

Energy Legislation Amendment Regulation (No. 1) 2016

Explanatory notes for SL 2016 No. 93

made under the

Electricity Act 1994
Gas Supply Act 2003

General Outline

Short title

Energy Legislation Amendment Regulation (No. 1) 2016

Authorising law

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

Policy objectives and the reasons for them

The policy objective of the *Energy Legislation Amendment Regulation (No. 1) 2016* (the Amendment Regulation) is to amend the *Electricity Regulation 2006* and the *Gas Supply Regulation 2007* to increase the prescribed regulatory fees and charges by the current Queensland Treasury directed indexation figure of 3.5 per cent.

Achievement of policy objectives

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

Consistency with policy objectives of authorising law

The Amendment Regulation 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 clause 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—

- i. regulating the distribution and retail services for reticulated processed natural gas; and
- ii. providing, under chapter 5A, for the making of industry codes for reticulated processed natural gas markets.

Inconsistency with policy objectives of other legislation

The Amendment Regulation 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 the Amendment Regulation.

Consistency with fundamental legislative principles

The Amendment Regulation is consistent with fundamental legislative principles.

Consultation

The Department of the Premier and Cabinet, Queensland Treasury and the Office of Best Practice Regulation were consulted on the Amendment Regulation.

Consultation resulted in no issues raised by the Department of the Premier and Cabinet or Queensland Treasury. The Office of Best Practice Regulation advised that the Amendment Regulation is excluded from the preparing of a RIS.