

Energy Legislation Amendment Regulation (No. 1) 2014

Explanatory Notes for SL 2014 No. 138

made under the
Electricity Act 1994
Gas Supply Act 2003

General outline

Short title

Energy Legislation Amendment Regulation (No. 1) 2014

Authorising law

Section 263 of the *Electricity Act 1994*.
Section 323 of the *Gas Supply Act 2003*.

Policy objectives and reasons for them

The objective of the subordinate legislation is to increase the prescribed regulatory fees and charges by the current Queensland Treasury and Trade directed indexation figure of 3.5 per cent.

Achievement of policy objectives

The subordinate legislation will index all relevant fees and charges contained within Schedule 7 and Schedule 8 of the *Electricity Regulation 2006* and sections 51 and 52 and Schedule 1 of the *Gas Supply Regulation 2007* by 3.5 per cent.

This indexation is in accordance with Queensland Treasury circular No. 2013-14/06 which requires all fees and charges to be indexed by 3.5 per cent per annum until further notice.

Consistency with policy objectives of authorising law

The subordinate legislation is consistent with the objects of the *Electricity Act 1994* to:

- (a) set a framework for all electricity industry participants that promotes efficient, economical and environmentally sound electricity supply and use; and
- (b) regulate the electricity industry and electricity use; and
- (c) establish a competitive electricity market in line with the national electricity industry reform process; and
- (d) ensure that the interests of customers are protected; and
- (e) take into account national competition policy requirements.

The subordinate legislation is consistent with the purpose of the *Gas Supply Act 2003* to:

- (a) implement the franchising and licensing principles under clauses 13 and 14 of the national gas agreement; and
 - (b) promote efficient and economical processed natural gas supply; and
 - (c) protect customers in reticulated processed natural gas markets.
- Which are achieved by—
- (a) regulating the distribution and retail services for reticulated processed natural gas; and
 - (b) providing, under chapter 5A, for the making of industry codes for reticulated processed natural gas markets.

Inconsistency with policy objectives of other legislation

The subordinate legislation is not inconsistent with any policy objective of any legislation.

Alternative ways of achieving policy objectives

The *Electricity Act 1994* and *Gas Supply Act 2003* establish the framework for the administration of electricity and gas fees and charges. There are no alternative means to effectively achieve the policy objectives.

Benefits and costs of implementation

The Government will not incur additional costs to implement this subordinate legislation.

Consistency with fundamental legislative principles

The subordinate legislation is consistent with fundamental legislative principles.

Consultation

The Office of Best Practice Regulation was consulted regarding the need for a Regulatory Impact Statement and confirmed a Regulatory Impact Statement is not required for this subordinate legislation.