

Utilities (Technical Regulation) (Operating Certificate Fees) Determination 2023

Disallowable instrument DI2023–111

made under the

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

EXPLANATORY STATEMENT

This explanatory statement relates to the *Utilities (Technical Regulation) (Operating Certificate Fees) Determination 2023*. It has been prepared in order to assist the reader of the instrument. It does not form part of 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 for the Act.

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 2022* (DI2022-89).

Outline 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 items 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 3.75% is imposed to fee for 2023-24 year which is the standard increase of Wage Price Index (*WPI*) for this year. For 2024-25 and 2025-26, the rate of increase is based on WPI of 3.5%.

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 3.75% is imposed to fee for 2023-24 year which is the standard increase of Wage Price Index (*WPI*) for this year. For 2024-25 and 2025-26, 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*.

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.