

Utilities (Annual Licence Fees Determination 2023-24) Notice 2023

Notifiable instrument NI2023–644

made under the

Utilities Act 2000, section 52 (Public notice of licence decisions), section 45 (Determination of fee) and section 53 (Public access to licences etc)

1 Name of instrument

This instrument is the *Utilities (Annual Licence Fees Determination 2023-24) Notice 2023*.

2 Commencement

This instrument commences on the day after it is notified.

3 Findings on regulatory costs and derivation of annual licence fees

The Independent Competition and Regulatory Commission (ICRC) 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 2024, as set out in the schedule (tables 1 to 6) to this instrument.

Table 1 sets out the licence fees for 2023-24 payable by:

- East Australian Pipeline Limited ('EAPL') (licensed to provide gas transmission services)
- Icon Water Limited ('Icon') (licensed to provide water and sewerage services)
- Transgrid (licensed to provide electricity transmission and connection services)
- Lumea Pty Limited ('Lumea') (licensed to provide electricity transmission services).

Table 2 sets out the derivation of the licence fee payable, in full as a lump sum, including the adjustment for the difference between the total estimated and actual regulatory costs for 2022-23.

In determining the licence fee payable by each utility, the ICRC 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 ACT regulators

- the amount of the fee and the way it is worked out
- the relative scope and nature of the services provided by all utilities.

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

- the Independent Competition and Regulatory Commission ('ICRC')
- the ACT Civil and Administrative Tribunal ('ACAT')
- the Utility Technical Regulator ('UTR').

4 Payment of annual licence fees

A fee listed in column 2 of Table 1 of the schedule is payable to the ICRC by licensed utilities described in the corresponding entry in column 1.

5 Timing of payment of annual licence fees

The fees listed in column 2 of Table 1 of the schedule are payable on the date the matter is invoiced.

6 Public access to determination of annual licence fees

Copies of this determination of annual licence fees are available to members of the public by contacting the ICRC on 02 6205 0799. Copies are also available on the ICRC's website (<https://www.icrc.act.gov.au/>) and on the ACT Legislation Register (<https://www.legislation.act.gov.au/>).

7 Revocation

This instrument revokes the *Utilities (Annual Licence Fees Determination 2022-23) Notice 2022 (No 2)* (NI2022-572).

Joe Dimasi
Senior Commissioner
18 October 2023

Schedule

Table 1: Licence fees payable for 2023-24 (\$)¹

<i>Column 1</i>	<i>Column 2</i>
Licensee	Licence fees payable 2023-24 (GST exempt)
EAPL	-52,752.36
Icon	1,212,532.02
Transgrid	35,669.43
Lumea²	3,239.52
Total	1,198,688.62

¹ Licence fees determined for 2023–24 are based on estimated regulatory costs to be incurred during 2023–24 by the three regulators. The fees also take account of any under- or over-recovery resulting from the difference in costs between those estimated for 2022–23 and the actual costs incurred by the regulators for that year.

² Lumea was granted a utility licence in October 2022. Therefore, it will pay the annual licence fee in 2023-24 for the first time.

Note: Totals may not add due to rounding.

Table 2: Derivation of licence fees payable for 2023-24 (\$)³

Licensee	Total estimated regulatory costs for 2022–23	Total actual regulatory costs for 2022-23	Over (+) or under (-) recovery for 2022–23	Total estimated regulatory costs for 2023–24	Non-regulatory adjustment for 2022–23	Licence fees determined for 2023–24
EAPL	85,132.70	12,409.92	72,722.78	19,989.52	19.10	-52,752.36
Icon	828,527.60	820,353.97	8,173.63	1,221,696.64	990.99	1,212,532.02
Transgrid	107,346.55	57,989.92	49,356.63	85,084.52	58.46	35,669.43
Lumea	-	-	-	3,239.52	-	3,239.52
Total	1,021,006.86	890,753.82	130,253.04	1,330,010.20	1,068.54	1,198,688.62

³ 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 ICRC 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 regulator for 2022-23 (\$)³

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
Transgrid	Electricity Transmission	104,301.05	0.00	3,045.50	107,346.55
Lumea	Electricity Transmission	-	-	-	-
Total		641,484.18	141,447.00	238,075.68	1,021,006.86

Note: Totals may not add due to rounding.

Table 4: Total actual regulatory costs for each regulator for 2022-23 (\$)

Licensee	Utility service component provided	UTR	ACAT	ICRC	Total
EAPL	Gas Transmission	9,761.00	0.00	2,648.92	12,406.92
Icon	Water and Sewerage	602,476.00	94,906.00	122,971.97	820,353.97
Transgrid	Electricity Transmission	55,341.00	0.00	2,648.92	57,989.92
Lumea	Electricity Transmission	-	-	-	-
Total		667,578.00	94,906.00	128,269.82	890,753.82

Note: Totals may not add due to rounding.

Table 5: Over (+) or under (-) recovery for each regulator for 2022-23 (\$)

Licensee	Utility service component provided	UTR	ACAT	ICRC	Total
EAPL	Gas Transmission	72,326.20	0.00	396.58	72,722.78
Icon	Water and Sewerage	-147,380.07	46,541.00	109,012.70	8,173.63
Transgrid	Electricity Transmission	48,960.05	0.00	396.58	49,356.63
Lumea	Electricity Transmission	-	-	-	-
Total		-26,093.82	46,541.00	109,805.86	130,253.04

Note: Totals may not add due to rounding.

Table 6: Total estimated regulatory costs for each regulator for 2023-24 (\$)

Licensee	Utility service component provided	UTR	ACAT	ICRC	Total
EAPL	Gas Transmission	16,750.00	0.00	3,239.52	19,989.52
Icon	Water and Sewerage	535,268.00	136,020.00	550,408.64	1,221,696.64
Transgrid	Electricity Transmission	81,845.00	0.00	3,239.52	85,084.52
Lumea	Electricity Transmission	0.00	0.00	3,239.52	3,239.52
Total		633,863.00	136,020.00	560,127.20	1,330,010.20