

Utilities (Annual Licence Fees Determination 2022–23) Notice 2022

Notifiable Instrument NI2022–551

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 2022–23) Notice 2022*.

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 2021–22) Notice 2021 (NI2021-602)*

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 2022, 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 2022–23 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 2021–22 and the total actual regulatory costs for 2021–22.

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')
- 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) and on the ACT Legislation Register (www.legislation.act.gov.au).

Joe Dimasi
Senior Commissioner
26 October 2022

SCHEDULE

Table 1: Licence fees payable for 2022–23¹

Licensee	Licence fees payable (\$)	Cost shares (%)
EAPL	19,054.50	1.79%
Icon	988,867.33	92.74%
TG	58,333.18	5.47%
Total	1,066,255.02	

¹ Licence fees determined for 2022–23 are based on estimated regulatory costs to be incurred during 2022–23 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 2021–22 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 2022–23

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	82,008.48	15,972.16	66,036.32	85,132.70	41.88	19,054.50
Icon	1,164,433.89	1,325,589.18	-161,155.29	828,527.60	815.56	988,867.33
TG	107,172.88	58,232.61	48,940.27	107,346.55	73.10	58,333.18
Total	1,353,615.25	1,399,793.95	-46,178.70	1,021,006.86	930.54	1,066,255.02

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 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
Total		610,883.75	101,955.00	640,776.50	1,353,615.25

Note: Totals may not add due to rounding.

Table 4: Total actual regulatory costs for each government regulator for 2021–22

Licensee	Utility service component provided	UTR (\$)	ACAT (\$)	ICRC (\$)	Total (\$)
EAPL	Gas Transmission	12,503.99	0.00	3,468.17	15,972.16
Icon	Water and Sewerage	559,207.86	97,493.00	668,888.32	1,325,589.18
TG	Electricity Transmission	54,764.44	0.00	3,468.17	58,232.61
Total		626,476.29	97,493.00	675,824.66	1,399,793.95

Note: Totals may not add due to rounding.

Table 5: Over (+) or under (-) recovery for each government regulator for 2021–22

Licensee	Utility service component provided	UTR (\$)	ACAT (\$)	ICRC (\$)	Total (\$)
EAPL	Gas Transmission	65,014.54	0.00	1,021.78	66,036.32
Icon	Water and Sewerage	-126,931.07	4,462.00	-38,686.22	-161,155.29
TG	Electricity Transmission	46,323.99	0.00	2,616.28	48,940.27
Total		-15,592.54	4,462.00	-35,048.16	-46,178.70

Note: Totals may not add due to rounding.

Table 6: Total estimated regulatory costs for each government regulator for 2022–23

Licensee	Utility service component provided	UTR (\$)	ACAT (\$)	ICRC (\$)	Total (\$)
EAPL	Gas Transmission	82,087.20	0.00	3,045.50	85,132.70
Icon	Water and Sewerage	455,095.93	141,447.00	231,984.67	828,527.60
TG	Electricity Transmission	104,301.05	0.00	3,045.50	107,346.55
Total		641,484.18	141,447.00	238,075.68	1,021,006.86

Note: Totals may not add due to rounding.