

# Utilities (Annual Licence Fees Determination 2021–22) Notice 2021

## Notifiable Instrument NI2021–602

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))

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### 1 Name of instrument

This instrument is the *Utilities (Annual Licence Fees Determination 2021–22) Notice 2021*.

### 2 Commencement

This instrument commences on the day after it is notified.

### 3 Revocation of 2020–21 Annual Licence Fee Determination

This instrument revokes the *Utilities (Annual Licence Fees Determination 2020–21) Notice 2020* (NI2020-646).

### 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 2021–22 payable by:

- East Australian Pipeline Limited ('EAPL') (licensed to supply gas transmission services);
- Icon Water Limited ('Icon') (licensed to supply water and sewerage services); and
- TransGrid ('TG') (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 2020–21.

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 ('ICRC');
- the ACT Civil and Administrative Tribunal ('ACAT'); and
- the Technical Regulator ('UTR').

## **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](http://www.icrc.act.gov.au)) and on the ACT Legislation Register ([www.legislation.act.gov.au](http://www.legislation.act.gov.au)).

Joe Dimasi  
Senior Commissioner  
7 October 2021

## SCHEDULE

**Table 1: Licence fees payable for 2021–22<sup>1</sup>**

| Licensee     | Licence fees payable (\$) | Cost shares (%) |
|--------------|---------------------------|-----------------|
| EAPL         | 66,098.75                 | 4.50%           |
| Icon         | 1,287,196.81              | 87.64%          |
| TG           | 115,370.09                | 7.86%           |
| <b>Total</b> | <b>1,468,665.65</b>       |                 |

<sup>1</sup> Licence fees determined for 2021–22 are based on estimated regulatory costs to be incurred during 2021–22 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 2020–21 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 2021–22**

| Licensee     | Total estimated regulatory costs for 2020–21 | Total actual regulatory costs for 2020–21 | Over (+) or under (-) recovery for 2020–21 | Total estimated regulatory costs for 2021–22 | Non-regulatory adjustment for 2020–21 | Licence fees determined for 2021–22 |
|--------------|--|---|--|--|---------------------------------------|-------------------------------------|
| EAPL         | 96,303.97                                    | 80,508.80                                 | 15,795.17                                  | 82,008.48                                    | 114.57                                | 66,098.75                           |
| Icon         | 1,306,479.29                                 | 1,430,478.62                              | -123,999.34                                | 1,164,433.89                                 | 1,236.42                              | 1,287,196.81                        |
| TG           | 120,165.68                                   | 128,501.01                                | -8,335.33                                  | 107,172.88                                   | 138.12                                | 115,370.09                          |
| <b>Total</b> | <b>1,522,948.93</b>                          | <b>1,639,488.43</b>                       | <b>-116,539.50</b>                         | <b>1,353,615.25</b>                          | <b>1,489.10</b>                       | <b>1,468,665.65</b>                 |

<sup>2</sup> 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 2020–21**

| Licensee     | Utility service component provided | UTR (\$)          | ACAT (\$)         | ICRC (\$)         | Total (\$)          |
|--------------|------------------------------------|-------------------|-------------------|-------------------|---------------------|
| EAPL         | Gas Transmission                   | 75,483.69         | 0.00              | 20,820.28         | 96,303.97           |
| Icon         | Water and Sewerage                 | 420,922.96        | 107,970.00        | 777,586.33        | 1,306,479.29        |
| TG           | Electricity Transmission           | 98,429.78         | 0.00              | 21,735.90         | 120,165.68          |
| <b>Total</b> |                                    | <b>594,836.43</b> | <b>107,970.00</b> | <b>820,142.50</b> | <b>1,522,948.93</b> |

Note: Totals may not add due to rounding.

**Table 4: Total actual regulatory costs for each government regulator for 2020–21**

| Licensee     | Utility service component provided | UTR (\$)   | ACAT (\$) | ICRC (\$)  | Total (\$)   |
|--------------|------------------------------------|------------|-----------|------------|--------------|
| EAPL         | Gas Transmission                   | 75,407.78  | 0.00      | 5,101.02   | 80,508.80    |
| Icon         | Water and Sewerage                 | 475,951.49 | 91,997.00 | 862,530.13 | 1,430,478.62 |
| TG           | Electricity Transmission           | 121,474.44 | 0.00      | 7,026.57   | 128,501.01   |
| <b>Total</b> |                                    | 672,833.71 | 91,997.00 | 874,657.72 | 1,639,488.43 |

Note: Totals may not add due to rounding.

**Table 5: Over (+) or under (-) recovery for each government regulator for 2020–21**

| Licensee | Utility service component provided | UTR (\$)   | ACAT (\$) | ICRC (\$)  | Total (\$)  |
|----------|------------------------------------|------------|-----------|------------|-------------|
| EAPL     | Gas Transmission                   | 75.91      | 0.00      | 15,719.26  | 15,795.17   |
| Icon     | Water and Sewerage                 | -55,028.53 | 15,973.00 | -84,943.81 | -123,999.34 |
| TG       | Electricity Transmission           | -23,044.66 | 0.00      | 14,709.33  | -8,335.33   |
| Total    |                                    | -77,997.28 | 15,973.00 | -54,515.22 | -116,539.50 |

Note: Totals may not add due to rounding.

**Table 6: Total estimated regulatory costs for each government regulator for 2021–22**

| Licensee     | Utility service component provided | UTR (\$)   | ACAT (\$)  | ICRC (\$)  | Total (\$)   |
|--------------|------------------------------------|------------|------------|------------|--------------|
| EAPL         | Gas Transmission                   | 77,518.53  | 0.00       | 4,489.95   | 82,008.48    |
| Icon         | Water and Sewerage                 | 432,276.79 | 101,955.00 | 630,202.10 | 1,164,433.89 |
| TG           | Electricity Transmission           | 101,088.43 | 0.00       | 6,084.45   | 107,172.88   |
| <b>Total</b> |                                    | 610,883.75 | 101,955.00 | 640,776.50 | 1,353,615.25 |

Note: Totals may not add due to rounding.