

Australian Capital Territory

Water Resources (Fees) Determination 2006 (No 1)

Disallowable Instrument DI2006 - 138

made under the

Water Resources Act 1998, Section 78 – Determination of Fees

EXPLANATORY STATEMENT

PURPOSE

The *Water Resources Act 1998* (WR Act) is an Act to provide for the management of the water resources of the Territory, and for related purposes.

Section 78 of the WR Act provides the Minister with the power to determine fees.

The purpose of this determination is to revoke Disallowable Instrument DI 2005-184 that set fees for the 2005-2006 financial year and to determine fees for the 2006-2007 financial year.

This instrument makes changes to the fees applied to section 35

Redundant categories of administration fee for licences to take water have been removed as there is no need to maintain these categories. This means that administrative fees charged to licensees under section 35 will have two categories, allocations under 1000 megalitres of water per year, and allocations over 1000 megalitres of water per year. This will better reflect the current administration of licences.

The administration fee of \$300 for licensees allocated under 1000 megalitres of water per year has not changed from the previous year's fee.

A nil fee has been introduced for licensees allocated under 1000 megalitres of water per year that enter into a data collection and sharing agreement.

The fee under section 35 for licence holders licensed to take water for the purposes of urban water supply will be changed to reflect the Government's introduction of a water fee to be incorporated into the Water Abstraction Charge (WAC), which will be increased

from 25 cents per kilolitre to 55 cents per kilolitre. Currently ACTEW is the only such licensee.

This increase in the WAC represents the decision of Government to charge a price for water that more fully reflects its true economic value. This value represents an appropriate price for a scarce resource and is likely to achieve a more economically sustainable approach to water consumption within the Territory.

The water abstraction fee for water taken for purposes other than urban water supply remains at 25 cents per kilolitre.

Other changes to be made to the fees as determined under this instrument

Application fees for recharge licences and for drilling licences have been modified to make them consistent with other application fees in the Water Resources Act. The recharge licence yearly fee has similarly been modified to make it consistent with the yearly fee for a licence to take water. The fees will better reflect the costs of providing the associated services.

All other fees have been increased in accordance with the Wage Price Index of 3.7%.

This determination is made under section 78 of the WR Act and as such is a disallowable instrument.

REGULATORY IMPACT STATEMENT

A Regulatory Impact Statement is not required for the *Water Resources (Fees) Determination 2006* (No 1) as it is unnecessary under section 36(1)(k) of the *Legislation Act 2001*.