

Australian Capital Territory

Utilities (Technical Regulation) Operating Certificate Fees Determination 2019

Disallowable instrument DI2019–204

made under the

Utilities (Technical Regulation) Act 2014, s 110 (Determination of fees)

EXPLANATORY STATEMENT

This explanatory statement relates to the disallowable instrument. It has been prepared in order to assist the reader of the instrument. It does not form part of the instrument. This explanatory statement must be read in conjunction with the instrument. It is not, and is not meant to be, a comprehensive description of the Instrument. What is said about a provision is not to be taken as an authoritative guide to the meaning of a provision, this being a task for the courts.

Background

This determination is a disallowable instrument under the *Utilities (Technical Regulation) Act 2014* (the *Act*). The Act provides a technical regulatory framework for regulated utilities in the Australian Capital Territory. Section 110 of the Act authorises the Technical Regulator to determine fees.

Determination

This disallowable instrument is the *Utilities (Technical Regulation) Operating Certificate Fees Determination 2019* (the instrument) and determines fees the Technical Regulator may impose on an unlicensed regulated utility service when applying for the grant of an operating certificate and ongoing audit and compliance. This instrument revokes the *Utilities (Technical Regulation) Operating Certificate Fees Determination 2016*.

Overview

The purpose of this instrument is to determine the fees payable for applying for the grant of an operating certificate to an unlicensed regulated utility service and ongoing audit and compliance fees. The fees will assist in recovering the costs incurred by the Technical Regulator in meeting the Regulator's obligations under the Act. Cost recovery is not sought for policy development or for reasonable initial advice.

The fee structure in schedule 1 of this instrument was initially introduced in 2016 and applied to all operating certificate applications. This structure is retained in the

current fee instrument and now applies to all unlicensed regulated utilities requiring an operating certificate other than solar installations 200kW to 1 MW. The fees are based on the hourly cost for the office of the Technical Regulator and electrical inspectors. This fee structure is intended to represent full cost recovery for the ACT Government for each unlicensed regulated utility service that is assessed and inspected. The annual increase of 2.5% is imposed to each fee as it is the standard increase of Wage Price Index from 2019 to 2020.

The instrument establishes a separate fee system in schedule 2 for solar installations 200kW-1MW (200kW and above but less than 1MW) to reflect costs for inspections by licensed electrical inspectors. To issue operating certificates, all solar installations of 200kW or above require inspections by licensed electrical inspectors. The Government provides the inspection regime for solar installations 200kW-1MW and inspection costs are included in the operating certificate fees. Solar installations of 1MW and above require engagement with independent certifiers for the inspections and payment of the fees shown in schedule 1.

The type of operating certificate that may be required depends on the kind and size of the regulated utility service being provided. These could include a Design and Construct Operating Certificate for larger installations issued prior to the construction of infrastructure or a Provision of Service Operating Certificate issued when the unlicensed regulated utility service is ready to commence providing the service. A Compliance Operating Certificate may be issued to smaller installations designed, built and inspected in compliance with the *Electrical Safety Act 1971*, the *Water and Sewerage Act 2000* or the *Gas Safety Act 2000*.

Further information on operating certificates can be found in *Operating Certificates: A guide for unlicensed regulated utility services in the ACT* available from the Access Canberra website at www.accesscanberra.act.gov.au.

Consultation

Since 2016 the Utilities Technical Regulation team has consulted with the current known unlicensed regulated utilities: solar farms (developers and engineering contractors building the facilities), and Transport Canberra and City Services (for the light rail, inner north reticulation network, and dams).

Regulatory impact statement

A regulatory impact statement has been provided for this disallowable instrument.