

Australian Capital Territory

# Utilities (Technical Regulation) (Operating Certificate Fees) Determination 2022

Disallowable instrument DI2022–89

made under the

Utilities (Technical Regulation) Act 2014, s 110 (Determination of fees)

## EXPLANATORY STATEMENT

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This explanatory statement relates to the *Utilities (Technical Regulation) (Operating Certificate Fees) Determination 2022*. It has been prepared in order to assist the reader of the instrument. It does not form part of the instrument.

This explanatory statement must be read in conjunction with the instrument.

### Introduction

This determination is a disallowable instrument under the *Utilities (Technical Regulation) Act 2014* (the *Act*). The Act provides a technical regulatory framework for regulated utilities in the ACT. Section 110 of the Act authorises the Technical Regulator to determine fees.

### Overview

The purpose of this instrument is to determine the fees payable for applying for the grant of an operating certificate to an unlicensed regulated utility and ongoing audit and compliance fees. The fees will assist in recovering the costs incurred by the Technical Regulator in meeting the Regulator's obligations under the Act.

This disallowable instrument determines fees payable by an unlicensed regulated utility when applying for the grant of an operating certificate and for regulatory activities related to audit and compliance of an operating certificate and the development or amendment of relevant technical codes.

This instrument revokes the *Utilities (Technical Regulation) Operating Certificate Fees Determination 2019* (DI2019-204).

### Outlines of the fees

Schedule 1 of the instrument applies to an unlicensed regulated utility requiring an operating certificate other than solar installations that are 200 kilowatts (*kW*) to 1 megawatt (*MW*). The fees in item 1 and 3 are based on the hourly cost for granting a certificate and for administration and regulation of the operating certificate. Item 2 is an annual fee for the review of annual reports submitted in compliance with

conditions of operating certificates. This fee structure is intended to represent full cost recovery for the ACT Government for each unlicensed regulated utility that provides a regulated utility service and that is assessed and regulated. The annual increase of 3.25% is imposed to fee for 2022-23 and 2023-24 years which is the standard increase of Wage Price Index (WPI) for those years. For 2024-25, the rate of increase is based on WPI of 3.50%.

Schedule 2 applies to all solar installations 200kW-1MW (200kW and above but less than 1MW) to reflect costs for granting a certificate, cost for inspections by licensed electrical inspectors, and cost for administration and regulation of the operating certificate. To issue operating certificates, all solar installations below 1MW require inspections by licensed electrical inspectors. Solar installations of 1MW and above require engagement with independent certifiers for the inspections and payment of the fees shown in schedule 1. The annual increase of 3.25% is imposed to fee for 2022-23 and 2023-24 years which is the standard increase of Wage Price Index (WPI) for those years. For 2024-25, the rate of increase is based on WPI of 3.50%.

The type of operating certificate that may be required depends on the kind and size of the regulated utility service being provided. These could include a Design and Construct Operating Certificate for larger installations issued prior to the construction of infrastructure or a Provision of Service Operating Certificate issued when the unlicensed regulated utility is ready to commence providing the service. A Compliance Operating Certificate may be issued to smaller installations designed, built and inspected in compliance with the *Electrical Safety Act 1971*, the *Water and Sewerage Act 2000* or the *Gas Safety Act 2000*.

The determination also includes an amendment to the following fee:

- Cost recovery fee for audit, review of reports or compliance activity in accordance with conditions of the operating certificate

The above fee description is now:

- Regulatory activities in relation to audit and compliance of an operating certificate and development or amendment of technical codes – per hour

### **Regulatory impact statement (RIS)**

A RIS is not required for this fee determination due to section 36 (1) (k) of the *Legislation Act 2001*, which provides that a RIS need not be prepared for an amendment of a fee consistent with announced government policy.

### **Human rights**

No human rights are impacted by this instrument.