

*I hereby certify that this PUBLIC BILL has finally passed the
Legislative Assembly of Queensland.*



Legislative Assembly Chamber,
Brisbane,

M. R. ...
The Clerk of the Parliament.
28 May 2014

In the name and on behalf of the Queen, I assent to this Bill.

Princess Wendy
Government House,
Brisbane, *28th May,* 2014.



Queensland

No. 31 of 2014
A BILL for

**An Act to amend the Electricity Act 1994, the Petroleum and Gas
(Production and Safety) Act 2004 and the Water Supply (Safety and
Reliability) Act 2008 for particular purposes**



Queensland

Electricity and Other Legislation Amendment Bill 2014

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2014

A Bill

for

An Act to amend the *Electricity Act 1994*, the *Petroleum and Gas (Production and Safety) Act 2004* and the *Water Supply (Safety and Reliability) Act 2008* for particular purposes

[s 1]

The Parliament of Queensland enacts—

Part 1 Preliminary

1 Short title

This Act may be cited as the *Electricity and Other Legislation Amendment Act 2014*.

2 Commencement

This Act commences on a day to be fixed by proclamation.

Part 2 Amendment of Electricity Act 1994

3 Act amended

This part amends the *Electricity Act 1994*.

4 Amendment of s 31 (Conditions of transmission authority)

Section 31—

insert—

- (d) if the transmission entity is a regulated transmission system operator—the entity must also pay an annual fee that is a proportion of the cost of the State's funding commitments to national energy market regulation.

(2) The fee mentioned in subsection (1)(d) for a transmission entity is calculated based on the length of the electric lines making up the transmission grid operated by the entity.

(3) In this section—

AEMC has the meaning given in the National Electricity (Queensland) Law.

national energy market regulation means the functions and powers of the AEMC under the National Electricity (Queensland) Law, section 29.

regulated transmission system operator has the meaning given in the National Electricity (Queensland) Law.

5 Insertion of new ch 2, pt 6, div 1, hdg

Chapter 2, part 6, before section 46—

insert—

Division 1 Preliminary

6 Amendment of s 55D (Conditions of retail authority)

Section 55D(f), after ‘55DB,’—

insert—

55DBA,

7 Amendment of s 55DB (Additional condition about electricity produced by small photovoltaic generators)

Section 55DB, heading, from ‘small’—

omit, insert—

qualifying generator

[s 8]

8 Insertion of new s 55DBA

After section 55DB—

insert—

55DBA Additional condition about electricity produced by small photovoltaic generator

- (1) This section applies if—
 - (a) a prescribed retail entity provides customer retail services to a relevant small customer's premises; and
 - (b) the relevant small customer is not entitled to receive an amount for electricity mentioned in section 44A(1)(b) in relation to the premises.

Note—

A relevant small customer may be entitled to receive an amount for electricity mentioned in section 44A(1)(b) in relation to the premises under section 44A as it continues to apply under section 328.

- (2) It is also a condition of the retail authority that the prescribed retail entity must—
 - (a) reduce the charges payable by the customer, for electricity supplied to the customer in the relevant supply period, by the feed-in tariff amount; and
 - (b) if the feed-in tariff amount is more than the charges payable for the relevant supply period (the *first period*)—
 - (i) reduce the charges payable for a subsequent relevant supply period by the unused amount of the feed-in tariff amount; and
 - (ii) if, after the end of 12 months after the end of the first period, an amount of the feed-in tariff amount has not been used

-
- under subparagraph (i)—pay the customer the unused amount of the feed-in tariff amount; and
- (c) give the customer the following information for each relevant supply period—
- (i) the amount of electricity supplied by the customer to the supply network;
- (ii) the feed-in tariff amount.
- (3) In this section—
- feed-in tariff amount* means the amount worked out by multiplying the feed-in tariff decided under chapter 4, part 2A by the number of kilowatt hours of electricity that is, at any instant in the relevant supply period—
- (a) produced by 1 small photovoltaic generator connected at the relevant small customer's premises to a supply network; and
- (b) supplied to the network.

9 **Amendment of s 55G (Restriction on Ergon Energy and its subsidiaries)**

Section 55G—

insert—

- (7) This section does not prevent the retailer entering into a separate arrangement with a small customer of the retailer to buy electricity produced at the small customer's premises and supplied to a supply network.

10 **Amendment of s 61B (Additional condition for electricity produced by photovoltaic generators)**

- (1) Section 61B(1), 'This section'—

omit, insert—

[s 11]

Subsection (2)

(2) Section 61B—

insert—

- (3) If a special approval holder is a prescribed retail entity, it is a condition of the special approval that the holder must comply with section 55DBA.

11 Insertion of new s 64A

Chapter 2, part 8—

insert—

64A Review of feed-in tariff provisions

Within 5 years after the commencement of this section, the regulator must review the operation of section 55DBA and chapter 4, part 2A.

12 Amendment of s 91A (Retail entity must comply with notification or direction)

(1) Section 91A(5)—

renumber as section 91A(6).

(2) Section 91A—

insert—

- (5) To remove any doubt, it is declared that a retail entity does not contravene subsection (2) only because the retail entity reduces the charges payable by a non-market customer by the amount the retail entity pays the non-market customer for electricity produced at the non-market customer's premises and supplied to a supply network.

13 Insertion of new ch 4, pt 2A

Chapter 4—

insert—

Part 2A Feed-in tariff

92 Definitions for pt 2A

In this part—

feed-in tariff means the rate to be used for working out the amount that must be credited by a prescribed retail entity to a relevant small customer for a relevant supply period for each kilowatt hour of electricity that is, at any instant in the relevant supply period—

- (a) produced by 1 small photovoltaic generator connected at the customer's premises to a supply network; and
- (b) supplied to the network.

prescribed retail entity means a retail entity or special approval holder prescribed by regulation for this part.

relevant small customer, of a prescribed retail entity, means a small customer if—

- (a) the entity provides customer retail services to the customer's premises; and
- (b) 1 small photovoltaic generator is connected at the customer's premises to a supply network.

93 Minister to direct QCA to decide feed-in tariff

- (1) The Minister—
 - (a) must direct QCA to decide the feed-in tariff for each tariff year; and
 - (b) may, at any time, direct QCA to decide the feed-in tariff for another period.

[s 13]

- (2) The Minister's direction may state the following—
 - (a) the period for which the feed-in tariff is to apply;
 - (b) the time frame within which QCA is to decide the feed-in tariff;
 - (c) the matters QCA must consider when deciding the feed-in tariff;
 - (d) the consultation requirements QCA must comply with before deciding the feed-in tariff.
- (3) In deciding the feed-in tariff, QCA must consider—
 - (a) the effect of the feed-in tariff on competition in the Queensland retail electricity market; and
 - (b) any other matter stated in the Minister's direction.

94 QCA to publish feed-in tariff

- (1) At least 1 month before the start of a tariff year, QCA must announce the feed-in tariff for the tariff year and publish it by gazette notice.
- (2) However, if QCA is directed under section 93(1)(b) to decide a feed-in tariff, at least 1 month before the feed-in tariff is to apply, QCA must announce the feed-in tariff and publish it by gazette notice.
- (3) A gazette notice under this section must state the period for which the feed-in tariff is to apply.
- (4) A feed-in tariff applies from the start of the tariff year to which it relates unless otherwise stated in the gazette notice.

-
- (5) Failure to comply with this section does not invalidate or otherwise affect the feed-in tariff.

95 When feed-in tariff continues to apply

- (1) This section applies if a feed-in tariff (an *existing feed-in tariff*) would, but for subsection (2), stop applying and a new feed-in tariff does not apply.
- (2) The existing feed-in tariff continues to apply until a new feed-in tariff applies.

14 Amendment of s 335 (When s 328 stops applying or does not apply to qualifying generators as previously defined)

Section 335(5)—

insert—

Note—

The condition stated in subsection (5) no longer applies. The *Electricity Regulation 2006*, section 30AA, as it was in force immediately before 1 July 2014, prescribed 30 June 2014 as the day until which a distribution entity was required to comply with subsection (5).

15 Insertion of new ch 14, pt 16

Chapter 14—

insert—

Part 16 Transitional provision for Electricity and Other Legislation Amendment Act 2014

351 First feed-in tariff decision

Despite section 94, the first feed-in tariff must be announced and published under that section at least 2

[s 16]

weeks before it is to apply.

16 Amendment of sch 5 (Dictionary)

Schedule 5—

insert—

feed-in tariff see section 92.

prescribed retail entity see section 92.

regional system control see section 7.

relevant small customer see section 92.

Part 3 Amendment of Petroleum and Gas (Production and Safety) Act 2004

17 Act amended

This part amends the *Petroleum and Gas (Production and Safety) Act 2004*.

18 Replacement of s 423 (Annual licence fee)

Section 423—

omit, insert—

423 Annual fees

- (1) A pipeline licence holder must pay the State an annual licence fee as prescribed under a regulation.
- (2) Subsection (3) applies to a pipeline licence holder if a pipeline the subject of the licence is a covered pipeline under the National Gas (Queensland) Law.

- (3) The pipeline licence holder must also pay the State an annual fee, that is a proportion of the cost of the State's funding commitments to national energy market regulation, as prescribed by regulation.
- (4) The fee mentioned in subsection (3) is calculated based on the kilometres of pipeline the subject of the holder's pipeline licence.
- (5) A fee mentioned in subsection (1) or (3) must be paid in the way, and on or before the day, prescribed by regulation.
- (6) In this section—
AEMC has the meaning given in the National Gas (Queensland) Law.
national energy market regulation means the functions and powers of the AEMC under the National Gas (Queensland) Law, section 69.

19 Amendment of s 424 (Civil penalty for nonpayment of annual licence fee)

- (1) Section 424, heading, 'licence fee'—
omit, insert—
fees
- (2) Section 424(1)—
omit, insert—
 - (1) If a pipeline licence holder does not pay a fee as required under section 423, the holder must also pay the State a civil penalty.

[s 20]

Part 4 Amendment of Water Supply (Safety and Reliability) Act 2008

20 Act amended

This part amends the *Water Supply (Safety and Reliability) Act 2008*.

21 Amendment of s 20 (Who must apply for registration as a service provider)

Section 20(3), ‘, or that supplies recycled water that is coal seam gas water,’—

omit.

22 Amendment of s 196AA (Requirement to seek registration)

Section 196AA(1), ‘, other than a CSG recycled water scheme,’—

omit.

23 Amendment of s 196 (Offence about supplying recycled water without approved recycled water management plan)

(1) Section 196(1)(b)—

omit.

(2) Section 196(1)(c) to (f)—

renumber as section 196(1)(b) to (e).

24 Omission of ss 198–199

Sections 198 and 199—

omit.

25 Amendment of s 201 (Content of particular plans)

(1) Section 201(1)(b), examples—

omit.

(2) Section 201(4)—

omit.

26 Omission of s 201A (Additional requirements for plans for CSG recycled water schemes)

Section 201A—

omit.

27 Amendment of s 202 (Application for approval of recycled water management plan)

Section 202(3), ‘, other than coal seam gas water,’—

omit.

28 Amendment of s 205 (Consideration of application)

Section 205(2)(c), ‘, other than coal seam gas water,’—

omit.

29 Amendment of s 206 (Notice of decision)

Section 206(5) and note—

omit.

30 Amendment of s 207 (When regulator must not approve recycled water management plan)

(1) Section 207(1)(a), ‘, other than coal seam gas water,’—

omit.

(2) Section 207(1A)—

[s 31]

omit.

- (3) Section 207(2), from ‘for—’—

omit, insert—

for the water storage.

31 Amendment of s 235 (Application of pt 4)

Section 235, ‘, other than coal seam gas water,’—

omit.

32 Amendment of s 274 (Public reporting requirement)

- (1) Section 274(1)(a)—

omit.

- (2) Section 274(1)(b), ‘, other than a CSG recycled water scheme,’—

omit.

- (3) Section 274(1)(b) and (c)—

renumber as section 274(1)(a) and (b).

33 Amendment of s 301 (Making declaration)

- (1) Section 301(2)(a), ‘, other than coal seam gas water,’—

omit.

- (2) Section 301(2)(b)—

omit.

- (3) Section 301(2)(c) and (d)—

renumber as section 301(2)(b) and (c).

34 Amendment of s 316 (Application of pt 9)

Section 316(a), from ‘, other than’—

omit, insert—
; and

35 Omission of ch 3, pt 9A (Coal seam gas water)

Chapter 3, part 9A—

omit.

36 Amendment of s 410 (Power to enter land to monitor compliance)

Section 410(c) and (d)—

omit, insert—

- (c) a notice given to a drinking water service provider under section 630(2) is being complied with.

37 Amendment of s 435 (Application of pt 5)

(1) Section 435(1A) and (1B)—

omit.

(2) Section 435(2), definition *noncompliance*, paragraphs (b) to (d)—

omit, insert—

- (b) a scheme manager, recycled water provider or other declared entity for a recycled water scheme has not complied with the recycled water management plan for the scheme or a condition of the plan.

38 Amendment of s 441 (Definitions for div 3)

Section 441, definition *event*—

omit, insert—

[s 39]

event means anything that has happened or is likely to happen, in relation to a recycled water scheme or drinking water service, that may have an adverse effect on public health.

39 Amendment of s 487A (Executive officer may be taken to have committed offence)

Section 487A(4), definition *deemed executive liability provision*, sixth dot point—

omit.

40 Amendment of s 571 (Regulator may make guidelines)

Section 571(1)(d)—

omit.

41 Amendment of s 579 (Regulator may share particular information)

Section 579(2)(c)—

omit.

42 Amendment of s 628 (Application of particular provision)

(1) Section 628(5)(a)(i), ‘, other than coal seam gas water’—

omit.

(2) Section 628(5)(c)—

omit.

43 Insertion of new ch 10, pt 8

Chapter 10—

insert—

Part 8 Transitional provisions for Electricity and Other Legislation Amendment Act 2014

667 Definitions for pt 8

In this part—

administering authority means the administering authority under the *Environmental Protection Act 1994*.

coal seam gas means petroleum (in any state) occurring naturally in association with coal or oil shale, or in strata associated with coal or oil shale mining.

coal seam gas water means underground water brought to the surface of the earth in connection with exploring for or producing coal seam gas, and includes coal seam gas water—

- (a) whether it is treated or untreated; or
- (b) that is mixed with other water.

commencement means the commencement of this section.

CSG environmental authority means an environmental authority for a CSG activity issued under the *Environmental Protection Act 1994*.

pre-amended Act means this Act as in force before its amendment by the *Electricity and Other Legislation Amendment Act 2014*, part 4.

public health conditions means conditions or requirements about—

- (a) protecting public health; and

[s 43]

- (b) assessing and minimising any impacts the release of coal seam gas water may have on human health.

specific approval means a specific approval under the *Waste Reduction and Recycling Act 2011*.

668 Continuation of recycled water management plan and exclusion decision

- (1) This section applies to the following in effect immediately before the commencement—
 - (a) a recycled water management plan that relates to coal seam gas water that augments a supply of drinking water;
 - (b) an exclusion decision.
- (2) On and from the commencement, the plan or decision continues in effect under the pre-amended Act until the earlier of the following—
 - (a) the CSG environmental authority or a specific approval to which the plan or decision relates is amended to include public health conditions that are consistent with the plan or decision;
 - (b) 1 July 2015.

669 Continuation of interim recycled water management plan

- (1) This section applies to an interim recycled water management plan in effect immediately before the commencement.
- (2) On and from the commencement, the interim plan continues in effect under the pre-amended Act until the earlier of the following—

- (a) the CSG environmental authority or a specific approval to which the interim plan relates is amended to include public health conditions that are consistent with the interim plan;
- (b) 1 July 2015.
- (3) Despite section 329G of the pre-amended Act, the approval of the interim plan continues until the interim plan ceases to have effect under subsection (2).

670 Amending CSG environmental authority related to particular plan or decision

- (1) This section applies to a CSG environmental authority that relates to a recycled water management plan, interim recycled water management plan or exclusion decision continued in effect under section 668 or 669.
- (2) Despite the *Environmental Protection Act 1994*, section 215, the administering authority may amend the CSG environmental authority to include public health conditions that are consistent with the plan, interim plan or decision to which the authority relates.
- (3) However, the administering authority may only act under subsection (2)—
 - (a) if it considers the amendment is necessary or desirable; and
 - (b) if the procedure under the *Environmental Protection Act 1994*, chapter 5, part 6, division 2 is followed; and
 - (c) while the plan, interim plan or decision is in effect.
- (4) This section does not limit any power of the administering authority under the *Environmental*

[s 44]

Protection Act 1994 in relation to the CSG environmental authority.

671 Amending other CSG environmental authorities

- (1) This section applies to a CSG environmental authority, other than a CSG environmental authority mentioned in section 670.
- (2) Despite the *Environmental Protection Act 1994*, section 215, the administering authority may amend the CSG environmental authority to include public health conditions.
- (3) The administering authority may only act under subsection (2)—
 - (a) if it considers the amendment is necessary or desirable; and
 - (b) if the procedure under the *Environmental Protection Act 1994*, chapter 5, part 6, division 2 is followed; and
 - (c) before 1 July 2015.
- (4) This section does not limit any power of the administering authority under the *Environmental Protection Act 1994* in relation to the CSG environmental authority.

44 Amendment of sch 3 (Dictionary)

- (1) Schedule 3, definitions *coal seam gas*, *coal seam gas water*, *CSG (aquifer) recycled water scheme*, *CSG emergency release*, *CSG environmental authority*, *CSG (pt 9A, div 3) scheme*, *CSG recycled water scheme*, *EP Act authorisation*, *exclusion decision*, *existing CSG recycled water scheme*, *hydraulic impact zone*, *interim period*, *interim recycled water management plan*, *post supply obligation*, *public health conditions*, *recycled water*, *recycled water management plan*, *relevant location* and *supply* —

omit.

(2) Schedule 3—

insert—

cost recovery notice, for chapter 5, part 5, division 3, see section 443(2).

costs and expenses, for chapter 5, part 5, division 3, see section 441.

event, for chapter 5, part 5, division 3, see section 441.

noncompliance, for chapter 5, part 5, division 3, see section 435(2).

prescribed person, for chapter 5, part 5, division 3, see section 442(1).

recycled water means any of the following that are intended to be reused—

- (a) sewage or effluent sourced from a service provider's sewerage;
- (b) wastewater, other than water mentioned in paragraph (a).

recycled water management plan means—

- (a) for a single-entity recycled water scheme—a plan about the production and supply of recycled water under the scheme by the recycled water provider for the scheme; or
- (b) for a multiple-entity recycled water scheme—a plan about the production and supply of recycled water under the scheme consisting of a scheme manager plan and a scheme provider plan for each declared entity for the scheme.

supply, of recycled water, means—

[s 44]

- (a) for recycled water that is sewage or effluent—
 - (i) the reuse of the water by the entity that produces it; or
 - (ii) the supply of the water, by the entity that produces it, to another entity for reuse; and
- (b) for other recycled water—supply of the water, by the entity that produces it, to another entity for reuse, other than another entity that, under a guideline made by the regulator and prescribed under a regulation, is a related entity of the entity that produced it.

water supply incident, for chapter 5, part 5, division 3, see section 441.

- (3) Schedule 3, definition *drinking water service*, paragraph (b)(i), ‘, other than coal seam gas water’—
omit.
- (4) Schedule 3, definition *information requirement*, paragraph (d)—
omit.
- (5) Schedule 3, definition *multiple-entity recycled water scheme*, paragraph 1, from ‘involving—’—
omit, insert—
 - involving the production and supply of recycled water by more than 1 recycled water provider, or at least 1 recycled water provider and another entity.
- (6) Schedule 3, definition *multiple-entity recycled water scheme*, paragraph 2(b)—
omit, insert—

- (b) the infrastructure for the production and supply of the recycled water that is stated to be part of the scheme under the declaration.
- (7) Schedule 3, definition *recycled water provider*, paragraph (a)—
omit, insert—
- (a) owns infrastructure for the production and supply of recycled water; or
- (8) Schedule 3, definition *recycled water provider*, paragraph (b), ‘other than coal seam gas water’—
omit.
- (9) Schedule 3, definition *responsible entity*, paragraph (a)—
omit.
- (10) Schedule 3, definition *responsible entity*, paragraphs (b) and (c)—
renumber as paragraphs (a) and (b).
- (11) Schedule 3, definition *single-entity recycled water scheme*, paragraph (a)—
omit, insert—
- (a) means a scheme involving the production and supply of recycled water by only 1 recycled water provider; and
- (12) Schedule 3, definition *single-entity recycled water scheme*, paragraph (b), ‘, or the supply only,’—
omit.