

Utilities (Annual Licence Fees Determination 2016-17) Notice 2016

Notifiable Instrument NI2016-551

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))

1 Name of instrument

This instrument is the *Utilities (Annual Licence Fees Determination 2016-17) Notice 2016*.

2 Commencement

This instrument commences on the day after it is notified.

3 Revocation of 2015-16 Annual Licence Fee Determinations

This instrument revokes the *Utilities (Annual Licence Fees Determination 2015-16) Notice 2015* (NI2015-563) and *Utilities (Annual Licence Fees Determination 2015-16) Variation Notice 2015* (NI2015-692).

4 Regulatory costs and derivation of licence fees

The Independent Competition and Regulatory Commission (Commission) gives notice that it has determined the annual licence fees payable by licensed utilities under the *Utilities Act 2000* for the year ending 30 June 2017, as set out in the attached schedule (tables 1 to 6). Note that figures in the tables may not add up due to rounding.

Tables 1 sets out the licence fees for 2016-17 payable by:

- East Australian Pipeline Limited (licensed to supply gas transmission services);
- Icon Water Limited (licensed to supply water and sewerage services); and
- TransGrid (licensed to provide electricity transmission services).

Table 2 sets out the derivation of the licence fees payable including the adjustment for the difference between the total estimated regulatory costs for 2015-16 and the total actual regulatory costs for 2015-16.

In determining the licence fee payable by each utility, the Commission had regard to:

- what it considered the utilities should make as a reasonable contribution towards the costs incurred or expected to be incurred by the three regulators;
- the amount of the fee and the way it is worked out; and
- the relative scope and nature of the services provided by all utilities.

Tables 3-6 set out the total regulatory costs for the three ACT government utility regulators used in the derivation of the annual licence fees, namely:

- the Commission;
- the ACT Civil and Administrative Tribunal; and
- the technical regulator.

5 Public access to determination of annual licence fees

Copies of this determination of annual licence fees are available for inspection by members of the public:

- at the Commission's offices (located at Level 8, 221 London Circuit, Canberra City, ACT) during ordinary office hours; and
- on the ACT Legislation Register (www.legislation.act.gov.au).

A person may inspect a determination without charge, and may make a copy of all or any part of the document. No charge will apply.

Joe Dimasi
Senior Commissioner
30 September 2016

SCHEDULE

Table 1: Licence fees payable for 2016-17¹

Licensee	Licence fees payable (\$)
East Australian Pipeline Limited	-45,843.50
Icon Water Limited	1,249,361.78
TransGrid	322,372.62
Total	1,525,890.90

¹ Licence fees determined for 2016-17 are based on estimated regulatory costs to be incurred during 2016-17 by the three ACT government regulators (the Commission, the ACT Civil and Administrative Tribunal, and the technical regulator). The fees also take account of any under or over recovery resulting from the difference in costs between those estimated for 2015-16 and the actual costs incurred by the regulators for that year.

Note: Totals may not add due to rounding.

Table 2: Derivation of licence fees payable for 2016-17

Licensee	Total estimated regulatory costs for 2015-16	Total actual regulatory costs for 2015-16	Over (+) or under (-) recovery for 2015-16	Total estimated regulatory costs for 2016-17	Non-regulatory adjustment for 2015-16 ²	Licence fees determined for 2016-17
East Australian Pipeline Limited	57,806.71	1,500.00	56,306.71	11,500.00	1,036.79	-45,843.50
Icon Water Limited	1,358,477.52	1,292,602.77	65,874.74	1,336,862.47	21,625.95	1,249,361.78
TransGrid	53,913.62	289,484.39	-235,570.77	88,500.00	1,698.15	322,372.62
Total	1,470,197.85	1,583,587.16	-113,389.32	1,436,862.47	24,360.89	1,525,890.90

² A non-regulatory adjustment is an adjustment to the final determined licence fee paid by a utility for an amount of money that is unrelated to a regulator's costs. For example, interest accrued on fee monies collected by the Commission prior to the funds being passed on to the regulator.

Note: Totals may not add due to rounding.

Table 3: Total estimated regulatory costs for each government regulator for 2015-16

Licensee	Utility service component provided	TR (\$)	ACAT (\$)	ICRC (\$)	Totals (\$)
East Australian Pipeline Limited	Gas transmission	56,306.71	0.00	1,500.00	57,806.71
Icon Water Limited	Water and sewerage services	668,138.44	86,901.08	603,438.00	1,358,477.52
TransGrid	Electricity transmission	46,413.62	0.00	7,500.00	53,913.62
Total		770,858.77	86,901.08	612,438.00	1,470,197.85

Note: Totals may not add due to rounding.

Table 4: Total actual regulatory costs for each government regulator for 2015-16

Licensee	Utility service component provided	TR (\$)	ACAT (\$)	ICRC (\$)	Totals (\$)
East Australian Pipeline Limited	Gas transmission	0.00	0.00	1,500.00	1,500.00
Icon Water Limited	Water and sewerage services	509,315.57	149,793.75	658,047.00	1,292,602.77
TransGrid	Electricity transmission	181,767.39	0.00	107,717.00	289,484.39
Total		691,082.96	125,240.20	767,264.00	1,583,587.16

Note: Totals may not add due to rounding.

Table 5: Over (+) or under (-) recovery for each government regulator for 2015-16

Licensee	Utility service component provided	TR (\$)	ACAT (\$)	ICRC (\$)	Totals (\$)
East Australian Pipeline Limited	Gas transmission	56,306.71	0.00	0.00	56,306.71
Icon Water Limited	Water and sewerage services	158,822.87	-38,339.12	-54,609.00	65,874.74
TransGrid	Electricity transmission	-135,353.77	0.00	-100,217.00	-235,570.77
Total		79,775.81	-38,339.12	-154,826.00	-113,389.32

Note: Totals may not add due to rounding.

Table 6: Total estimated regulatory costs for each government regulator for 2016-17

Licensee	Utility service component provided	TR (\$)	ACAT (\$)	ICRC (\$)	Totals (\$)
East Australian Pipeline Limited	Gas transmission	10,000.00	0.00	1,500.00	11,500.00
Icon Water Limited	Water and sewerage services	589,235.12	111,627.36	636,000.00	1,336,862.47
TransGrid	Electricity transmission	87,000.00	0.00	1,500.00	88,500.00
Total		686,235.12	111,627.36	639,000.00	1,436,862.47

Note: Totals may not add due to rounding.