

Utilities (Annual Licence Fees Determination 2020–21) Notice 2020

Notifiable Instrument NI2020–646

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 2020–21) Notice 2020*.

2 Commencement

This instrument commences on the day after it is notified.

3 Revocation of 2019–20 Annual Licence Fee Determination

This instrument revokes the *Utilities (Annual Licence Fees Determination 2019–20) Notice 2019* (NI2019–633).

4 Findings on 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 2021 as set out in the attached schedule (tables 1 to 6). Note that figures in the tables may not add up due to rounding.

Table 1 sets out the licence fees for 2020–21 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, in full as a lump sum, including the adjustment for the difference between the total estimated regulatory costs for 2020–21 and the total actual regulatory costs for 2019–20.

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 made available to members of the public by contacting the Commission on 02 6205 0799.

Copies are also available on the Commission's website (www.icrc.act.gov.au) and on the ACT Legislation Register (www.legislation.act.gov.au).

Joe Dimasi
Senior Commissioner
30 September 2020

SCHEDULE

Table 1: Licence fees payable for 2020–21¹

Licensee	Licence fees payable (\$)
East Australian Pipeline Limited	97,268.59
Icon Water Limited	1,049,745.53
TransGrid	117,262.49
Total	1,264,276.61

¹ Licence fees determined for 2020–21 are based on estimated regulatory costs to be incurred during 2020–21 by the three ACT government regulators (the Commission, the ACT Civil and Administrative Tribunal, and the Utilities Technical Regulator). The fees also take account of any under- or over-recovery resulting from the difference in costs between those estimated for 2019–20 and the actual costs incurred by the regulators for that year.

Table 2: Derivation of licence fees payable for 2020–21

Licensee	Total estimated regulatory costs for 2019–20	Total actual regulatory costs for 2019–20	Over (+) or under (-) recovery for 2019–20	Total estimated regulatory costs for 2020–21	Non-regulatory adjustment for 2019–20 ²	Licence fees determined for 2020–21
East Australian Pipeline Limited	16,125.00	17,100.65	-975.65	96,303.97	11.02	97,268.59
Icon Water Limited	1,156,881.31	900,848.20	256,033.11	1,306,479.29	700.65	1,049,745.53
TransGrid	90,970.00	88,120.99	2,849.01	120,165.68	54.18	117,262.49
Total	1,263,976.31	1,006,069.84	257,906.46	1,522,948.93	765.86	1,264,276.61

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.

Table 3: Total estimated regulatory costs for each government regulator for 2019–20

Licensee	Utility service component provided	TR (\$)	ACAT (\$)	ICRC (\$)	Totals (\$)
East Australian Pipeline Limited	Gas transmission	13,825.00	0.00	2,300.00	16,125.00
Icon Water Limited	Water and sewerage services	418,039.00	111,976.31	626,866.00	1,156,881.31
TransGrid	Electricity transmission	88,670.00	0.00	2,300.00	90,970.00
Total		520,534.00	111,976.31	631,466.00	1,263,976.31

Note: Totals may not add due to rounding.

Table 4: Total actual regulatory costs for each government regulator for 2019–20

Licensee	Utility service component provided	TR (\$)	ACAT (\$)	ICRC (\$)	Totals (\$)
East Australian Pipeline Limited	Gas transmission	4,767.72	0.00	12,332.93	17,100.65
Icon Water Limited	Water and sewerage services	377,684.12	100,139.00	423,025.08	900,848.20
TransGrid	Electricity transmission	75,788.06	0.00	12,332.93	88,120.99
Total		458,239.90	100,139.00	447,690.94	1,006,069.84

Note: Totals may not add due to rounding.

Table 5: Over (+) or under (-) recovery for each government regulator for 2019–20

Licensee	Utility service component provided	TR (\$)	ACAT (\$)	ICRC (\$)	Totals (\$)
East Australian Pipeline Limited	Gas transmission	9,057.28	0.00	-10,032.93	-975.65
Icon Water Limited	Water and sewerage services	40,354.88	11,837.31	203,840.92	256,033.11
TransGrid	Electricity transmission	12,881.94	0.00	-10,032.93	2,849.01
Total		62,294.10	11,837.31	183,775.06	257,906.46

Note: Totals may not add due to rounding.

Table 6: Total estimated regulatory costs for each government regulator for 2020–21

Licensee	Utility service component provided	TR (\$)	ACAT (\$)	ICRC (\$)	Totals (\$)
East Australian Pipeline Limited	Gas transmission	75,483.69	0.00	20,820.28	96,303.97
Icon Water Limited	Water and sewerage services	420,922.96	107,970.00	777,586.33	1,306,479.29
TransGrid	Electricity transmission	98,429.78	0.00	21,735.90	120,165.68
Total		594,836.43	107,970.00	820,142.50	1,522,948.93

Note: Totals may not add due to rounding.