

1991

AUSTRALIAN CAPITAL TERRITORY LEGISLATIVE ASSEMBLY

SEWERAGE RATES (AMENDMENT) BILL 1991

EXPLANATORY MEMORANDUM

Circulated by Authority of

**Terry Connolly
Minister for Urban Services**

SEWERAGE RATES (AMENDMENT) BILL 1991

GENERAL OUTLINE

- 1 Through its relationship with the Electricity and Water (Amendment) Bill (No. 2) 1991, this Bill will streamline procedures and eliminate delays associated with the setting of sewerage rates by the A.C.T. Electricity and Water Authority (ACTEW) each year.
- 2 The Bill will amend Section 28A of the Sewerage Rates Act 1968 so that sewerage rates charges determined by ACTEW will apply, while the determination continues in force, to rates imposed in respect of the rating year specified by ACTEW in the relevant determination, and to each subsequent year.
- 3 The Bill will permit ACTEW determinations on sewerage rates charges to be gazetted prior to the start of the financial year in respect of which they are to apply.

Financial impact

- 4 There are modest financial benefits for ACTEW arising from reduced delays in levying rates, and improved cash flow. The sewerage services segment of ACTEW's operations at present falls short of the financial rate of return on the assets involved which is widely accepted as appropriate for the sewerage industry and the modest benefits of this proposal will slightly improve the position.

NOTES ON CLAUSES

Clause 1: Short title

The Act may be referred to as the Sewerage Rates (Amendment) Act 1991.

Clause 2: Commencement

The amendment will commence on the same day as the Electricity and Water (Amendment) Act (No. 2) 1991.

Clause 3: Principal Act

The "Principal Act" is the Sewerage Rates Act 1968.

Clause 4: Substitution

The amendment provides that while a determination of sewerage rates under subsection 48(1) of the Electricity and Water Act 1988 remains in force, it will apply to the rating year specified in the determination and to each subsequent rating year. The section to be repealed provided that rates would apply to the rating year which began on 1 July preceding gazettal of the determination.