

Utilities (Annual Licence Fees Determination 2015-16) Notice 2015

Notifiable Instrument NI2015-563

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 Commission notes the increase in total regulatory costs estimated for 2015-16 on the actual costs for 2014-15. This increase in costs is primarily attributable to an increase in technical regulation costs and associated work load for 2015-16. Technical regulation has stated that the increase in expenditure for 2015-16 relates mainly to an increase in contractor costs and audit work. This will be followed by a decrease in expenditure and workload for the 2016-17 year.

The three licensees subject to an annual licence fee are:

- East Australia Pipe Line Limited (gas transmission services);
- Icon Water Limited (water and sewerage services); and
- TransGrid (electricity 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 2015-16 in relation to the regulation of utility services provided by the licensees by:

- the Independent Competition and Regulatory Commission,
- the technical regulator; and
- the ACT Civil and Administrative Tribunal.