014-469

made under the

Utilities Act 2000, s 52 (Public notice of licence decisions) (see also s 45 (Determination of fee) and s 53 (Public access to licences etc))

EXPLANATORY STATEMENT

Section 45(1) of the *Utilities Act 2000* (Utilities Act) gives the Independent Competition and Regulatory Commission (Commission) the power to determine the annual licence fee payable by each utility licensed to provide a utility service in the ACT.

Section 52(1)(i) of the Utilities Act requires the Commission to prepare a notice upon making a determination of a fee under section 45. The notice is a notifiable instrument.

The costs of regulating utility services in the ACT are recovered through two mechanisms set out in the *Utilities Act 2000*: the annual licence fee in division 3.4 and the energy industry levy in part 3A. Whilst gas and electricity distribution are licensed services in the ACT, the energy industry levy is used, instead of a licence fee, to recover costs relating to these services as they are defined industry sectors under part 3A.

The two licensees subject to an annual licence fee are:

- ACTEW Corporation (water and sewerage services); and
- East Australia Pipe Line Ltd (gas transmission services).

The licence fee payable by each licensed utility is the amount considered by the Commission to be a reasonable contribution towards the costs incurred, or expected to be incurred for 2014-15 by:

- the Independent Competition and Regulatory Commission,
- the technical regulator under part 5 (technical regulation is undertaken by the Environment and Planning Directorate) and
- the ACT Civil and Administrative Tribunal.

in relation to the regulation of utility services provided by the licensees.