



Queensland

# Electricity Amendment Regulation (No. 2) 2011

## Explanatory Notes for SL 2011 No. 235

made under the

*Electricity Act 1994*

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## General outline

### Short title

This regulation may be cited as the *Electricity Amendment Regulation (No. 2) 2011*.

### Authorising law

Sections 135ELA and 263 of the *Electricity Act 1994*

### Policy objectives and reasons for them

The policy objective of the amendment to the *Electricity Regulation 2006*, pursuant to section 135ELA(c) of the *Electricity Act 1994* (the Act), is to establish the Queensland Gas Scheme (QGS) prescribed percentage of liability (target) for the 2012 compliance period, namely 15 per cent (being the same as the 2011 compliance period target). This minor amendment will prescribe the mandatory annual Gas Electricity Certificate (GEC) liability that parties participating in the QGS must surrender.

The Act provides that the QGS target for any year after 2010 be prescribed by regulation.

### **Achievement of policy objectives**

The regulation achieves the policy objective by making a minor amendment to the *Electricity Regulation 2006*. The amendment will ensure that the 15 per cent QGS target, approved by the Queensland Government, is prescribed under regulation for the 2012 calendar year.

### **Consistency with policy objectives of authorising law**

The amendment regulation is consistent with the main objectives of the *Electricity Act 1994*. It amends the *Electricity Regulation 2006* in relation to prescribing the percentage of liability for the QGS target for 2012.

### **Inconsistency with policy objectives of other legislation**

The regulation is not inconsistent with the policy objectives of other legislation.

### **Alternative ways of achieving policy objectives**

The *Electricity Act 1994* sets out the framework for regulating the QGS mandatory annual GEC liability. There are no alternative means to effectively achieve the policy objectives.

### **Benefits and costs of implementation**

As the regulation makes only minor amendments to the *Electricity Regulation 2006* to maintain the existing QGS target, there are not expected to be any costs associated with implementation.

### **Consistency with fundamental legislative principles**

The amendment has been drafted with regard to the fundamental legislative principles and is considered to comply with these principles.

### **Consultation**

Consultation with representatives from the Department of the Premier and Cabinet, Queensland Treasury, the Office of Climate Change and relevant

areas of the Department of Employment, Economic Development and Innovation was undertaken in order to establish a consensus on the recommendation of a 2012 target. Based on the public announcement of the Queensland Government's *ClimateSmart 2050* Strategy, Queensland Gas Scheme participants are aware that there is provision for the scheme target to increase to 18 per cent, with the minimum 15 per cent target certain.

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#### ENDNOTES

- 1 Laid before the Legislative Assembly on . . .
- 2 The administering agency is the Department of Employment, Economic Development and Innovation.

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