

EXPLANATORY STATEMENT

Jervis Bay Territory Acceptance Act 1915
Administration Ordinance 1990 (Jervis Bay Territory)

Electricity Supply Fees Determination 2018 (Jervis Bay Territory)

The *Administration Ordinance 1990 (Jervis Bay Territory)* was made pursuant to Subsection 4F(1) of the *Jervis Bay Territory Acceptance Act 1915* which provides that the Governor-General may make Ordinances for the peace, order and good government of the Jervis Bay Territory (Territory).

Subsection 3B(1) of the *Administration Ordinance 1990* enables the Minister responsible for the Territory to determine fees for the provision of utilities and services provided by the Australian Government in the Territory. The Minister has delegated the power to determine fees for these utilities and services to specific official positions within the Commonwealth Department having responsibility for administration of Australian territories, currently the Department of Infrastructure and Regional Development (the Department). The signatory of this Determination is such a delegate under the *Christmas Island, Cocos (Keeling) Islands, and Jervis Bay Territory Delegation Instrument 2012 (No 2)* dated 20 July 2012.

The Australian Government policy objective is that Territory residents have access to services similar to those provided in comparable state communities. This objective is achieved by choosing the lowest cost, mainstream electricity plan available in the adjacent NSW region and direct recovery of some costs. The Territory does not have an economy of scale to enable full cost recovery for provision of electricity.

Consultation

The Department published a Jervis Bay Territory Community Bulletin (Bulletin), which was placed on the Department's website and posted to electricity account holders in the Territory. The Bulletin invited written comment on the proposed *Electricity Supply Fees Determination 2018 (Jervis Bay Territory)*.

X submissions were received in response to the Bulletin.

Compatibility with Human Rights

This Determination, a Legislative Instrument, is compatible with the human rights and freedoms recognised or declared in the international instruments listed in Section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

This Legislative Instrument does not engage any of the applicable rights or freedoms. This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

DETAILS OF THE ELECTRICITY SUPPLY FEES DETERMINATION 2018 (JERVIS BAY TERRITORY)

Details of the Determination are as follows:

Section 1 titles the Determination.

Section 2 provides the date on which the Determination commences.

Section 3 provides for the revocation of the previous Electricity Supply Fee Determination.

Section 4 defines the terms used in the Determination.

Subsection 5.1 provides that Schedule 1 determines fees for the supply of electricity.

- Domestic fees and General Supply fees are based on a survey of market based electricity supply rates on offer from licenced electricity retailers in the surrounding NSW region during August 2017. The Commonwealth Government website '*Energy Made Easy*' was used as the mechanism to determine a competitive electricity fee plan in the current electricity market.
- The Low Voltage (LV) industrial and 11 kilovolt (kV) time-of-use demand supply fees are based on the Department's electricity purchase costs and a margin to transport the electricity from the NSW-Jervis Bay Territory border using Australian Government and Aboriginal infrastructure.

Subsections 5.2 and 5.3 provide for rebates to electricity fees. The basis of these rebates are as follows:

- The rebates available in Jervis Bay Territory have been structured to meet known requirements of Territory residents. Given the general parity of domestic electricity charges with those of the surrounding region, the rebates available to Jervis Bay Territory residents are similarly drawn from those offered by the NSW government.

Section 6 provides that Schedule 2 determines miscellaneous fees for the supply of electricity. The miscellaneous fees are based on partial recovery of direct costs incurred by the Department for services rendered under commercial contracts.

Section 7 provides the eligibility for 11 kV time-of-use demand supply.

Section 8 provides the eligibility for LV industrial supply.

Section 9 provides for the period for payment of the fees for the supply of electricity.

Section 10 provides for the action to be taken by the Department in the case of non-payment by the customer.

Section 11 provides for the requirement, use and refund of security deposits.

Schedule 1 provides for the schedule of fees for the supply of electricity.

Schedule 2 provides for the schedule of miscellaneous fees.

Jervis Bay Territory Electricity Fees (GST inclusive) comparison table:

Domestic supply

Item	Description	Cost Units	2017 Fee (GST incl)	2018 Fee (GST incl)	Variance
1	System access	\$/day	0.8635	0.91179	5.59%
2	First 1000 kWh for a 90-day period	\$/kWh	0.20618	0.23839	15.62%
2	Next 750 kWh for a 90-day period	\$/kWh	0.2009	0.23839	18.66%
3	For the balance of all electricity supply	\$/kWh	0.19122	0.23839	24.67%

Domestic supply controlled off-peak

Item	Description		2017 Fee (GST incl)	2018 Fee (GST incl)	Variance
1	Off-peak access for off-peak 1	\$/day	0.05456	0.06853	25.60%
2	Off-peak 1 (up to 9 hours off-peak supply daily)	\$/kWh	0.06952	0.09196	32.28%
3	Off-peak access for off-peak 2	\$/day	0.05456	0.06853	25.60%
4	Off-peak 2 (up to 18 hours off-peak supply daily)	\$/kWh	0.1144	0.14802	29.38%

Note: All fees listed are GST inclusive, refer Section 99-1, A New Tax System (Goods and Services Tax) Act 1999 and GST Ruling 2006/2.

General supply

Item	Description	Cost Units	2017 Fee (GST incl)	2018 Fee (GST incl)	Variance
1	System access	\$/day	1.087	0.93346	-14.13%
2	2500 kWh for 90-day period	\$/kWh	0.17611	0.23210	31.79%
3	For the balance of all electricity supply	\$/kWh	0.20847	0.2420	16.08%

General supply controlled off-peak

Item	Description	Cost Units	2017 Fee (GST incl)	2018 Fee (GST incl)	Variance
1	Off-peak access for off-peak 1	\$/day	0.05456	0.06853	25.60%
2	Off-peak 1 (up to 9 hours off-peak supply daily)	\$/kWh	0.06952	0.09196	32.28%
3	Off-peak access for off-peak 2	\$/day	0.05456	0.06853	25.60%
4	Off-peak 2 (up to 18 hours off-peak supply daily)	\$/kWh	0.1144	0.14802	29.38%

Note: All fees listed are GST inclusive, refer Section 99-1, A New Tax System (Goods and Services Tax) Act 1999 and GST Ruling 2006/2.

LV industrial supply

Item	Description	Cost Units	2017 Fee (GST incl)	2018 Fee (GST incl)	Variance
1	For all electricity supply	\$/kWh	0.11594	0.1205	3.93%

11kV time-of-use demand supply

Item	Description		2017 Fee (GST incl)	2018 Fee (GST incl)	Variance
1	Monthly fee	\$/kVA	9.336	9.0120	-3.47%
2	For electricity supply during a peak period	\$/kWh	0.11497	0.11730	2.03%
3	For electricity supply during a shoulder period	\$/kWh	0.10873	0.11105	2.13%
4	For electricity supply during an off-peak period	\$/kWh	0.07034	0.07050	0.23%

Note: All fees listed are GST inclusive, refer Section 99-1, A New Tax System (Goods and Services Tax) Act 1999 and GST Ruling 2006/2.

Connection of electricity supply — fees payable before connection

Item	Description	2017 Fee (\$ GST incl)	2018 Fee (\$ GST incl)	Variance
1	New account supply connection fee	29.98	29.98	0%

Other Fees

Item	Description	2017 Fee (\$ GST inc)	2018 Fee (\$ GST incl)	Variance
1	Disconnection fee at the meter board	148.50	148.50	0%
2	Reconnection fee at the meter board	148.50	148.50	0%
3	Combined disconnection/reconnection fee - at the pole or distribution pillar	583.00	583.00	0%
4	Meter test requested by customer	457.13	457.13	0%
5	Extraordinary meter reading due to no access	148.50	148.50	0%
6	Notice of disconnection delivery fee	19.80	19.80	0%
7	Each customer requested change of off-peak pricing option in excess of once in a 12-month period	148.50	148.50	0%

Note: All fees listed are GST inclusive, refer Section 99-1, A New Tax System (Goods and Services Tax) Act 1999 and GST Ruling 2006/2.