

**DISALLOWABLE INSTRUMENT  
INDEPENDENT COMPETITION AND REGULATORY  
COMMISSION (WATER ABSTRACTION CHARGE)  
DECLARATION 2003 (NO 1)**

**EXPLANATORY STATEMENT**

Circulated with the authority of  
Mr Ted Quinlan MLA  
Treasurer

**Explanation of the Disallowable Instrument  
Independent Competition and Regulatory Commission (Water Abstraction Charge)  
Declaration 2003 (No 1)**

The Disallowable instrument will provide for the Treasurer to declare that the Water Abstraction Charge determined under the *Water Resources Act 1998*, section 78, to be a statutory fee affecting the cost of providing water services and may be passed on in full to consumers of the service.

The Water Abstraction Charge does not form part of the price path that the ACTEW Corporation apply to water and sewerage services as determined by the Commission. The Water Abstraction Charge was established by the Government under the *Water Resources Act 1998* in 1999 and is set by the Government. The charge is imposed to recover catchment management costs and to reflect the environmental cost of the extraction of water and the value of water as a resource. These costs are incurred by the Government, as opposed to ACTEW.

The Disallowable instrument is made under *Independent Competition and Regulatory Commission Act 1997*, section 4C (Declared fees to be passed on to consumers).