



Queensland

# Electricity Amendment Regulation (No. 4) 2011

## Explanatory Notes for SL 2011 No. 255

made under the

*Electricity Act 1994*

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## General outline

### Short title

*Electricity Amendment Regulation (No. 4) 2011.*

### Authorising law

Section 263 of the *Electricity Act 1994*.

### Policy objectives and reasons for them

The policy objective is to make amendments to the *Electricity Regulation 2006* to align with the Australian Energy Regulator's determination which permits the operation of specified service providers and the recovery of costs from the customer for the design and construction of large connection assets. This allows for competition in the provision of large customer connection assets and the clarification of obligations concerning both large and small customer connections.

The amendment is required because the current State regulatory framework is not consistent with the Commonwealth regulatory framework.

### **Achievement of policy objectives**

The amendment achieves its objectives by making minor amendments to the *Electricity Regulation 2006*. The amendment will ensure consistency between the State and Commonwealth regulatory frameworks for the operation of specified service providers and the recovery of costs from the customer for the design and construction of large connection assets.

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

The amendment is consistent with the objectives of the *Electricity Act 1994* and amends the *Electricity Regulation 2006* in relation to the operation of specified service providers and the recovery of costs from the customer for the design and construction of large connection assets permitted under the Act.

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

The amendment is not inconsistent with any policy objectives of any other legislation.

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

The Act and Regulation sets out the framework for regulation in the provision of service lines. There are no alternative means to effectively achieve the policy objectives.

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

The amendment is a consequence of aligning with the national process outcomes. A full analysis was undertaken by the Australian Energy Regulator for its determination. Details of the consultation process and outcomes are publicly available on the Australian Energy Regulator's website at <http://www.aer.gov.au/content/index.phtml/itemId/727400>. The amendment regulation will allow for competition in the provision of large customer connection assets, the recovery of costs and the clarification of obligations concerning both large and small customer connections.

## **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**

The Australian Energy Regulator held a comprehensive consultation process that included publically available draft and final determinations and submissions. Consultation was held with Energex Limited and Ergon Energy Corporation Ltd in relation to the resulting amendment regulation.

Queensland Treasury advised that the proposal is considered to be excluded from the requirement for a Regulatory Assessment Statement (RAS) as, pursuant to section 3.3 of the *Queensland RAS System Guidelines*, it has already undergone an extensive impact assessment process that takes into account the impacts on Queensland and regulatory best practice principles, in the form of an Australian Energy Regulator consultation, whose jurisdiction is provided for under the National Electricity Law and National Electricity Rules. Compliance with Part 5 of the *Statutory Instruments Act 1992* (SIA) is determined pursuant to section 46(1)(h) of the SIA for the same reason.

## **Reasons for non-inclusion of information**

The comprehensive documentation of the impact assessment by the Australian Energy Regulator, including its determinations and consultation, is not provided due to the large volume of material and the public availability of this documentation on its website at <http://www.aer.gov.au/content/index.phtml/itemId/727400> .

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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