

# Utilities (Water and Sewerage Capital Contribution Code) Determination 2025

Disallowable instrument DI2025–244

made under the

Utilities Act 2000, section 58 (Approved codes), section 59 (Determined codes) and section 62 (Notification and disallowance of codes etc)

---

## 1 Name of instrument

This instrument is the *Utilities (Water and Sewerage Capital Contribution Code) Determination 2025*.

## 2 Commencement

This instrument commences on 1 February 2026.

## 3 Determination of the code

The Independent Competition and Regulatory Commission has determined the *Water and Sewerage Capital Contribution Code* in schedule 1.

## 4 Public access

Copies of the Water and Sewerage Capital Contribution Code are available on the Independent Competition and Regulatory Commission’s website [www.icrc.act.gov.au](http://www.icrc.act.gov.au).

## 5 Revocation

The *Utilities (Water and Sewerage Capital Contribution Code) Approval 2017* [DI2017-291] is revoked.

Joe Dimasi  
Senior Commissioner  
Independent Competition and Regulatory Commission

29 August 2025



**ICRC**  
independent competition and regulatory commission

INDUSTRY CODE

# Water and Sewerage Capital Contribution Code

August 2025



The Independent Competition and Regulatory Commission is a Territory Authority established under the *Independent Competition and Regulatory Commission Act 1997* (the ICRC Act). We are constituted under the ICRC Act by one or more standing commissioners and any associated commissioners appointed for particular purposes. Commissioners are statutory appointments. Joe Dimasi is the current Senior Commissioner who constitutes the Commission and takes direct responsibility for delivery of the outcomes of the Commission.

We have responsibility for a broad range of regulatory and utility administrative matters. We are responsible under the ICRC Act for regulating and advising government about pricing and other matters for monopoly, near-monopoly and ministerially declared regulated industries, and providing advice on competitive neutrality complaints and government-regulated activities. We also have responsibility for arbitrating infrastructure access disputes under the ICRC Act

We are responsible for managing the utility licence framework in the ACT, established under the *Utilities Act 2000* (Utilities Act). We are responsible for the licensing determination process, monitoring licensees' compliance with their legislative and licence obligations and determination of utility industry codes.

Our objectives are set out in section 7 and 19L of the ICRC Act and section 3 of the Utilities Act. In discharging our objectives and functions, we provide independent robust analysis and advice.

© Australian Capital Territory, Canberra

Correspondence or other inquiries may be directed to the Commission at the following address:

Independent Competition and Regulatory Commission  
PO Box 158  
Canberra City ACT 2601

We may be contacted at the above address, or by telephone on (02) 6205 0799. Our website is at [www.icrc.act.gov.au](http://www.icrc.act.gov.au) and our email address is [icrc@act.gov.au](mailto:icrc@act.gov.au).

# Table of Contents

<b>1. INDUSTRY CODE</b>	<b>1</b>
1.1 Introduction	1
1.2 Name and authority	1
1.3 Commencement	1
1.4 Capital contribution charge for development applications made before commencement day	1
<b>2. APPLICATION AND PURPOSE OF THIS CODE</b>	<b>2</b>
2.1 Application	2
2.2 Purpose	2
<b>3. DICTIONARY</b>	<b>2</b>
<b>4. DETERMINATION OF REQUIRED INFRASTRUCTURE</b>	<b>2</b>
4.1 Required infrastructure	2
4.2 Assessment of capacity and reliability	2
4.3 Ownership of assets and infrastructure	2
<b>5. CLASS 1 INFRASTRUCTURE</b>	<b>3</b>
<b>6. CLASS 2 INFRASTRUCTURE</b>	<b>3</b>
<b>7. CLASS 3 INFRASTRUCTURE</b>	<b>3</b>
<b>8. CALCULATION OF INFRASTRUCTURE CHARGES AND PRECINCTS</b>	<b>3</b>
8.1 Calculation of Class 2 Infrastructure Charge – inside a precinct	3
8.2 Methodology and process for calculation of Class 2 infrastructure charge – inside a precinct	3
8.3 Secondary dwellings – inside a precinct	4
8.4 New Precincts	4
8.5 Calculation of Class 2 Infrastructure Charge – outside a precinct	4
8.6 Updating the Precinct Charge Schedule	4
8.7 The Precinct Map	5
8.8 Updating the Precinct Map	5
<b>9. OTHER CHARGES</b>	<b>5</b>
9.1 Removals, relocations and specific requirements	5
9.2 Application of other charges	5
9.3 Estimate of charge	5
9.4 No credit or allowance	6
<b>10. PUBLICATION OF ADMINISTRATIVE PROCEDURE FOR CAPITAL CONTRIBUTION CHARGE</b>	<b>6</b>
<b>11. RECORD KEEPING</b>	<b>6</b>

11.1	Record keeping	6
11.2	Retention of records	7
<b>12.</b>	<b>REVIEW</b>	<b>7</b>
12.1	Statement of reasons	7
12.2	Reviews and complaints	7
<b><u>Appendix 1 Dictionary</u></b>		<b><u>1</u></b>
	Definitions	1
<b><u>Appendix 2 Interpretation</u></b>		<b><u>3</u></b>
<b><u>Schedule 1</u></b>	<b><u>Class 1, 2 and 3 infrastructure</u></b>	<b><u>4</u></b>

# 1. INDUSTRY CODE

## 1.1 Introduction

Section 101 of the *Utilities Act 2000* (**Act**) allows a **Utility** providing **Water** and **Sewerage Services** to impose a **Capital Contribution Charge** on **Customers**. The **Utility** must impose the capital contribution code in accordance with the relevant **Industry Code** determined by the **ICRC** under Part 4 of the **Act**.

## 1.2 Name and authority

The Water and Sewerage Capital Contribution Code 2025 (Code) is an **Industry Code** determined by the **ICRC** under Part 4 of the **Act**.

The commencement of this code repeals the Utilities (Water and Sewerage Capital Contribution Code) Approval 2017.

## 1.3 Commencement

The Code will commence on 1 February 2026.

The obligation to publish information at clauses 4.2, 8.2(1), 8.2(2), and 10 will commence 1 July 2026.

The obligations in clauses 8.2(3) and 8.6(3) will commence the day after the 2028 Regulated Water and Sewerage Services Price Direction is determined by the **ICRC**.

## 1.4 Capital contribution charge for development applications made before commencement day

- (1) This clause applies if, before the commencement day—
  - (a) a **Person** made a **Development Application** under the repealed Utilities (Water and Sewerage Capital Contribution Code) Approval 2017 (the repealed Code); and
  - (b) the application has not been finally decided.
- (2) The repealed Code continues to apply in relation to the **Development Application** despite its repeal.
- (3) However, a **Developer** may request assessment under this Code if
  - (a) The request to do so is made in writing no later than 3 months after the commencement day, and
  - (b) The application has not been finally decided.

- (4) For this clause, an application has been finally decided if the date of payment of the **Capital Contribution Charge** at clause 4 of the repealed Code has been met.

## 2. APPLICATION AND PURPOSE OF THIS CODE

### 2.1 Application

This Code applies to a **Water Utility** in relation to its **Water Network** and to a **Sewerage Utility** in relation to its **Sewerage Network**.

Under section 25(2) of the Act and clause 6.2 of the **Utility's** licence, a **Utility** must comply with an **Industry Code** relevant to the licensed service.

### 2.2 Purpose

The Code sets out the process a **Utility** must follow to impose a capital contribution charge on qualifying **Developments**.

The capital contribution code enables a **Utility** to impose a charge on **Developments** that are assessed as liable under Clause 8, for the purpose of contributing towards the establishment and maintenance of the network capacity.

## 3. DICTIONARY

Terms shown in bold typeface are defined in the Dictionary at the end of this Code. These terms and the dictionary at the end of this Code is part of this Code.

## 4. DETERMINATION OF REQUIRED INFRASTRUCTURE

### 4.1 Required infrastructure

The Utility determines required **Infrastructure** unless a legal obligation requires it to construct **Infrastructure**. The required **Infrastructure** must comply with the Utility's standards and applicable laws

### 4.2 Assessment of capacity and reliability

A **Utility** must publish clear and concise information of the **Utility's** standards and applicable laws for **Infrastructure** on its website.

### 4.3 Ownership of assets and infrastructure

Paying a **Capital Contribution Charge** does not confer ownership or any other legal or equitable right in any related assets or **Infrastructure**.

## 5. CLASS 1 INFRASTRUCTURE

A **Utility** will construct any **Class 1 Infrastructure** required at its own expense, without requiring payment of a **Capital Contribution Charge** under this Code, except for any amount payable by a **Developer** as a **Capital Contribution Charge** under clause 9 of this Code.

This clause applies regardless of whether the **Class 1 Infrastructure** is inside or outside a **Precinct**.

## 6. CLASS 2 INFRASTRUCTURE

Where a **Developer** undertakes a **Development**, the **Developer** must pay a **Capital Contribution Charge** to the relevant **Utility**, calculated as per clause 8 of this Code.

## 7. CLASS 3 INFRASTRUCTURE

Where a **Developer** undertakes a **Development**, the **Developer** will pay for the design and construction of any required **Class 3 Infrastructure**.

No **Capital Contribution Charge** is payable under this Code by a **Developer** in connection with the design or construction of **Class 3 Infrastructure**.

This clause applies regardless of whether the **Class 3 Infrastructure** is inside or outside a **Precinct**.

## 8. CALCULATION OF INFRASTRUCTURE CHARGES AND PRECINCTS

### 8.1 Calculation of Class 2 Infrastructure Charge – inside a precinct

The **Class 2 Infrastructure Charge** payable for a **Development** inside a **Precinct** is calculated in accordance with the formula:

$$C2IC = (\text{net increase in EP}) \times C$$

Where:

‘C2IC’ is the **Class 2 Infrastructure Charge** for a **Development** inside a **Precinct**

‘net increase in EP’ is determined by the **Utility**

‘C’ is the **Precinct Charge**.

### 8.2 Methodology and process for calculation of Class 2 infrastructure charge – inside a precinct

- (1) Before a **Utility** can calculate the **Class 2 Infrastructure Charge** it must publish its methodology for calculating **EP** multipliers and process for calculating the charge on its website. This methodology must be approved by the **ICRC**.



- (2) The **Utility** must publish guidance on its website to assist **Developers** in understanding the practical application of **Capital Contribution Charges**. This guidance must be approved by the **ICRC**.
- (3) From the commencement of the 2028 **Regulatory Period**, the **Utility** must not change its methodology and process for calculating **EP** multipliers and the **Infrastructure Charge** within a **Regulatory Period**.

### 8.3 Secondary dwellings – inside a precinct

Where the **Development** relates to a secondary dwelling not exceeding 120m<sup>2</sup> (excluding the garage), the net increase in **EP** calculated will be capped at a maximum of 2.5 **EP**.

### 8.4 New Precincts

If the **Map** has been updated and the land on which the **Development** is being undertaken was previously outside a **Precinct** but is now inside a **Precinct** and has not previously been **Developed**, the **EP** of the **Development** must be determined by the **Utility** using the suburb estate master plan.

### 8.5 Calculation of Class 2 Infrastructure Charge – outside a precinct

In determining the **Class 2 Infrastructure Charge** payable for a **Development** outside a **Precinct**, the **Utility** must only charge an amount which does not exceed the **Costs** of the **Class 2 Infrastructure** for the **Development**.

Where the land on which **Development** may occur consists of land inside a **Precinct** and outside a **Precinct**, the **Utility** may determine the **Class 2 Infrastructure Charge** on the basis that the entire **Development** is outside the **Precinct**.

### 8.6 Updating the Precinct Charge Schedule

- (1) The **Precinct Charge Schedule** must be approved by the **ICRC**.
- (2) For the remainder of the 2023-28 **Regulatory Period**, the **Utility** will present a new **Precinct Charge Schedule** for approval annually.
- (3) Prior to the commencement of the 2028 **Regulatory Period** and for subsequent **Regulatory Periods**,
  - (a) The **Utility** will present a **Precinct Charge Schedule** for approval with its pricing submission
  - (b) the **ICRC** may approve the **Precinct Charge Schedule** for the length of a **Regulatory Period**.
  - (c) If the **Precinct Charge Schedule** has been approved for the length of a **Regulatory Period**, a new **Precinct Charge Schedule** will not be approved until the commencement of a new **Regulatory Period**.
- (4) An approved **Precinct Charge Schedule** will apply to the calculation of the **Capital Contribution Charge** for any **Development** inside a **Precinct** for which the application for **Development Approval** was lodged on or after the date specified in the **Precinct Charge Schedule**.

## 8.7 The Precinct Map

- (1) The **Map** must
  - (a) be publicly available at no charge directly from the **Utility**
  - (b) be of sufficient quality and resolution to enable identification of individual parcels of land
  - (c) contain a clearly identifiable version number and date/s of effect and
  - (d) include a table of amendments detailing any changes made from the previous version of the **Map**.

## 8.8 Updating the Precinct Map

A **Utility** may update its **Map** annually. Updates of the **Map** must be approved by the **ICRC**. The new **Map** will apply to the calculation of the **Capital Contribution Charge** for any **Development** for which the application for the **Development Approval** was lodged on or after the date specified in the new **Map**.

# 9. OTHER CHARGES

## 9.1 Removals, relocations and specific requirements

- (1) If, a **Developer** requests, or a **Utility** determines that it is necessary to, remove, relocate, protect or change any part of a **Utility's** existing **Sewerage Network** or **Water Network** (the works) to
  - (a) permit construction, operation, use or enjoyment of the proposed **Development** or to enable continued provision of **Water Services** or **Sewerage Services**, or
  - (b) reduce the risk that the **Sewerage Network** or **Water Network** may constitute an **Environmental Nuisance** to any **person** where such risk is increased due to the construction, operation, use or enjoyment of the proposed **Development**.
- (2) The **Utility** may charge the **Developer** of the proposed **Development** the full **Costs** incurred.

## 9.2 Application of other charges

- (1) Clause 9.1 applies regardless of
  - (a) the type of **Infrastructure, Class 1, 2 or 3**
  - (b) whether the **infrastructure** is inside or outside a **Precinct**
  - (c) the age or utilisation of the asset; and
  - (d) any previous contribution towards the **Cost** of installing those assets.

## 9.3 Estimate of charge

- (1) If works are required under clause 9.1 the **Utility** must

- (a) provide the **Developer** with
  - i. an estimate of the charge, and
  - ii. if the **Utility** has determined the works are required, written reasons for the decision to undertake works
- (b) allow the **Developer** 20 business days to agree to the estimated charge or seek internal review of the reasons and estimated charge
- (c) if the works are undertaken, the final charge made by the **Utility** to the **Developer** must not exceed the estimated charge by more than 10% excluding GST.

## 9.4 No credit or allowance

The **Utility** will not provide any payment, credit or other allowance for assets removed, relocated or changed.

# 10. PUBLICATION OF ADMINISTRATIVE PROCEDURE FOR CAPITAL CONTRIBUTION CHARGE

- (1) A **Utility** must publish a clear and concise administration process on its website. The administrative process must contain clear timeframes for:
  - (a) calculating **Capital Contribution Charges**
  - (b) issuing invoices
  - (c) handling payments.
- (2) The administrative process must also include
  - (a) an ability for a **Developer** to request an invoice be issued earlier than the **Utility** would otherwise have issued the invoice. Such a request cannot be made before construction has commenced.
  - (b) A clear process for a **Developer** to review/appeal a **Capital Contribution Charge**.

# 11. RECORD KEEPING

## 11.1 Record keeping

- (1) A **Utility** must maintain written records of all decisions made under this Code, including:
  - (a) The basis for determining **EP** values
  - (b) The rationale for determining required **Infrastructure**
  - (c) The calculation of **Capital Contribution Charges**, and
  - (d) Any updates to the **Precinct Map** or **Precinct Charge Schedule**.

## 11.2 Retention of records

Records must be retained for a minimum of 7 years and made available to the **ICRC** upon request.

# 12. REVIEW

## 12.1 Statement of reasons

Upon written request by a **Developer** or the **ICRC**, the **Utility** must provide a written statement of reasons for any decision made under this Code within 20 business days.

## 12.2 Reviews and complaints

A **Developer** may request an internal review of any decision made by the **Utility** under this Code.

This does not infringe any existing review/appeal rights already available to a **Developer**.

# Appendix 1 Dictionary

## Definitions

**Act** means the *Utilities Act 2000* (ACT).

**Capital Contribution Charge** means: a **Class 2 Infrastructure Charge** and any amount payable by a **Customer** under clause 8 of this Code.

**Class 1 Infrastructure** as defined in Schedule 1.

**Class 2 Infrastructure** as defined in Schedule 1.

**Class 2 Infrastructure Charge** determined in accordance with clause 9.1 or clause 9.2 as applicable.

**Class 3 Infrastructure** as defined in Schedule 1.

**Costs** means the amount incurred by a **Utility** in

- making **Sewerage Services** or **Water Services** available to unconnected parcels of land
- varying the capacity of a **Sewerage Network** or **Water Network**
- removing, relocating, protection or making changes to a **Sewerage Network** or **Water Network** and
- all necessary ancillary work, including design, labour, materials, plant, transport, overhead and administration costs, plus a reasonable profit margin.

**Customer** has the same meaning as in the **Act**.

**Developer** means a **person** undertaking a **Development**. A **Developer** is either a **Customer** or an authorised representative of a **Customer**.

**Development** means subdivision, consolidation, use, building, altering or demolishing a building or structure. **Developed** has a corresponding meaning.

**Development Approval** means, in relation to a **Development**, an approval from the relevant authority including a development approval under the *Planning Act 2023* (ACT) or a works approval under the *Australian Capital Territory (Planning and Land Management) Act 1988* (Cth).

**Environmental Nuisance** means an unreasonable interference with the enjoyment by the public, a section of the public or a **person** of a place of area, if the interference is caused or likely to be caused by

- dust, fumes, noise, odour or smoke or,
- an unhealthy, unsightly or otherwise offensive condition because of pollution.

**EP** means 'equivalent population'.

**ICRC** means the Independent Competition and Regulatory Commission established under section 5 of the *Independent Competition and Regulatory Commission Act 1997* (ACT).

**Industry Code** means a code determined by the **ICRC** under the **Act**.

**Infrastructure** means any or all Class 1, Class 2 and Class 3 **Infrastructure**, as the context permits.

**Map** means the map, as updated from time to time, available from the **Utility** and published on their website.

**person** includes a natural person, a firm, an unincorporated association or body corporate.

**Precinct** means the area identified as a precinct on the **Map**.

**Precinct Charge** means the charge payable per **EP** for a **Development** in a **Precinct**.

**Precinct Charge Schedule** means the schedule setting out the **Precinct Charge**, as updated from time to time, available on the Icon Water website.

**Regulatory Period** means the period of time contained with a price direction for regulated water and sewerage services determined by the **ICRC**.

**Sewerage Network** has the same meaning and functions as defined under the **Act**.

**Sewerage Utility** is a **Person** licensed under the **Act** to provide **Sewerage Services**.

**Sewerage Services** means those services as defined in the **Act**.

**Territory** means the Australian Capital Territory.

**Utility** means

- the relevant **Water Utility**, in respect of its **Water Network**, **Water Services** and the **Water Utility's** associated functions under the **Act**, or
- the relevant **Sewerage Utility**, in respect of its **Sewerage Network**, **Sewerage Services** and the **Sewerage Utility's** associated functions under the **Act**.

**Utility Service** has the same meaning as defined under the **Act**.

**Water Network** has the same meaning and functions as defined under the **Act**.

**Water Services** means those services as defined in the **Act**.

**Water Utility** is a **Person** licensed under the **Act** to provide **Water Services**.

# Appendix 2 Interpretation

In this Code, unless otherwise specified:

- the singular includes the plural and vice versa
- another grammatical form of a defined word or expression has a corresponding meaning
- a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time
- a reference to a **Person** includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity
- a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements
- the meaning of general words is not limited by specific examples introduced by ‘including, for example’ or similar expressions and
- headings are for ease of reference only and do not affect interpretation.

# Schedule 1 Class 1, 2 and 3 infrastructure

(1) **Class 1 Infrastructure** means large scale headwork assets required by a **Utility** to provide services to **Customers** including

- a. For a **Water Utility**, works relating to provision of the following **infrastructure**
  - i. dams, weirs and associated assets
  - ii. raw water pumping stations, pipelines and associated assets (upstream of a treatment plant)
  - iii. water treatment plants
  - iv. bulk supply mains that feed the first reservoir or pressure management **infrastructure** from the treatment plant (pump station or valve farm)
  - v. any other **infrastructure** deemed headwork assets by the **Water Utility**.
- b. For a **Sewerage Utility** works relating to provision of the following **infrastructure**
  - i. gravity sewers that are 750mm diameter or greater and associated assets (including ventilation systems, etc.)
  - ii. **Sewerage** treatment plants and associated assets
  - iii. treated effluent outfalls and associated assets, or
  - iv. any other **infrastructure** deemed headwork assets by the **Sewerage Utility**.

(2) **Class 2 Infrastructure** means the shared assets that are not **Class 1 Infrastructure** or **Class 3 Infrastructure**, required by a **Utility** to provide services to one or more **Customers** in connection with one or more **Developments**, including

- a. For a **Water Utility**
  - i. water mains downstream of **Class 2 Infrastructure** and greater than 200mm diameter and associated assets
  - ii. water reservoirs and pressure management systems
  - iii. water pumping stations and associated assets that are deployed on **Class 1** and **Class 2 Infrastructure** pipe assets or feeding from **Class 3 Infrastructure** to a water reservoir in another pressure zone
  - iv. any other **infrastructure** deemed a shared asset by the **Water Utility**.
- b. For a **Sewerage Utility**
  - i. sewers that are between 300mm diameter and 750mm diameter and associated assets (including ventilation systems, etc.)
  - ii. sewage pumping stations and associated assets



- iii. emergency storage and flow attenuation tanks and associated assets
  - iv. any other **infrastructure** deemed a shared asset by the **Sewerage Utility**.
- (3) **Class 3 Infrastructure** means the reticulation assets required by a **Water Utility** or a **Sewerage Utility** to connect a **Customer** to **Water** and **Sewerage Services** including
- a. For a **Water Utility**
    - i. water mains that are 200mm or less in diameter
    - ii. water pumping stations and associated assets that do not meet the Class 2 **Infrastructure** definition
    - iii. pressure reducing assets on the **Water Utility's Class 3 Infrastructure**
    - iv. onsite assets including water tanks and associated assets, or
    - v. any other **infrastructure** deemed reticulation assets by the **Water Utility**.
  - b. For a **Sewerage Utility**
    - i. sewers that are less than 300mm in diameter
    - ii. onsite assets including **sewerage** storage capacity and internal sewage pumping stations, or
    - iii. any other **infrastructure** deemed reticulation assets by the **Sewerage Utility**.



# ICRC

Independent competition and regulatory commission

**[www.icrc.act.gov.au](http://www.icrc.act.gov.au)**