

Energy Safety Levy Notice 2022

Made by the Minister under the *Energy Safety Act 2006* section 14.

1. Citation

This notice is the *Energy Safety Levy Notice 2022*.

2. Commencement

This notice comes into operation on the day on which it is published in the *Gazette*.

3. Application

This notice applies in respect of the financial year commencing on 1 July 2022 and is made having regard to the business plan for that financial year.

4. Total amount to be raised by way of levy

- (1) The total amount to be raised by way of levy is \$7 586 000.
- (2) In accordance with the business plan and section 6(1)(d) and (2) of the Act —
 - (a) 67% of the total amount to be raised by way of levy is payable by those energy industry participants liable under clause 5(3); and
 - (b) 33% of the total amount to be raised by way of levy is payable by those energy industry participants liable under clause 6(4).

5. Electricity industry participants liable to pay levy

- (1) In this clause —

electrical installation has the meaning given in the *Electricity (Licensing) Regulations 1991* regulation 3(1);

network means —

 - (a) a distribution system as defined in the *Electricity Industry Act 2004* section 3(1); or
 - (b) a transmission system as defined in the *Electricity Industry Act 2004* section 3(1).
- (2) For the purposes of this clause, a site containing multiple tenants (for example, a residential retirement complex, office building, shopping centre or apartment block) but with only 1 point of direct connection to a network is to be treated as 1 consumer site.

- (3) An energy industry participant is liable to pay a levy if on 31 March 2022 —
- (a) the participant operates 1 or more networks; and
 - (b) there are 500 or more consumer sites that have an electrical installation connected directly to a network operated by the participant.
- (4) The amount of levy payable by an energy industry participant liable under subclause (3) is the proportion of the amount referred to in clause 4(2)(a) that is equal to the percentage calculated in accordance with subclause (5).
- (5) The calculation must be made by applying the following formula (with the result expressed as a percentage) —

$$\frac{P}{T} \times 100$$

where —

P is the number of consumer sites that on 31 March 2022 have an electrical installation connected directly to a network operated by the participant;

T is the total number of consumer sites that on 31 March 2022 have an electrical installation connected directly to any of the networks operated by electricity industry participants liable under subclause (3) to pay a levy.

6. Gas industry participants liable to pay levy

- (1) In this clause —

distribution system has the meaning given in the *Energy Coordination Act 1994* section 3(1);

gas distributor means —

- (a) a holder of a distribution licence as defined in the *Energy Coordination Act 1994* section 3(1); or
- (b) a person exempted under the *Energy Coordination Act 1994* from the requirement to hold a licence referred to in paragraph (a); or
- (c) an entity, other than a primary producer or supplier of LP gas such as BP Refinery (Kwinana) Proprietary Limited or Wesfarmers LPG Pty Ltd, distributing (whether directly, through an agent or as described in subclause (3)) LP gas —
 - (i) to consumers with on-site fixed LP gas storage facilities (***bulk tanks***); or
 - (ii) to consumers in portable cylinders;

gas installation has the meaning given in the *Gas Standards Act 1972* section 4;

LP gas means liquefied petroleum gas;

portable cylinder means a portable cylinder, other than one fixed to a motor vehicle, designed to hold 45 kg of LP gas when full.

- (2) For the purposes of this clause —
 - (a) a site containing multiple tenants (for example, a residential retirement complex, office building, shopping centre or apartment block) but with only 1 point of direct connection to a distribution system is to be treated as 1 consumer site; and
 - (b) a site containing multiple tenants (for example, a residential retirement complex, office building, shopping centre or apartment block) that all consume LP gas from a single source supplied by a bulk tank or multiple interconnected portable cylinders is to be treated as 1 consumer; and
 - (c) a consumer to whom an entity distributes LP gas, whether to the consumer's bulk tank or in portable cylinders, on more than 1 occasion is to be treated as 1 consumer.
- (3) For the purposes of this clause, an entity is taken to distribute LP gas to consumers if —
 - (a) the entity distributes LP gas in bulk, or in portable cylinders, to a dealer who is authorised or permitted by the entity to distribute the gas; and
 - (b) the dealer distributes the LP gas to the bulk tanks of, or in portable cylinders to, consumers.
- (4) An energy industry participant is liable to pay a levy if —
 - (a) on 31 March 2022 —
 - (i) the participant is a gas distributor; and
 - (ii) there are 500 or more consumer sites with a gas installation connected directly to a distribution system operated by the participant;
 - or
 - (b) in the financial year commencing on 1 July 2021 —
 - (i) the participant is or was a gas distributor; and
 - (ii) the participant distributes (whether directly, through an agent, or as described in subclause (3)) LP gas to the bulk tanks of, or in portable cylinders to, more than 500 consumers.
- (5) The amount of levy payable by an energy industry participant liable under subclause (4) is the proportion of the amount referred to in clause 4(2)(b) that is equal to the percentage calculated in accordance with subclause (6).
- (6) The calculation must be made by applying the following formula (with the result expressed as a percentage) —

$$\frac{(P1 + P2)}{(T1 + T2)} \times 100$$

where —

- P1 is the number of consumer sites that on 31 March 2022 have a gas installation connected directly to a distribution system operated by the participant;
- P2 is the number of consumers to whom the participant distributes LP gas, either to their bulk tanks or in portable cylinders, in the financial year commencing on 1 July 2021;
- T1 is the total number of consumer sites that on 31 March 2022 have a gas installation connected directly to any of the distribution systems operated by energy industry participants liable under subclause (4)(a) to pay a levy;
- T2 is the total number of consumers to whom energy industry participants liable under subclause (4)(b) to pay a levy distribute LP gas, either to their bulk tanks or in portable cylinders, in the financial year commencing on 1 July 2021.

7. Time for payment of levy

- (1) The levy is payable in quarterly instalments.
- (2) The first quarterly instalment is payable within 28 days after the issue of the notice of assessment.
- (3) The further quarterly instalments are payable —
 - (a) on or before 1 October, 1 January and 1 April respectively; or
 - (b) if the notice of assessment provides for payment on a later date — on the later date.

R. COOK, Minister for Commerce.
