

# ENERGY SAFETY LEVY BILL 2005

## Explanatory Memorandum

### Introduction and Overview

This Energy Safety Levy Bill complements the Energy Safety Bill.

Its purpose is to impose the levy which is the cornerstone of the funding arrangements proposed under the Energy Safety Bill. The separate Bill is required under section 46(7) of the Constitution Acts Amendment Act 1899.

The levy will ensure that there is adequate funding provided for all the electrical and gas technical and safety regulation, as well as related safety and compliance promotion and emergency management activities carried out by the Director of Energy Safety and his staff of the *EnergySafety* Division of the Department of Consumer and Employment Protection.

The technical and safety regulatory regime is established under the *Energy Coordination Act 1994*, the *Gas Standards Act 1972* and the *Electricity Act 1945* and the various regulations under these Acts. The regime is administered by the Director of Energy Safety, a public officer established by s.5 of the *Energy Coordination Act 1994* on 1 January 1995.

The regulatory functions of the Director of Energy Safety and the supporting *EnergySafety* Division can be summarised as covering the technical and safety regulation of:

electricity production;

electricity transmission and distribution;

electricity utilisation (consumers' installations and appliances);

gas distribution (and gas production plants connected to gas distribution systems); and

gas utilisation (consumers' installations and appliances),

for the purpose of ensuring, in Western Australia –

the safety of people (the public, energy workers and consumers) in respect of electricity and gas utility infrastructure;

that residential and business consumers receive electricity and gas supplies that are metered accurately and meet minimum standards of reliability and quality so that appliances function correctly;

that residential and business consumers have safe electrical and gas installations at their premises;

that electrical and gas equipment is safe to use; and

that common household appliances and certain types of equipment perform and are labelled to satisfy energy efficiency standards.

**Clause 1      Short Title**

States the short title of the proposed Act.

**Clause 2      Commencement**

The Act will commence on the day on which the *Energy Safety Act 2005* comes into operation.

The *Energy Safety Act 2005* is a complementary piece of legislation that will provide for the determination of the levy including the quantum of the levy, the administration of the levy and the liability of the energy industry participants.

**Clause 3      Energy Safety Levy Imposed**

This clause provides for the levy to be imposed on the various energy industry participants in accordance with the determination by the Minister under the provisions contained in the *Energy Safety Act 2005*.