

Overview of the Regulatory Regime for Utilities Operating in the ACT

The Utilities Regulatory Regime is a framework for regulating the provision of electricity, gas, water and sewerage services in the ACT. The package was developed over a two year period after significant input from industry and the community.

The *Utilities Act 2000*, was passed in the ACT Legislative Assembly on 30 November 2000. The Act deals with the:

- licensing of utilities;
- licence compliance;
- utilities' powers and duties;
- industry and technical codes of practice;
- customer contracts (negotiated and standard);
- complaints handling and applications for relief from hardship; and
- community service obligations.

The ACT is the first jurisdiction to integrate the regulation of gas, electricity, water and sewerage services and is also the first jurisdiction to have codes of practice covering the water and sewerage industry. The *Utilities Act 2000* and related instruments replace eight separate acts, amend 17 others and subsume a range of regulations.

The regulatory regime is ownership neutral and applies to all utilities operating in the ACT. It is based on relevant utilities being required to have separate operating licences for each class of utility services that they provide namely electricity and/or gas distribution, electricity and/or gas retail, water supply and sewerage. The licences have a range of specific conditions with which the utility must comply.

Administration

Three key bodies are charged with the responsibility of administering the provisions contained in the legislation.

Independent Competition and Regulatory Commission (ICRC)

Has responsibility for:

- administering licences for utilities including the ability to issue, vary, suspend or revoke licences;
- managing industry codes of practice (including the Customer Protection Code); and
- approving standard customer contracts for franchise customers.

Under separate legislation, ICRC is also responsible for regulation of certain utility prices.

Essential Services Consumer Council (ESCC)

Has responsibility for:

- resolving consumer complaints including preventing disconnection on hardship grounds and determining appeals involving amounts up to \$10,000.

Safety and technical regulator (Department of Urban Services)

Has responsibility for:

- administering technical codes; and
- developing standards and monitoring compliance with technical codes, with the capacity to issue default notices and impose fines.

Commencement – Phase In of Regulatory Regime

Although the *Utilities Act 2000* commenced on 1 January 2001 there will be a phased in commencement of the new regulatory regime. For further information on the phase in process please refer to the Independent Competition and Regulatory Commission's Web Site

<http://www.icrc.act.gov.au/WhatsNew/Index.html>.

Industry Codes

In accordance with subsection 235(1) of the *Utilities Act 2000*, Mr Gary Humphries MLA, the Treasurer, determined the industry codes listed below.

- Consumer Protection Code
- Electricity Supplier of Last Resort Code
- Electricity Network Use of System Code
- Electricity Network Boundary Code
- Water and Sewerage Network Boundary Code
- Gas Network Boundary Code

All Industry Codes are located on the Independent Competition and Regulatory Commission's Web Site

<http://www.icrc.act.gov.au/WhatsNew/Index.html>. All enquires regarding industry codes may be directed to the ICRC on (02) 6205 0779.

Technical Codes

In accordance with subsection 236(1) of the *Utilities Act 2000*,

Mr Brendan Smyth MLA, the Minister for Urban Services determined the technical codes listed below.

- Electricity Distribution (Supply Standards) Code
- Contestable Work Accreditation Code
- Franchise Customer Electricity Metering Code
- Management of Electricity Network Assets Code
- Electricity Service and Installation Rules Code
- Water Supply and Sewerage Services Standards Code
- Water Metering Code
- Water and Sewerage Network (Design and Maintenance) Code
- Dam Safety Code

- Water and Sewerage Service and Installation Code
- Emergency Planning Code
- Gas Safety and Operating Plan Code
- Gas General Metering Code

All Technical Codes are located on the Independent Competition and Regulatory Commission's Web Site

<http://www.icrc.act.gov.au/WhatsNew/Index.html>.

The Department of Urban Services is responsible for regulating technical codes. All enquires regarding technical codes may be directed to the Industry Policy and Regulation Branch in Urban Services on (02) 6207 6150.