

# Utilities (Annual Licence Fees Determination 2018–19) Notice 2018

## Notifiable Instrument NI2018–540

made under the

*Utilities Act 2000*, s 52 (Public notice of licence decisions) (see also s 45 (Determination of fee) and s 53 (Public access to licences etc))

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### 1 Name of instrument

This instrument is the *Utilities (Annual Licence Fees Determination 2018–19) Notice 2018*.

### 2 Commencement

This instrument commences on the day after it is notified.

### 3 Revocation of 2017–18 Annual Licence Fee Determination

This instrument revokes the *Utilities (Annual Licence Fees Determination 2017–18) Notice 2017* (NI2017–525).

### 4 Findings on regulatory costs and derivation of licence fees

The Independent Competition and Regulatory Commission (Commission) gives notice that it has determined the annual licence fees payable by licensed utilities under the *Utilities Act 2000* for the year ending 30 June 2019, as set out in the attached schedule (tables 1 to 6). Note that figures in the tables may not add up due to rounding.

Table 1 sets out the licence fees for 2018–19 payable by:

- East Australian Pipeline Limited (licensed to supply gas transmission services);
- Icon Water Limited (licensed to supply water and sewerage services); and
- TransGrid (licensed to provide electricity transmission services).

Table 2 sets out the derivation of the licence fees payable, in full as a lump sum, including the adjustment for the difference between the total estimated regulatory costs for 2017–18 and the total actual regulatory costs for 2017–18.

In determining the licence fee payable by each utility, the Commission had regard to:

- what it considered the utilities should make as a reasonable contribution towards the costs incurred or expected to be incurred by the three regulators;
- the amount of the fee and the way it is worked out; and
- the relative scope and nature of the services provided by all utilities.

Tables 3-6 set out the total regulatory costs for the three ACT government utility regulators used in the derivation of the annual licence fees, namely:

- the Commission;
- the ACT Civil and Administrative Tribunal; and
- the Technical Regulator.

## **5 Public access to determination of annual licence fees**

Copies of this determination of annual licence fees are made available to members of the public by contacting the Commission on 02 6205 0799.

Copies are also available on the Commission's website ([www.icrc.act.gov.au](http://www.icrc.act.gov.au)) and on the ACT Legislation Register ([www.legislation.act.gov.au](http://www.legislation.act.gov.au)).

Joe Dimasi  
Senior Commissioner  
26 September 2018

## SCHEDULE

**Table 1: Licence fees payable for 2018–19<sup>1</sup>**

Licensee	Licence fees payable (\$)
East Australian Pipeline Limited	4,321.89
Icon Water Limited	930,155.53
TransGrid	42,377.11
<b>Total</b>	<b>976,854.53</b>

<sup>1</sup> Licence fees determined for 2018–19 are based on estimated regulatory costs to be incurred during 2018–19 by the three ACT government regulators (the Commission, the ACT Civil and Administrative Tribunal, and the Technical Regulator). The fees also take account of any under- or over-recovery resulting from the difference in costs between those estimated for 2017–18 and the actual costs incurred by the regulators for that year.

Note: Totals may not add due to rounding.

**Table 2: Derivation of licence fees payable for 2018–19**

Licensee	Total estimated regulatory costs for 2017-18	Total actual regulatory costs for 2017-18	Over (+) or under (-) recovery for 2017-18	Total estimated regulatory costs for 2018-19	Non-regulatory adjustment for 2017-18 <sup>1</sup>	Licence fees determined for 2018-19
East Australian Pipeline Limited	7,500.00	3,584.57	3,915.43	8,247.00	9.68	4,321.89
Icon Water Limited	1,019,070.50	977,114.35	41,956.15	974,363.23	2,251.55	930,155.53
TransGrid	88,500.00	37,708.28	50,791.72	93,385.00	216.17	42,377.11
<b>Total</b>	<b>1,115,070.50</b>	<b>1,018,407.20</b>	<b>96,663.30</b>	<b>1,075,995.23</b>	<b>2,477.40</b>	<b>976,854.53</b>

<sup>2</sup> A non-regulatory adjustment is an adjustment to the final determined licence fee paid by a utility for an amount of money that is unrelated to a regulator's costs. For example, interest accrued on fee monies collected by the Commission prior to the funds being passed on to the regulator.

Note: Totals may not add due to rounding.

**Table 3: Total estimated regulatory costs for each government regulator for 2017–18**

Licensee	Utility service component provided	TR (\$)	ACAT (\$)	ICRC (\$)	Totals (\$)
East Australian Pipeline Limited	Gas transmission	6,000.00	0.00	1,500.00	7,500.00
Icon Water Limited	Water and sewerage services	537,000.00	110,654.50	371,416.00	1,019,070.50
TransGrid	Electricity transmission	87,000.00	0.00	1,500.00	88,500.00
<b>Total</b>		<b>630,000.00</b>	<b>110,654.50</b>	<b>374,416.00</b>	<b>1,115,070.50</b>

Note: Totals may not add due to rounding.

**Table 4: Total actual regulatory costs for each government regulator for 2017–18**

Licensee	Utility service component provided	TR (\$)	ACAT (\$)	ICRC (\$)	Totals (\$)
East Australian Pipeline Limited	Gas transmission	1,284.57	0.00	2,300.00	<b>3,584.57</b>
Icon Water Limited	Water and sewerage services	501,659.60	100,460.75	374,994.00	<b>977,114.35</b>
TransGrid	Electricity transmission	35,058.28	0.00	2,650.00	<b>37,708.28</b>
<b>Total</b>		<b>538,002.45</b>	<b>100,460.75</b>	<b>379,944.00</b>	<b>1,018,407.20</b>

Note: Totals may not add due to rounding.

**Table 5: Over (+) or under (-) recovery for each government regulator for 2017–18**

Licensee	Utility service component provided	TR (\$)	ACAT (\$)	ICRC (\$)	Totals (\$)
East Australian Pipeline Limited	Gas transmission	4,715.43	0.00	-800.00	3,915.43
Icon Water Limited	Water and sewerage services	35,340.40	10,193.75	-3,578.00	41,956.15
TransGrid	Electricity transmission	51,941.72	0.00	-1,150.00	50,791.72
<b>Total</b>		<b>91,997.55</b>	<b>10,193.75</b>	<b>-5,528.00</b>	<b>96,663.30</b>

Note: Totals may not add due to rounding.

**Table 6: Total estimated regulatory costs for each government regulator for 2018–19**

Licensee	Utility service component provided	TR (\$)	ACAT (\$)	ICRC (\$)	Totals (\$)
East Australian Pipeline Limited	Gas transmission	5,947.00	0.00	2,300.00	<b>8,247.00</b>
Icon Water Limited	Water and sewerage services	517,731.00	116,232.23	340,400.00	<b>974,363.23</b>
TransGrid	Electricity transmission	91,085.00	0.00	2,300.00	<b>93,385.00</b>
<b>Total</b>		<b>614,763.00</b>	<b>116,232.23</b>	<b>345,000.00</b>	<b>1,075,995.23</b>

Note: Totals may not add due to rounding.