

2004

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

UTILITIES AMENDMENT BILL 2004

EXPLANATORY STATEMENT

Circulated by the authority of the Treasurer

Ted Quinlan MLA

Utilities Amendment Bill 2004

Overview of Bill

The *Utilities Amendment Bill 2004* is a Bill to ensure that the Independent Competition and Regulatory Commission (ICRC) may recover costs relating to all of its functions. This may include pieces of legislation such as the *Independent Competition and Regulatory Commission Act 1999* and national codes such as the *National Third Party Access Code for National Gas Pipeline Systems*.

The Bill achieves these objectives by:

- (a) amending the *Utilities Act 2000* to ensure that the ICRC can include reasonable costs incurred by it in carrying out its functions under national codes and other pieces of legislation in its licence fee structure; and
- (b) ensuring that these amendments are effective by making associated amendments and transitional arrangements so that these sections can be used in the 2004-05 financial year.

Compliance with Human Rights Act 2004

The *Utilities Amendment Bill 2004* will not adversely impact upon the rights of Canberrans and as such has been awarded a compliance certificate under the *Human Rights Act 2004*.

Details of the Utilities Amendment Bill 2004

Outline

The object of this Act to amend the *Utilities Act 2000*.

Formal Sections

Section 1 – Name of Act – states the name of the Act which is the *Utilities Amendment Act 2004*.

Section 2 – Commencement – states that the Act commences on the day after its notification.

Section 3 – Legislation amended – states that the piece of legislation that this Act will amend is the *Utilities Act 2000*.

Section 4 – Section 44(1) – states that the word ‘year’ will be replaced with the word ‘financial year’.

Section 5 – Section 45(2) – This section ensures that the ICRC can include reasonable contributions towards costs incurred by it in the exercise of its functions in the determination of its licence fees. The examples included in the section are to illustrate the fact that the functions included by the ICRC in the fee structure may go beyond the *Utilities Act 2000* provided that there is an adequate nexus to utility services.

Section 6 – New section 45(7) – This section ensures that the ICRC cannot include activities that are already covered by cost recovery or reasonable contribution provisions in the calculation of its licence fees.

Section 7 – New section 235 – Application of Utilities Amendment Act 2004 – This section clarifies that section 44 and 45 apply in relation to the 2004-2005 financial year.

Section 8 – Dictionary, definition of annual licence fee – This section substitutes the word ‘financial year’ for ‘year’ to reflect changes contained in section 4.