



ICRC
independent competition and regulatory commission

Annual Report 2022–23

Report 5 of 2023, October 2023



The Independent Competition and Regulatory Commission is a Territory Authority established under the *Independent Competition and Regulatory Commission Act 1997* (the ICRC Act). We are constituted under the ICRC Act by one or more standing commissioners and any associated commissioners appointed for particular purposes. Commissioners are statutory appointments. Joe Dimasi is the current Senior Commissioner who constitutes the Commission and takes direct responsibility for delivery of the outcomes of the Commission.

We have responsibility for a broad range of regulatory and utility administrative matters. We are responsible under the ICRC Act for regulating and advising government about pricing and other matters for monopoly, near-monopoly and ministerially declared regulated industries, and providing advice on competitive neutrality complaints and government-regulated activities. We also have responsibility for arbitrating infrastructure access disputes under the ICRC Act.

We are responsible for managing the utility licence framework in the ACT, established under the *Utilities Act 2000* (Utilities Act). We are responsible for the licensing determination process, monitoring licensees' compliance with their legislative and licence obligations and determination of utility industry codes.

Our objectives are set out in section 7 and 19L of the ICRC Act and section 3 of the Utilities Act. In discharging our objectives and functions, we provide independent robust analysis and advice.

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Table of Contents

Senior Commissioner’s Overview	1
Part A. Transmittal certificate	4
Part B. Organisational overview and performance	6
B.1 Organisational overview	7
B.1.1 Commission’s functions and mission	7
B.1.2 Operating environment, priorities and outlook	8
B.1.3 Governance arrangements	11
B.2 Performance analysis	12
B.2.1 Electricity price regulation	12
B.2.2 Water and sewerage price regulation	13
B.2.3 ACT electricity (transparency and comparability) code	13
B.2.4 Utility licencing, consumer protection and performance reporting	14
B.3 Scrutiny	14
B.4 Risk management	15
B.5 Internal audit	15
B.6 Fraud Prevention	16
B.7 Freedom of information	16
B.8 Community Engagement and Support	17
B.9 Aboriginal and Torres Strait Islander reporting	18
B.10 Work health and safety	18
B.11 Human resources management	19
B.12 Ecological Sustainability Reporting	22
Part C. Financial management reporting	24
C.1 Management Discussion and Analysis	25
C.1.1 General overview	25
C.1.2 Total expenditure	25
C.1.3 Total income	27
C.1.4 Total assets	29
C.1.5 Total liabilities	30
C.2 Financial statements	31
C.3 Capital works	31
C.4 Asset management	31

C.5 Government contracting	31
C.5.1 Aboriginal and Torres Strait Islander procurement	32
C.5.2 Creative Services Panel procurement	32
Appendixes	33
Appendix 1 Financial statements and audit report	34
Appendix 2 Statement of performance and Independent limited assurance report	70
Appendix 3 Section 9 reporting requirements	77
Appendix 4 Annual reports (Government Agencies) Notice 2023 (NI2023-272) compliance statement	80
Part 1 Directions overview	80
Part 2 Reporting entity Annual report requirements	80
Part 3 Reporting by exception	80
Part 4 Directorate and Public Sector Body Specific Annual Report Requirements	80
Part 5 Whole of government annual reporting	81
Appendix 5 Commission’s publications 2022–23	82
Glossary and abbreviations	83
Alphabetical index	84

Senior Commissioner's Overview

In 2022-23, the Commission delivered on our core pricing and regulatory functions, completing a major price investigation to set regulated prices for water and sewerage services for 2023-2028. We maintained our regulatory oversight of licensed utilities, promoting the long-term interests of consumers in relation to price, quality, safety, reliability and security of the service.

Operating conditions remained challenging during the year due to the unwinding of controls as we emerged from the COVID-19 pandemic, the tight labour market, and the perennial challenges inherent in being a small agency with a demanding and diverse workload.

We successfully managed these challenges, due to substantial investments over recent years in building organisational capacity and resilience and strengthening our risk management and business continuity strategies. During 2022-23, we adapted flexible working arrangements to achieve the balance of workplace connection and increased staff engagement, with the benefits of a hybrid workplace to retain highly skilled and experienced employees. We also recruited new employees to replace employees who took up other opportunities.

Our regulatory activities during 2022-23 contributed to ensuring that: residential and small business consumers could obtain electricity, water and sewerage services at regulated prices that reflect the efficient and prudent costs of providing those services; important consumer protections were available; and the utilities operating in the Territory had incentives to deliver services at a standard expected by Territory households and businesses.

We have committed to a series of reviews of the methods we use in estimating the regulated prices for water and sewerage services to ensure our regulatory controls are fit for purpose.

Activities during 2022–23

In undertaking our core pricing functions, we:

- set maximum prices for regulated water and sewerage services for 2023–24 through a new price direction for the five-year regulatory period from 1 July 2023
- set the maximum allowed increase in average retail electricity prices for 2023-24 in accordance with our 2020 price direction for the four-year regulatory period from 1 July 2020
- approved Icon Water's standard customer contract for water and sewerage services
- approved an update to the precinct map and set the precinct charge for 2022–23 under the industry code on capital contributions for water and sewerage infrastructure upgrades.

In relation to our regulatory and compliance functions, we further amended the ACT Retail Electricity (Transparency and Comparability) Code on 14 February 2023. The variation was needed after the Australian Energy Regulator (AER) delayed the implementation of its Better Bills guideline, thereby preventing duplication between the AER guideline and our Code and ensure retailers did not incur unnecessary administrative costs that would be passed on to consumers. We updated our guideline for retailers to reflect the Code variation. We are undertaking regular checking to ensure retailers are complying with the Code.

We met our ongoing responsibility for ensuring that utilities providing services in the Territory comply with legislative requirements, licence conditions, and industry and technical codes by:

- determining the 2022–23 annual utility licence fees and the 2022–23 energy industry levy amounts
- monitoring compliance with the Consumer Protection Code 2020
- monitoring and reporting on licenced utilities' performance and compliance with their licence conditions in 2021-22.

In 2022-23, we published our annual reporting on the electricity retailers' compliance with obligations that were introduced in the Consumer Protection Code 2020.

We updated our guidance for utilities and electricity retailers to help them meet their annual reporting obligations.

Looking forward

A major focus for our work in 2023-24 will be the price investigation to determine the regulated retail electricity prices that will apply from 1 July 2024 to 30 June 2027. We will continue to undertake other core pricing, regulatory and compliance functions and provide advice to the Government as requested.

For our core pricing work, we will set the maximum allowable price for water and sewerage services for 2024-25 in accordance with our 2023 price determination.

We will continue to undertake our annual regulatory and compliance functions, including monitoring and reporting on utility performance and licence compliance, monitoring and reporting on electricity retailers' compliance with industry codes, and setting utility licence fees and energy industry levies. In addition, we will continue to monitor developments in energy markets and assess the implications for ACT economic regulation of the industry to ensure our regulatory and consumer protection framework remains up-to-date and appropriate.

We look forward to assisting the Government during 2023–24 with advice on industry-related or other matters as required.

The Commission's approach

In undertaking our pricing, regulatory and compliance functions and providing advice and analysis to the Government, we balance economic, social and environmental considerations, as required by the objectives set out in our enabling legislation. In doing this, we place a high priority on ensuring our decisions, findings and recommendations are based on reliable evidence and have been informed by broad consultation with interested parties, including consumers and regulated industries. Engaging with other regulators is also important for sharing information, promoting appropriate consistency, and reducing regulatory costs.

We understand that Territory households and businesses are experiencing significant cost of living pressures. We will continue to work to ensure that regulated prices for electricity, water and sewerage services reflect only efficient and prudent costs, including a reasonable return on the investments needed to provide services into the future. We will continue to monitor consumer protections, including the utilities' hardship policies, to ensure they remain appropriate and adequate. The ACT Retail Electricity (Transparency and Comparability) Code, which took effect in 2021, is an important additional protection for electricity consumers to help them choose a plan that is right for them and will save them money.

One of our strategic priorities has been, and still is, to make it easier for consumers, regulated businesses and other interested parties to be informed about, and participate in, our decision-making processes. During 2022-23, we continued to use online platforms for meetings to make it easier for our stakeholders to participate. We also conducted an online ACT Government YourSay survey to assess the impact of our codes on consumer behaviour. We will continue to use online platforms and will offer a choice of in-person attendance and online attendance to meet our stakeholders' needs.

Another of our ongoing strategic priorities is to build and maintain organisational capacity and the resilience and flexibility to continue to deliver on our strategic objectives with a small team of employees. In 2022-23, we recruited several highly qualified, experienced staff to rebuild our capacity to continue providing robust factual analysis to inform our regulatory decisions and our advice to the Government. Our reputation for producing high-quality decisions and advice and undertaking a diverse range of regulatory activities that protect Territory consumers, coupled with the collaborative and supportive working environment at the Commission, assisted us in attracting new employees despite the tight labour market.

I would like to express my thanks and appreciation to staff for their hard work and commitment to delivering outcomes that contribute to the wellbeing of the Territory community.

Joe Dimasi
Senior Commissioner



Part A. Transmittal certificate

PART
A



Mr Andrew Barr MLA
Treasurer
ACT Legislative Assembly
Canberra ACT 2601

Dear Treasurer,

We are pleased to present to you the Independent Competition and Regulatory Commission's Annual Report for 2022–23.

This report has been prepared in accordance with section 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the Annual Reports (Government Agencies) Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the annual report by the Independent Competition and Regulatory Commission.

We certify that the information in the attached report, and information provided for whole of government reporting, is an honest and accurate account and that all material information on the operations of the Independent Competition and Regulatory Commission has been included for the period 1 July 2022 to 30 June 2023.

We hereby certify that fraud prevention has been managed in accordance with the *Public Sector Management Standards 2006 (repealed)*, Part 2.3 (see section 113, Public Sector Management Standards 2016).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely,

Mr Joe Dimasi
Senior Commissioner

Lachlan Phillips
A/g CEO

4 October 2023



**Part B.
Organisational overview
and performance**

PART
B

B.1 ORGANISATIONAL OVERVIEW

B.1.1 Commission's functions and mission

The Independent Competition and Regulatory Commission was established under the *Independent Competition and Regulatory Commission Act 1997* (ICRC Act),¹ originally as the Independent Pricing and Regulatory Commission.

Under the ICRC Act, the Commission has a range of regulatory and advisory functions, covering: making price directions and recommendations about price regulation; advising the minister about proposed access arrangements and arbitration of access disputes; investigating and reporting on competitive neutrality complaints and on government-related activities; and investigating and reporting on matters referred by the minister and other referring authorities.

While the focus of the Commission's operations has changed over time,² its fundamental mission, as set out the objectives in the ICRC Act, has remained constant: to promote effective competition in the interests of consumers while facilitating an appropriate balance between economic efficiency, environmental and social considerations.

When making price directions, the Commission is also required to consider the interests of consumers in promoting efficient investment in, and operation of, regulated services into the future. These objectives, as well as the more detailed requirements of section 20 of the ICRC Act, guide the Commission's decision making.

In short, the Commission must balance the interests of consumers who want reliable services at the lowest price, with the need to ensure that the regulated service provider earns enough revenue to cover its efficient costs as well as provide an appropriate return on investment. In doing this, the Commission considers environmental and social factors as well as any service quality, reliability and safety standards. The Commission's regulatory approach aims to deliver both viable utility services and reasonable prices.

The Commission has additional regulatory functions under the *Utilities Act 2000* (Utilities Act). Its objectives under section 3 of the Utilities Act align with its overall mission. In summary, they are to promote competition, protect the interests of consumers, promote ecologically sustainable development in the provision of utility services, and encourage the provision of safe, reliable, efficient, and high-quality utility services at reasonable prices.

Under the Utilities Act, the Commission is responsible for managing the licensing framework for non-National Energy Retail Law (NERL) utility service providers in the Territory, including issuing licences and monitoring licence compliance. The Commission also has responsibility for industry codes (which may apply to NERL retailers) and approving standard customer contracts. The Commission also determines fees and levies paid by utilities operating within the Territory to recover the costs of the regulatory functions undertaken by the Commission and other Territory bodies such as the Technical Regulator, the ACT Civil and Administrative Tribunal (ACAT) and national regulatory costs.

¹ <https://www.legislation.act.gov.au/a/1997-77/default.asp>

² Reflecting the move to national energy regulation, introduction of National Competition Policy, and the changing needs of the Government and Territory community.

In providing advice to the Government and other referring authorities, the Commission's vision is to deliver high-quality, evidence-based findings, and (if required) recommendations, that are timely, satisfy the terms of reference, and contribute to improving the wellbeing of the Territory community.

B.1.2 Operating environment, priorities and outlook

The Commission's operating environment remained challenging in 2022-23, due to lingering impacts from the COVID-19 pandemic on the Territory community.

Commission employees continued their hybrid working arrangements, which combine working from home for part of the week with working in the office for the rest of the week. These flexible arrangements allowed the Commission to meet its obligations, while protecting the health of employees and making it easier for them to meet their work, family and personal obligations. A small increase of time in the office has improved team cohesion, collaboration opportunities and interpersonal connections, while retaining the benefits of flexibility.

The cyclical nature of our core regulatory workload increases the challenges facing a small agency; both for managing pressures on staff in meeting the deadlines associated with the Commission's decision-making responsibilities and the ongoing risks for attracting and retaining suitably qualified staff.

In May 2023 we delivered our final report and price direction for water and sewerage services for the 2023-2028 regulatory period. This brought to conclusion 18 months of work for the Commission. In delivering the final report we identified several areas that could benefit from a review of the methods and models we will use in the price investigation. We will time these reviews over the next five years to smooth out our cyclical work program while providing sufficient time to include any updates in our next water and sewerage price investigation.

As well as reducing the peak workload, completing these reviews before starting the price investigation reduces the workload for our stakeholders during the investigation because consultation on these issues has already occurred. It also provides our stakeholders, including Icon Water, greater certainty about the approaches we will apply during the price investigation.

In June 2023, we received terms of reference from the Treasurer to commence a price investigation to determine regulated electricity prices for retail and small business consumers for the 2024-27 regulatory period. We engaged with industry and government to ensure this regulatory timeframe fits within the current regulatory period for water and sewerage services. This means the Commission is not conducting two price investigations simultaneously. It also provides for more responsive regulation in a time of significant volatility in the electricity market.

The rapid pace of change in the regulated industries is another significant operational challenge. Energy markets continue to feature significant change, risk and uncertainty due to the transition to renewable energy generation, extreme weather events, and international economic and political events. We have seen volatility and sharp increases in wholesale energy prices, which have increased affordability concerns for households and businesses.

To help Territory electricity consumers find a better electricity plan that saves them money, we determined the ACT Electricity (Transparency and Comparability) Code, which came into effect on 1 October 2021. The Code places obligations on retailers to help consumers understand market and standing offer electricity plans and choose a plan that will best suit their individual circumstances. We will continue to monitor retailers' compliance with the Code and seek consumer feedback.

We will continue to review our industry codes, licence conditions and guidance material on a regular basis to ensure the consumer protection framework continues to meet the community's needs, and our regulatory and compliance activities continue to achieve our legislative objectives.

In all our work, we place a high priority on encouraging consumers, regulated businesses and other interested parties to participate in our decision-making processes, and be informed about our decisions, consumer protections, and regulatory obligations. It remains a priority for us to continue to improve the presentation and readability of our reports and ensure the guidance material for utilities and the public on our website is clear and meets our stakeholders' needs. We continue to use digital technologies to make it easier for stakeholders to participate in our consultation processes.

Finally, the tight labour market and high demand for employees with regulatory expertise create an operational challenge in attracting and retaining suitably qualified employees. In 2022-23, we were successful in recruiting several new employees to replace staff who took up other opportunities. We will continue to offer flexible working arrangements, a supportive and collaborative working environment, good training opportunities, and interesting, meaningful work to maintain our ability to attract and retain staff.

Our ongoing efforts to maintain a deep pool of expertise allows us to meet our core pricing and regulatory functions and improves our responsiveness to ministers' requests for advice on a variety of matters. Such requests for advice allow us to use our expertise to deliver high-quality analysis, findings and recommendations that contribute to improving the wellbeing of the Territory community. This also provides staff opportunities to broaden their experience, which improves staff retention and the ability to attract highly skilled and experienced staff.

Performance during 2022–23

During 2022-23, our regulatory pricing activities contributed to ensuring that residential and small business consumers could obtain electricity, water and sewerage services at regulated prices that reflect the efficient and prudent costs of providing those services. In undertaking our core pricing functions, we:

- delivered our price direction which sets maximum prices for regulated water and sewerage services for the five-year regulatory period from 1 July 2023³
- set the maximum allowed increase in average retail electricity prices for 2023-24 in accordance with our 2020 price direction for the four-year regulatory period from 1 July 2020⁴
- approved Icon Water's standard customer contract for water and sewerage services
- approved an update to the precinct map and set the precinct charge for 2023–24 under the industry code on capital contributions for water and sewerage infrastructure upgrades.⁵

During 2022-23, we met our ongoing responsibility for ensuring that important consumer protections are available and that the utilities operating in the Territory have incentives to deliver services at a standard expected by Territory households and businesses and comply with legislative requirements, licence conditions, and industry and technical codes.

³ <https://www.icrc.act.gov.au/water-and-sewerage/regulated-water-and-sewerage-services-prices-201823>

⁴ <https://www.icrc.act.gov.au/energy/electricity/retail-electricity-prices-2020-24>

⁵ <https://www.icrc.act.gov.au/water-and-sewerage/water-and-sewerage-capital-contribution-code>;
<https://www.icrc.act.gov.au/water-and-sewerage/regulated-water-and-sewerage-services-prices-201823>

In undertaking our regulatory and compliance functions, we:

- determined the 2022–23 utility licence fees and the 2022–23 energy industry levy amounts⁶
- monitored compliance with the Consumer Protection Code⁷ by licensed utilities and electricity retailers
- monitored and reported on licenced utilities' performance and compliance with their licence conditions in 2021–22 and electricity retailers' compliance with their obligations in the consumer protection code⁸
- varied the ACT Electricity (Transparency and Comparability) Code to avoid unnecessary regulatory compliance costs from duplication with the Australian Energy Regulator's Better Bills Guideline that was published on 31 March 2022⁹
- monitored electricity retailers' compliance with the ACT Electricity (Transparency and Comparability) Code.

These outcomes were all achieved within the required timelines and consistent with the Commission's performance measures for 2022–23, as reported in the Statement of Performance (Appendix 2 of this report).

The Commission has a statutory role in handling competitive neutrality complaints. No complaints were received in 2022–23.

Outlook for 2023-24 and beyond

Our workload for 2023–24 and future years will continue to be diverse, covering our core pricing, regulatory and compliance functions and advice to the Government.

For our core pricing work, we will complete our price investigation and set the maximum allowable average change in retail standing offer electricity prices to apply for the 3-year regulatory period starting on 1 July 2024.

We will set the maximum prices for water and sewerage services for 2024–25 in accordance with our 2023 price direction.

For our regulatory and compliance functions, we will continue to monitor compliance with the consumer protection code and the ACT Retail Electricity (Transparency and Comparability) Code. We will monitor and report annually on utility performance and licence compliance and the electricity retailers' compliance with their obligations under the consumer protection code. We will also set the annual utility licence fees and energy industry levy, regularly review our industry codes to ensure they remain up-to-date and appropriate and monitor developments in energy and water markets to ensure our regulatory frameworks remain up-to-date and appropriate.

We will assist the Government in monitoring the performance of utilities in the natural gas transition under new obligations under the *Climate Change and Greenhouse Gas Reduction Act 2010* and licence requirements.

⁶ <https://www.icrc.act.gov.au/utilities-licensing/licence-fees-and-the-energy-industry-levy>

⁷ <https://www.icrc.act.gov.au/utilities-licensing/consumer-protection-code-review>

⁸ <https://www.icrc.act.gov.au/utilities-licensing/utility-licence-annual-reports>

⁹ <https://www.icrc.act.gov.au/energy/act-retail-electricity-transparency-and-comparability-code>

We will assist the Government with advice on industry-related or other matters as required. And we will fulfil our statutory role in handling competitive neutrality complaints, subject to receiving any complaints.

B.1.3 Governance arrangements

Commission executive



The Commission is constituted by Senior Commissioner Joe Dimasi.

Mr Dimasi was appointed Senior Commissioner from 1 June 2016 for a term of 5 years and was reappointed for a further 4 years from 1 June 2021.

Mr Dimasi is an applied economist with more than 25 years' experience in competition and regulation matters, particularly the regulation and reform of utilities. He was involved in establishing the Australian Energy Regulator and is a former Commissioner of the Australian Competition and Consumer Commission.

Mr Dimasi is also the Tasmanian Economic Regulator and a former Professorial Fellow at the Monash Business School.

The Commission's CEO is Dr Annette Weier. Under section 10B of the ICRC Act, the CEO is responsible for ensuring the Commission's Statement of Intent is implemented effectively and efficiently, managing the day-to-day operations of the Commission's secretariat, and regularly advising the Commission about the Commission's operations and financial performance.

Dr Weier has more than 25 years' experience in economic policy and research, competition and regulatory matters, and financial market analysis. She has been a senior executive of the (then) Australian Department of Industry, Innovation and Science and of the Australian Competition and Consumer Commission. Before that, she undertook environmental policy analysis at the Productivity Commission and water regulation at the Victorian Essential Services Commission. Dr Weier has postgraduate tertiary qualifications in economics, is a graduate of the Australian Institute of Company Directors and is an experienced non-executive director of not-for-profit boards. Dr Weier is a member of the Territory Records Advisory Council.

Dr Weier has been on extended leave and Mr Lachlan Phillips has been the acting CEO for much of 2022–23. Mr Phillips is the Commission Deputy CEO and has been with the Commission since 2021. Mr Phillips has had a range of senior regulatory roles with the Commonwealth across media classification, aviation, airports and transport security.

Executive remuneration

The ACT Remuneration Tribunal determines the remuneration of the Senior Commissioner and the CEO.

Significant committees

Due to its small size, the Commission does not have any significant committees. The Commission is not a member of any significant committees of an ACT directorate or public sector body.

B.2 PERFORMANCE ANALYSIS

The Commission undertakes a diverse range of activities and functions to protect the interests of Territory consumers and businesses over the medium to longer term through our regulatory decisions and advice to the Government. This section describes the main activities we undertook in 2022-23 to meet our legislative objectives.

B.2.1 Electricity price regulation

Annual price reset

In June 2023, we released our annual update of regulated electricity prices to apply from 1 July 2023.¹⁰ The price adjustment was made in accordance with our Price Direction for Standing Offer Prices for the Supply of Electricity to Small Customers 1 July 2020 to 30 June 2024.¹¹

The price adjustment allows a maximum average increase of 4.15%. This is lower than the rate of inflation and represents a decline of 2.7% in real terms. The average annual bill increased for ACT residents on standing offers is significantly lower than other jurisdictions. This compares to 20% to 27% increases in default market offers faced by customers in some other jurisdictions, including New South Wales and Victoria.

The main driver for the price increase is wholesale electricity costs, which has been largely offset this year by the ACT Government's scheme costs. The wholesale energy purchase costs increased by 90.3% and contributed 27.3 percentage points to the price increase. However, ACT Government scheme costs including the Large-scale Feed-in Tariff scheme decreased and contributed -21.8 percentage points to the price increase.

Electricity price investigation and price direction

On 1 June 2023, the Commission received terms of reference¹² (TOR) from the Treasurer to determine a price direction for standing offer prices for the supply of electricity by ActewAGL to small customers for a three-year regulatory period commencing 1 July 2024 to 30 June 2027. The TOR requires us to ensure the methodology for determining standing offer prices has regard to a reasonable pricing offer that does not unduly disadvantage customers who do not actively engage in the energy market while balancing competitiveness.

¹⁰ https://www.icrc.act.gov.au/__data/assets/pdf_file/0003/2233758/20230605_Retail-electricity-price-recalibration-2023-24_Final-A41849531.pdf

¹¹ https://www.icrc.act.gov.au/__data/assets/pdf_file/0011/1556183/Electricity-Price-Direction-2020-24.pdf

¹² https://www.icrc.act.gov.au/__data/assets/pdf_file/0006/2249745/2023-97.PDF

B.2.2 Water and sewerage price regulation

Water and sewerage services price determination 2023-28

On 10 December 2021, the Commission received terms of reference from the Treasurer to determine a price direction for regulated water and sewerage services provided by Icon Water from 1 July 2023 to 30 June 2028.

The Commission released its final report and price direction for regulated water and sewerage services for the period 2023-28 on 1 May 2023.¹³ The Commission's decision will result in an increase of 6.1% in the prices ACT residential and business customers pay for water and sewerage services in 2023-24, with prices in subsequent years to increase broadly in line with this, subject to actual inflation.

The primary drivers of the price increase are the recent high levels of inflation, higher expected financing costs for Icon Water's investments in the 2023-28 regulatory period, and a significant increase in proposed capital spending by Icon Water. This is nearly \$270 million more than the current period and includes:

- Lower Molonglo Secondary Treatment Bioreactors Upgrade (\$212.2 million)
- Lower Molonglo Biosolids Management Renewal (\$73.4 million)
- Sewer Mains Renewal Program (\$67.8 million)
- Cotter Pump Station Upgrade (\$25.3 million).

During its investigation, the Commission provided several opportunities for submissions and feedback from the regulated utility, consumers, and other interested stakeholders. In reaching a decision, we took into account: submissions on our March 2022 issues paper; Icon Water's June 2022 pricing proposal, which included proposed capital and operating expenditures and water and sewerage services demand forecasts; submissions on our October 2022 draft report and proposed price direction; findings from the independent review of Icon Water's proposed operating and capital expenditure by consulting firm Marsden Jacob Associates; public feedback provided at a public hearing held in November 2022; and Icon Water's December 2022 revised price proposal, which addressed each issue raised in the draft report and provided updated forecasts for expenditure and demand.

B.2.3 ACT electricity (transparency and comparability) code

On 22 June 2022, we varied the ACT Code to remove the better offer obligation after the Australian Energy Regulator published its Better Bills Guideline, which was similar to the better offer obligation. The variation to our code reduces administrative burden on retailers and the potential for confusion between the AER Guideline and our code. To ensure that consumers in the ACT continue to obtain the benefits of the better offer obligation until the AER Guideline is fully operational, we have extended the current transitional arrangements in the Code to 30 September 2023.

We contacted NERL retailers to remind them of their obligations to provide clear advice to customers. This followed the Commission identifying misleading messaging over the retailing of GreenPower

¹³ https://www.icrc.act.gov.au/__data/assets/pdf_file/0006/2215455/Regulated-water-and-sewerage-services-2023-28-final-report.pdf

products. This has resulted in improved messaging to customers and updates on the GreenPower website, recognising the ACT's achievement of its renewable energy target.

B.2.4 Utility licencing, consumer protection and performance reporting

Utilities licensed in the Territory must report to us annually on their performance in carrying out their functions under the Utilities Act and on their compliance with licence conditions and industry codes. Each year we assess the licensed utilities' annual reports and publish a performance and compliance monitoring report to inform customers and other interested people about how well the licensed utilities performed in delivering services and meeting their obligations.

This reporting framework aims to encourage the licensed utilities to provide safe, reliable, efficient, and high-quality utility services by increasing their accountability for the quality of services provided to the Territory community. We measure performance by the reliability of services, the number of customer complaints, compliance with consumer protections, and whether each utility has met its licence and reporting obligations.

In April 2023, we published our performance and compliance monitoring report for 2021–22.¹⁴ In addition, we also reported on National Energy Retail Law retailers' compliance with the Consumer Protection Code 2020. Despite the continued challenges brought by the COVID-19 pandemic and extreme weather events, utilities generally met their licence conditions and the service levels guaranteed by the Consumer Protection Code.

Under the code a utility must pay a rebate to affected customers if the utility does not meet a guaranteed service level. For the year 2021–22, the number of rebates paid to customers increased, mostly due to an increase in late connections by Evoenergy. The value of rebates paid to customers by utilities has increased from a total of \$151,160 paid in 2020–21 to a total of \$297,034 paid in 2021–22.

Evoenergy submitted an exemption request for payments of rebates for late connections which was partially supported by the Commission. While we accepted some of Evoenergy's arguments, we concluded that Evoenergy did not take sufficient steps to mitigate harm to customers and didn't address the foreseeable COVID-19 complications. In 2021–22 Evoenergy paid \$226,270 in rebates, an increase from the previous years of \$85,150. Outside of connection issues, Evoenergy's rebates only moderately increased, mostly from additional interruptions to service.

Our reporting for 2021–22 covered Icon Water, Evoenergy, Eastern Australian Pipeline Ltd, TransGrid and the NERL retailers.

In 2022 we granted a new utility licence to Lumea Pty Ltd, who are part of TransGrid and provides electricity transmission services. Lumea will be captured in the 2022–23 licensed utility annual performance report.

B.3 SCRUTINY

No recommendations were made in relation to the Commission in reports produced in 2022–23 by entities charged with responsibility for scrutiny.

¹⁴ https://www.icrc.act.gov.au/__data/assets/pdf_file/0009/2204388/2021-22-Utility-Licence-Annual-Report-ULAR.pdf

B.4 RISK MANAGEMENT

Risk assessment and management are integral to the Commission's governance and decision-making processes. Our framework and processes for assessing and managing risks are consistent with the ACT Government Risk Management Policy 2021. The framework includes a risk management policy and guidelines, business continuity policy and plan, and fraud and corruption prevention plan.

We manage identified risks through active regular review of our risk register. The register is based on the ACT Government Insurance Authority's risk register format. It sets out risk management actions for all identified risks, identifies who is accountable for those risk management actions, and specifies how often each risk should be monitored and reviewed and by whom.

To cultivate a positive risk culture, all staff are consulted in updating the identified risks and treatment strategies included in the risk register each year. Risk identification and management are shared responsibilities in the Commission and all staff contribute to our risk management activities. These activities are embedded into operational processes, which are communicated to all staff.

We also undertake risk management assessments for all major projects and contracts. These assessments are used to develop risk management activities which are aligned with our strategic objectives. The risk management activities are then built into project plans and contract monitoring plans.

The Senior Commissioner and CEO have broad responsibility for overseeing risk management in the Commission and for ensuring that effective risk assessment and management are integrated into our decision-making. Commission staff report regularly to the Commission, including at the monthly Commission meetings, on current and emerging risks and the risk management activities we are undertaking.

B.5 INTERNAL AUDIT

In accordance with the ACT Government Internal Audit Framework, the Commission regularly considers the need for an internal audit committee, taking into consideration our small size, overall risk profile, history of past issues and incidents, and relative lack of organisational complexity. The Commission has concluded that it is not practicable or cost-effective to establish an internal audit committee.

We have established alternative mechanisms for ensuring the Senior Commissioner and CEO have support in fulfilling their governance roles and discharging their responsibilities, including for the design and operation of risk management and internal control frameworks. As discussed in section B.4, we have established a framework and processes for assessing and managing risks and take active steps to develop a risk management culture within the organisation.

We have an in-house finance manager to undertake day-to-day accounting and finance functions, including implementing the Commission's internal controls in conjunction with the CEO and senior managers. Accounts are reconciled monthly, and a finance report is prepared for, and discussed at, each monthly Commission meeting.

Since 1 July 2021, we have engaged Shared Services Finance in the Chief Minister, Treasury and Economic Development Directorate under contract to provide oversight and assurance and to fill the Chief Finance Officer role. This ensures there is a high level of external oversight and assurance over our financial accounts and internal controls.

B.6 FRAUD PREVENTION

In September 2021, we completed the 2-yearly review and update of our fraud and corruption prevention plan, which sets out detailed descriptions of the control measures in place to prevent fraud and corruption occurring within the Commission. The plan sets out the actions that will be taken to ensure any allegations of fraud and corruption are appropriately managed.

In accordance with the ACTPS Integrity Policy, the Commission has a senior executive responsible for business integrity risk (SERBIR). The CEO is our SERBIR and is responsible for reporting to the Senior Commissioner on compliance with the ACTPS Integrity Policy. A risk report is a standing item in the CEO's report for Commission meetings, which are attended by our designated disclosure officer. The SERBIR is responsible for taking direct reports of allegations of potential fraud and corruption from staff. The SERBIR and our designated disclosure officer both have responsibility for dealing with reports under the public interest disclosure process.¹⁵

Our fraud and corruption prevention plan was presented to, and discussed with, all staff in September 2021. Our office and induction manual, which is made available to all staff, draws the attention of staff to the plan. The plan is set for review in September 2023.

In terms of our operations, the risks of fraud or mishandling funds are actively managed through the separation of roles between initiator and authoriser of payments. Authority limits appropriate to our operations, scale and size are in effect. Financial accounts are reconciled monthly by our finance manager, reviewed by Shared Services Finance and the CEO, and discussed at Commission meetings. Most revenue transactions are by direct credit to our bank account. There are no cash payments for services supplied and there is an appropriate checks-and-balances authorisation and payment process.

No reports or allegations of fraud or corruption were received in 2022–23.

B.7 FREEDOM OF INFORMATION

The *ACT Freedom of Information Act 2016* (FOI Act) gives individuals the right to:

- access government information, unless access to the information would, on balance, be contrary to the public interest
- ask for personal information to be changed if it is incomplete, out-of-date, incorrect, or misleading
- appeal a decision about access to a document or a decision in relation to a request to amend or annotate a personal record.

Under the FOI Act, we make available a range of documents through the ACT Government's Open Access information portal¹⁶ and our website,¹⁷ including:

- functional information
- information about the work of the Commission tabled in the Legislative Assembly
- our reports
- budget statements.

¹⁵ <https://www.icrc.act.gov.au/about-us/public-interest-disclosures>

¹⁶ <https://www.act.gov.au/open-access>

¹⁷ <https://www.icrc.act.gov.au>

The Commission is responsible for responding to freedom of information (FOI) requests and has an FOI Officer who can assist with FOI-related questions and requests. The process for lodging FOI requests, along with contact information and links to the FOI Request Form, are set out on our website.¹⁸ Under section 28 of the FOI Act, the Commission also maintains an online record of access applications called a disclosure log.

The Commission received one FOI request in November 2022 in relation to information concerning the Water and Sewerage Capital Contribution Code (the Code). The outcome is available on the Commission's website.¹⁹

B.8 COMMUNITY ENGAGEMENT AND SUPPORT

Community consultation is a critical part of our regulatory decision-making processes and the development of analysis and advice for the Government.

In our price investigations and other reviews, we seek feedback and information from consumers and consumer groups to help meet our objectives of ensuring that regulated prices promote efficient investment in and operation of regulated services in the long-term interests of consumers and that consumer protections are adequate. The views and information provided by other community groups, including environmental and social groups, also help us to appropriately balance economic efficiency, environmental and social considerations. Community consultation is essential for informing us about the views of parties other than the regulated business.

In undertaking analysis and developing advice requested by the Government, community consultation helps us identify important issues, consider the relevant information, and test our preliminary analysis and findings. This contributes to ensuring our analysis and advice are robust, well-informed, and based on sound evidence.

During the review of the water and sewerage price investigation, the Commission considered the feedback from the regulated utility, consumers, and other interested stakeholders provided in submissions on its issues paper (March 2022) and draft report (October 2022). The Commission also considered feedback provided at the public hearing held on 21 November 2022. In total, the Commission received 13 submissions during the price investigation. Our draft and final report explain how we incorporated the feedback received from submissions and public hearing.²⁰

The Consumer Consultative Committee (CCC), which we established in 2018-19, continued to meet regularly to share information on consumer issues and allow us to keep members informed about issues and decisions that affect consumers. The CCC members are drawn from peak bodies representing a wide range of consumer interests, including the business sector, consumer groups representing general as well as vulnerable consumers, and social and environmental groups. The ACT Civil and Administrative Tribunal (ACAT) is also a member of the CCC.

¹⁸ <https://www.icrc.act.gov.au/about-us/freedom-of-information>

¹⁹ https://www.icrc.act.gov.au/__data/assets/pdf_file/0010/2168677/2022-1-Outcome-letter-and-documents-1-6_Redacted.pdf

²⁰ Reports available at https://www.icrc.act.gov.au/__data/assets/pdf_file/0006/2215455/Regulated-water-and-sewerage-services-2023-28-final-report.pdf

In 2022–23, we held three CCC meetings—in August 2022, November 2022 and May 2023. The meetings were held by videoconference to make it easier for members to attend.

B.9 ABORIGINAL AND TORRES STRAIT ISLANDER REPORTING

As described in section B.1, the Commission has a range of regulatory and advisory functions under the ICRC Act and the Utilities Act. In summary, these functions together aim to: promote effective competition in the interests of consumers; encourage the provision of safe, reliable, efficient, and high quality utility services at reasonable prices; balance economic efficiency, environmental and social considerations; and contribute to improving the wellbeing of the Territory community through advice and analysis requested by the Government.

Our work is not directed at one group of consumers, residents or businesses operating in the Territory. So, we do not have specific programs or initiatives directed at Aboriginal and Torres Strait Islander peoples.

Much of our work affects most Territory residents and businesses operating in the Territory, including Aboriginal and Torres Strait Islander residents and business operators. For example, our price directions for regulated water and sewerage services and for electricity services provided to small customers on standard contracts, as well as the consumer protections set out in the Consumer Protection Code, are relevant to all Territory residents and small businesses using utility services. The ACT Retail Electricity (Transparency and Comparability) Code 2021 helps all Territory households and small businesses find a better electricity offer that helps them save money on their bills.

Our work to promote effective competition that benefits consumers and to encourage the provision of safe, reliable, efficient, and high-quality utility services at reasonable prices helps Aboriginal and Torres Strait Islander peoples participate in the Territory economy and society.

In undertaking our work, we consult widely and value the views of all Territory consumers, businesses, and other interested parties. We work to consider the needs and interests of all stakeholders in making regulatory decisions and developing advice for the Government.

B.10 WORK HEALTH AND SAFETY

We see workplace health and safety as a shared responsibility between staff, the CEO and the Senior Commissioner. Ensuring a working environment that is healthy and safe for all Commission staff is a high priority and the Commission targets zero incidents for its staff. Monthly Commission meetings have a standing agenda item on work health and safety risks and reports of any incidents.

Staff are consulted and invited to raise any workplace health and safety concerns at the weekly staff meetings, bi-monthly all-staff meetings, and regular operational team meetings. Each year staff are consulted on the annual update of our risk register, which includes a work health and safety category. The top 3 work health and safety risks identified in our 2022–23 risk register, and the following agreed actions were in place to address them, including:

- failure of office workstations to meet the required occupational health and safety standards—
 - (i) all staff have fully adjustable desks, chairs and computer monitors, (ii) ergonomic assessments are offered to all new staff and on request

- failure of staff home-based workstations to meet the required occupational health and safety standards—(i) all staff must undertake and document working from home assessments and take any required actions, (ii) managers are responsible for monitoring staff safety and wellbeing while working from home and if working alone in the office, (iii) staff receive advice on taking regular breaks and where to get help and support if needed, including for any mental health issues
- inadequate training in safe work practices—(i) staff induction covers work health and safety information, (ii) participation in ACT Government Health and Wellbeing program, (iii) regular discussions at staff meetings, (iv) our health and safety representative monitors risks and reports to the CEO so action can be taken.

As COVID-19 controls were gradually removed over 2022-23, we continued to focus on keeping our workplace safe and managing the risks of COVID-19 for our staff. Staff were reminded of an ongoing expectation to stay at home when unwell, and practice good hand and respiratory hygiene. Encouragement and support was also provided for COVID-19 vaccinations.

Staff were encouraged to raise any concerns about work health and safety associated with the pandemic. Staff were reminded about the Employee Assistance Program and other resources to help them cope with stress and anxiety resulting from the pandemic and to support them in dealing with work or personal issues affecting their physical and mental health and wellbeing.

In 2022-23, staff worked in the office a few days a week, while continuing to work from home for the rest of the week. The 'hybrid' working arrangement has been popular with Commission staff as it combines flexibility with greater team cohesion, collaboration opportunities and interpersonal connections. If working alone in the office, staff were advised to let their manager know and keep electronic pass and phone at hand when moving around the building.

In 2022-23, we again coordinated and funded an annual influenza vaccination program for staff.

The Commission had one elected health and safety representative and two staff with first aid and fire warden responsibilities.

No notices were issued to the Commission under Part 10 of the *Work Health and Safety Act 2011* in 2022-23. There were no enforceable undertakings under Part 11 nor any findings of a failure to comply with a safety duty under Part 2 Division 2.2, 2.3 or 2.4 of the Act. There were no instances of serious injury or illness or of dangerous incidents that required notification to the regulator in accordance with part 3 section 38 of the Act.

B.11 HUMAN RESOURCES MANAGEMENT

As noted in previous annual reports, and discussed in section B.1 of this report, the Commission's small size and the cyclical nature of its core regulatory functions create ongoing risks in attracting and retaining expert staff. In 2022-23, we maintained our focus on addressing these challenges by implementing three priority strategies:

- recruiting qualified and experienced staff to replace staff who left to take up other opportunities

- effectively managing our cyclical work program to avoid placing undue pressure on staff in meeting the deadlines associated with our decision-making responsibilities under our core regulatory functions
- building and maintaining a deep pool of expertise that is available to respond to Government requests for advice.

These 3 strategies have improved our capacity to attract and retain the specialised, highly qualified staff needed to undertake our regulatory and advisory functions. During 2022-23, we recruited new employees to replace those who took up other opportunities. We have smoothed out many of the peaks and troughs in our work, which provides a more stable workload and career path for staff.

We continued to adopt flexible working arrangements, including 'hybrid' working arrangements that allow our staff to work from home for part of the week and remote working arrangements. Greater flexibility in working arrangements is valued by our staff and help us retain highly skilled and experienced employees.

Our work is highly technical, requiring a good understanding of regulatory economics, financial and economic modelling, regulatory law, and regulatory policy. Our staff have expertise covering these key skill areas, with several staff having postgraduate qualifications in economics, as well as experience in regulation and economic policy. Reflecting the high level of training and expertise of our staff, learning and development plans are individually tailored to meet the development needs of each staff member and to broaden and deepen their existing skills and expertise.

During 2022-23, our people continued to participate in training courses provided through the ACTPS Training Calendar, seminars and leadership training.

While we undertake workforce planning to ensure our staff have the capacity and capabilities needed to achieve our objectives, we also recognise the importance of flexibility. Given our small size, we need flexibility to be able to respond in a timely way to requests for advice from the Government; any unanticipated issues raised by stakeholders during our investigations and other regulatory work, and to developments in the operating environment. At times, we supplement our permanent staff with short-term engagements of specialist consultants or temporary staff to contribute to specific projects.

In 2022-23, our workforce profile changed due to the departure of some staff and the recruitment of new staff. The following table shows the workforce profile for 2022-23.

Table 1: 2022-23 workforce profile

	Male	Female	Total
Commission staff			
FTE	3.0	5.0	8.0
Headcount	3	6	9
Classification (by headcount)			
Administrative officers	0	1	1
Senior officers	2	4	6
Executive officers	1	1	2
Employment category (by headcount)			
Casual	0	0	0
Permanent full-time	2	3	5
Permanent part-time	0	2	2
Temporary full time	1	1	2
Temporary part time	0	0	0

Apart from the CEO, who is on a temporary executive contract, all Commission staff are permanent employees. More than one-third of staff identified as being from culturally or linguistically diverse backgrounds. We do not publish information on matters such as length of service, age, and other reportable data. As a small agency, publishing such information may identify individual staff, making it difficult to protect staff privacy. Also due to our small number of staff, recruitment and separation rates can be highly volatile and are therefore not meaningful; we do not publish these rates.

Because of our small size and the highly specialised nature of our work, we cannot implement specific employment strategies, such as for people with disability, apprenticeships or traineeships. As a small agency, we cannot employ a graduate every year and did not participate in the ACTPS Graduate Program in 2022-23.

B.12 ECOLOGICAL SUSTAINABILITY REPORTING

In exercising our functions under the ICRC Act, our objective is to promote effective competition in the interests of consumers while facilitating an appropriate balance between economic efficiency, environmental and social considerations. Our consultation processes invite stakeholder comments on environmental matters as well as on economic efficiency, social issues and any service quality, safety, reliability, and security standards comments. We also consider relevant ACT Government legislative and policy requirements, including requirements in environmental legislation and policies. In this way, the ACT Government's ecologically sustainable development principles are integrated into our decision-making processes.

We also consider the ecologically sustainable development principles and relevant legislative requirements in our operational processes. Consistent with the ACT Government Carbon Neutral Framework, we make careful use of our resources and work to reduce our resource consumption where possible.

Table 2 shows our sustainable development performance for 2022-23 and how it compares to our 2021-22 performance. Note that the 2021-22 figures have been updated since the previous reporting period to more accurately capture energy use and greenhouse gas emissions.

Our estimated electricity use increased by 23% in 2022-23, while our estimated gas usage increased by 62%. Both usage figures are estimated based on our share of floor space in the building because our electricity and gas usage are not separately metered. Direct comparisons are hard to draw as we changed offices during this period and have had more staff working from the office in 2022-23. We will conduct a further review at the end of 2023-24 with more comparable circumstances.

We maintained our low use of paper in 2022-23, following much lower paper consumption in between 2021-22 and 2019-20 (as reported in previous annual reports). After purchasing 5 reams of paper in 2021-22, we purchased 10 reams of paper in 2022-23. All paper purchased was recycled. The figures for reams of paper purchased are obtained from our stationery purchase records.

No data is available for the amounts of paper and cardboard, co-mingled material and organic material that were recycled. Collection of these materials is consolidated for the building and the amounts of these materials collected from our tenancy are not separately measured.

We did not receive any requests during 2022-23 for staff to assist in the preparation of the State of the Environment Report. The Commissioner for Sustainability and the Environment did not investigate any of our activities.

Table 2: Sustainable development performance, 2022–23 and 2021–22

Indicator as at 30 June	Unit	2022-23	2021-22	Percentage change (%)
Stationary energy usage				
Electricity use	Kilowatt hours	16,342	13,269	23
Natural gas use (non-transport)	Megajoules	62,843	38,800	62
Diesel (non-transport)	Kilolitres	0	0	0
Transport fuel usage				
Electric vehicles	Number	0	0	0
Hybrid vehicles	Number	0	0	0
Hydrogen vehicles	Number	0	0	0
Total number of vehicles	Number	0	0	0
Fuel use – Petrol	Kilolitres	0	0	0
Fuel use – Diesel	Kilolitres	0	0	0
Fuel use – Liquid petroleum gas (LPG)	Kilolitres	0	0	0
Fuel use – Compressed natural gas (CNG)	Gigajoules	0	0	0
Water usage				
Water use	Kilolitres	Data not available		n/a
Resource efficiency and waste				
Reams of paper purchased	Reams	10	5	100
Recycled content of paper purchased	100	100	100	0
Waste to landfill	Litres	Data not available		n/a
Co-mingled material recycled	Litres	Data not available		n/a
Paper and cardboard recycled (incl. secure paper)	Litres	Data not available		n/a
Organic material recycled	Litres	0	0	0
Greenhouse gas emissions				
Emissions from natural gas use (non-transport)	Tonnes CO ₂ -e	4.06	2.51	62
Emissions from diesel use (non-transport)	Tonnes CO ₂ -e	0	0	0
Emissions from transport fuel use	Tonnes CO ₂ -e	0	0	0
Total emissions	Tonnes CO ₂ -e	4.06	2.51	62



**Part C.
Financial management
reporting**

PART
C

C.1 MANAGEMENT DISCUSSION AND ANALYSIS

C.1.1 General overview

Objectives

The Independent Competition and Regulatory Commission (the Commission) has responsibilities for a broad range of competition, regulation and consumer protection matters. The Commission is responsible under the Independent Competition and Regulatory Commission Act (ICRC Act) for regulating and advising government on pricing and other matters for monopoly, near-monopoly and ministerially declared regulated industries, and providing advice on competitive neutrality complaints and government-regulated activities. The Commission is responsible for arbitrating infrastructure access disputes under the ICRC Act.

Under the *Utilities Act 2000* (Utilities Act), the Commission is responsible for managing the licensing framework for non-National Energy Retail Law (NERL) utility service providers in the ACT, including issuing licences and monitoring licence compliance.

The Commission's objectives and functions are set out in sections 7 and 19L of the ICRC Act and section 3 of the Utilities Act. The Commission principally operates on a reasonable cost recovery basis.

Financial performance

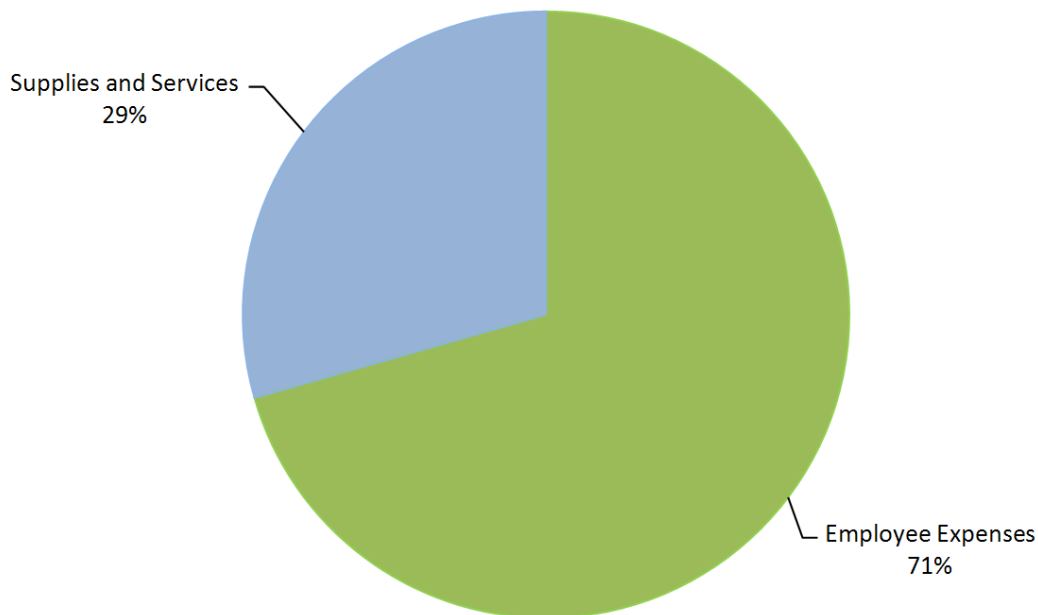
The following financial information is based on audited financial statements for 2021-22 and 2022-23 and the forward estimates for 2023-24. The 2022-23 Financial Statements and Management Discussion and Analysis (MD&A) use the original budget published in 2022-23 Budget Statements for comparative purposes.

C.1.2 Total expenditure

Components of expenditure

Figure 1 shows the components of the Commission's expenditure for 2022-23. The main components of ordinary expenditure were:

- Employee Expenses of **\$1.757** million (71 percent)
- Supplies and Services of **\$0.735** million (29 percent).

Figure 1: Total of Expenditure 2022-23

Comparison to Budget

Total expenditure of **\$2.492** million was \$0.289 million (13 percent) higher than the budget of \$2.203 million. This was mainly due to the higher expenditure relating to the investigation into regulated water and sewerage services for the regulatory period 2023-28.

Comparison to 2021-22 actual expenditure

Total expenditure of **\$2.492** million was \$0.437 million (21 percent) higher than the 2021-22 actual result of \$2.055 million. This was mainly due to the Commission:

- undertaking a price investigation into regulated water and sewerage services for the regulatory period 2023-28
- overseeing the annual adjustment, including for pass-through events, required by the price determination for retail electricity supplied to small customers on standard retail contracts from 1 July 2021; and
- responding to the terms of reference issued by the ACT Government to undertake a pricing investigation for the determination of the price of retail electricity for small customers on standard retail contracts in the regulatory period from 1 July 2024.

Future trends

For 2023-24, expenditure is expected to decrease to **\$2.295** million reflecting the Commission's strategic and operational priorities which include:

- undertaking a price investigation into retail electricity supplied to small customers on standard retail contracts for the regulatory period from 1 July 2024
- overseeing the annual adjustment, including for pass-through events, required by the price determination for regulated water and sewerage services 2023-28
- overseeing the regulatory regime established under the Utilities Act, including licensing, industry code development and updates and compliance monitoring
- recovering annual utility licence fees and administering the annual energy industry levy
- responding to any new terms of reference received from the ACT Government for advice on industry-related matters; and
- responding to the Government's requirements for advice on competition policy matters and discharging the Commission's statutory role in competitive neutrality complaints handling.

Expenses may vary over the forward estimates for activities that are not performed on an annual basis, including major price investigations and unanticipated references or other requests for Commission services from government and non-government sources.

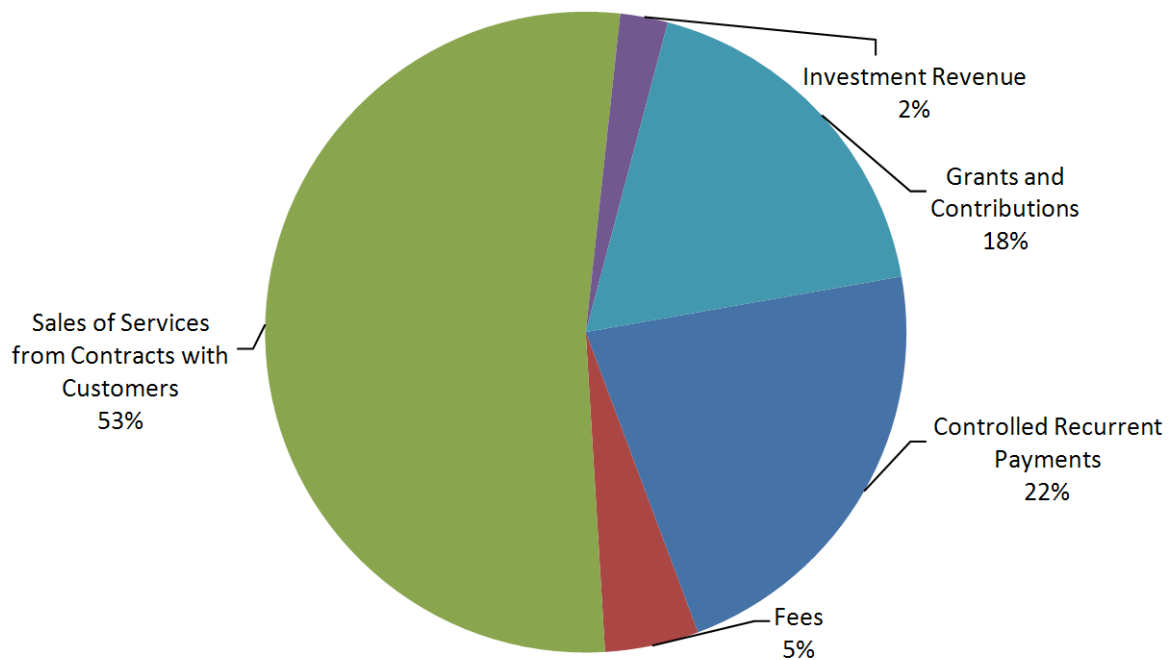
C.1.3 Total income

Components of income

Figure 2 shows the components of the Commission's income for 2022-23. The main components of income were:

- sales of services from contracts with customers of **\$1.426** million (53 percent) which mainly relates to the pricing investigation to determine regulated water and sewerage service prices
- controlled recurrent payments of **\$0.598** million (22 percent) levied from industry for the Commission's energy industry regulatory activities and paid to us by the ACT Government
- grants and contributions of **\$0.490** million (18 percent) which the major component consists of the service level agreement with the Chief Minister, Treasury and Economic Development Directorate for services and activities provided by the Commission which require representation or involvement, and are not recoverable from a referring authority under the ICRC Act
- fees of **\$0.128** million (5 percent) for water, sewerage, electricity transmission and gas transmission regulatory activities under the Utilities Act; and
- investment revenue of **\$0.065** million (2 percent).

Figure 2: Total Income 2022-23



Comparison to Budget

Income for the year was **\$2.707** million, which was above the budget of \$2.337 million by \$0.370 million (16 percent). This mainly relates to the higher income from sales of contracts with customers relating to the pricing investigation to determine the regulated prices of water and sewerage services.

Comparison to 2021-22 actual income

Total income in 2022-23 was **\$2.707** million, an increase of \$0.443 million (20 percent) from the 2021-22 actual result of \$2.264 million. This was mainly due to the increase in income from sales of contracts with customers relating to the pricing investigation to determine the regulated prices of water and sewerage services.

Future trends

For 2023-24, income is expected to decrease to **\$2.182** million, mainly reflecting:

- a decrease in the sales of services from contracts with customers reflecting the completed activities in 2022-23 relating to water and sewerage pricing investigation; and
- a decrease in controlled recurrent payment due to the price investigation into retail electricity supplied to small customers on standard retail.

More generally, income may vary over the forward estimates due to activities that are not performed on an annual basis, including major price investigations and receipt of unanticipated references or other requests for Commission services from government and non-government sources.

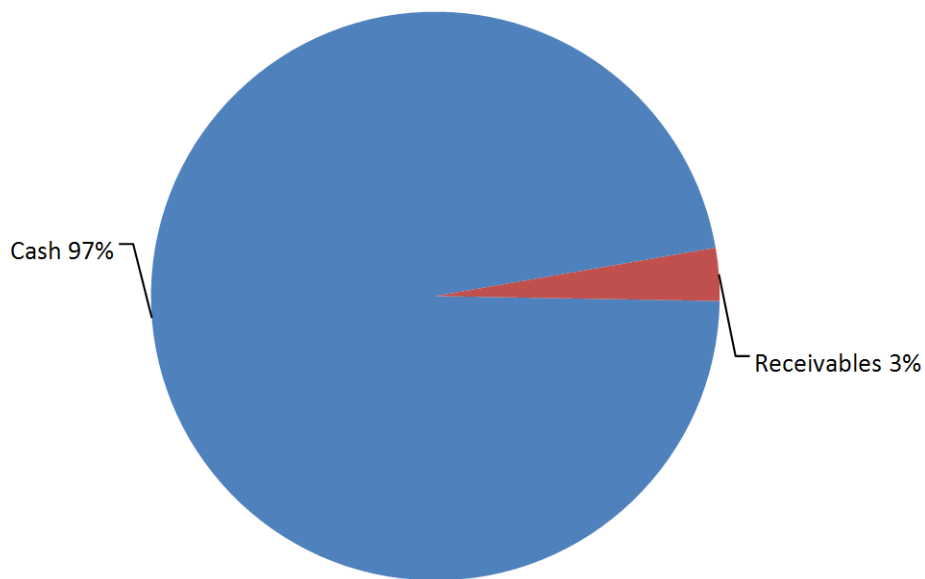
C.1.4 Total assets

Components of total assets

Figure 3 shows the components of the Commission's Total Assets at 30 June 2023. The components were:

- Cash of **\$2.527** million (97 percent); and
- Receivables of **\$0.078** million (3 percent).

Figure 3: Total Assets at 30 June 2023



Comparison to Budget

At 30 June 2023, total assets were **\$2.605** million and this was above the budget of \$2.196 million by \$0.409 million (19 percent). This relates to higher than expected cash held due to higher than expected sales of services from contracts with customers.

Comparison to 2021-22 actual assets

At 30 June 2023, total assets were **\$2.605** million, which was higher than the 2021-22 actual of \$2.175 million by \$0.430 million (20 percent). This mainly relates to cash receipts related to sales of services from contracts with customers as well as holding significantly higher payables.

Liquidity

A common indicator used to measure liquidity is the current ratio, which measures the ability to fund short-term liabilities from short-term cashable assets. A ratio of less than 1:1 may indicate a reliance on future revenue streams to meet short-term debts.

At 30 June 2023, the Commission's current ratio was 3.25:1 indicating a strong financial position. It is necessary for the Commission to maintain a high level of liquidity due to the cost recovery model it principally operates under, where significant expenditure can be required to perform an activity and those costs may not be recovered for an extended period of time.

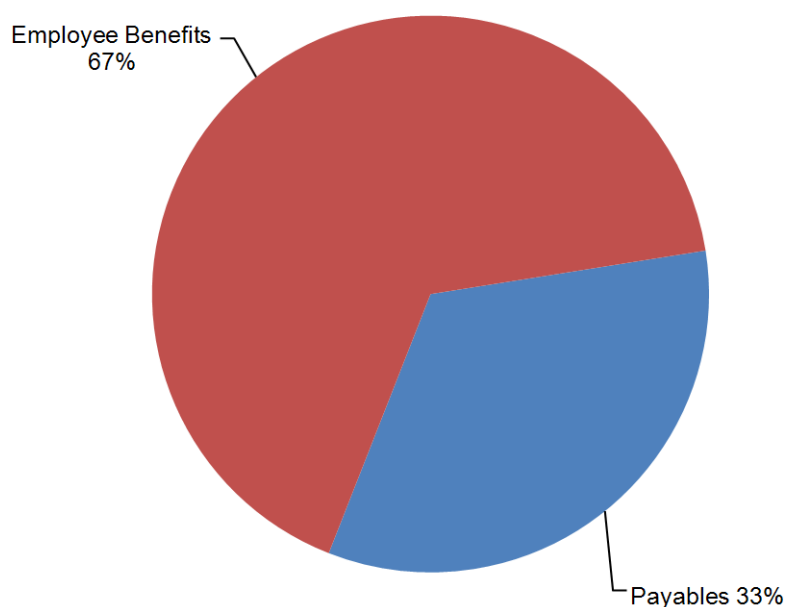
C.1.5 Total liabilities

Components of total liabilities

Figure 4 shows the components of the Commission's Total Liabilities at 30 June 2023. The components were:

- Employee Benefits of **\$0.542** million (67 percent); and
- Payables of **\$0.271** million (33 percent).

Figure 4: Total Liabilities at 30 June 2023



Comparison to Budget

At 30 June 2023, total liabilities were **\$0.813** million and this was \$0.298 million (58 percent) higher than budget of \$0.515 million. The difference is mainly due to the following:

- an increase in GST payable which relates to the timing of the GST collected from customers in 2022-23 which is payable to the ATO in 2023-24
- an increase in other payables relating to utility licence fee funds received in advance in 2022-23 for work that has been deferred and undertaken in 2023-24; and
- an increase in employee benefits reflecting the increase in annual leave liabilities and salary and wages accrual.

Comparison to 2021-22 actual liabilities

On 30 June 2023, total liabilities were \$0.813 million, which is an increase on the 2021-22 actual of \$0.592 million by \$0.221 million (37 percent). The increase mainly relates to the increase in GST payable which relates to the timing of the GST collected from customers in 2022-23 which is payable to the ATO in 2023-24. Also, increases in other payables relating to utility licence fee funds received in advance in 2022-23 for work that has been deferred and undertaken in 2023-24.

C.2 FINANCIAL STATEMENTS

The Commission has prepared financial statements for 2022-23 in accordance with the relevant accounting standards. The statements were independently audited as required by the *Financial Management Act 1996*, ACT Accounting Standards, and the 2023 Annual Report Directions. The audit opinion, financial statements and accompanying notes to the statements are set out in Appendix 1.

C.3 CAPITAL WORKS

We do not have a capital works program.

C.4 ASSET MANAGEMENT

For the financial year ended 30 June 2023, the Commission's asset base consists of a relatively small footprint of office furniture and equipment.

We lease our ICT office equipment through ACT Government Shared Services. Leasing these assets ensures we continue to conduct our business and achieve our outcomes while ensuring value for money. We regularly reassess our asset requirements and ensure assets are replaced at the end of their useful life.

At 30 June 2023, the Commission's total value of plant and equipment was zero.

We lease office accommodation in Canberra's CBD where it occupies less than half of a floor. This accommodated the Commission secretariat of 8 staff (headcount as at 30 June 2023) and provided an office for the Senior Commissioner.

C.5 GOVERNMENT CONTRACTING

The online ACT Government Contracts Register records contracts with suppliers of goods, services and works, with a value of \$25,000 or more.

A full search of Independent Competition and Regulatory Commission contracts notified with an execution date from 1 July 2022 to 30 June 2023 can be made at <https://www.tenders.act.gov.au/contract/search>.

There were no exemptions in 2022-23 from the secure local job code requirements under the *Government Procurement Act 2001*.

C.5.1 Aboriginal and Torres Strait Islander procurement

For 2022-23, the Commission's performance against the Aboriginal and Torres Strait Islander Procurement Policy (ATSIPP) performance measures is shown in Table 3.

Table 3: Aboriginal and Torres Strait Islander Procurement Policy (ATSIPP) performance measures in 2021-23

No.	ATSIPP performance measure	Result
1	The number of unique Aboriginal and Torres Strait Islander Enterprises that responded to Territory tender and quotation opportunities issued from the Approved Systems.	0
2	The number of unique Aboriginal and Torres Strait Islander Enterprises attributed a value of Addressable Spend in the financial year.	2
3	Percentage of the financial year's Addressable Spend of \$411,474 that was spent with Aboriginal and Torres Strait Islander Enterprises – target 2.0%.	0.023%

C.5.2 Creative Services Panel procurement

The Creative Services Panel is a whole of government arrangement for the purchase of creative services, including:

- Advertising
- Marketing
- Communications and engagement
- Digital
- Graphic design
- Photography and video
- Media buying.

During 2022-23, we did not undertake any expenditure through the panel.

Major purchases through this panel are published online on the ACT Government Contracts Register.

Appendixes

APX

APPENDIX 1 FINANCIAL STATEMENTS AND AUDIT REPORT

- Independent Auditor's report
- Statement of responsibility – Chief Executive Officer
- Statement by the Chief Financial Officer
- Independent Competition and Regulatory Commission Operating Statement for the year ended 30 June 2023
- Independent Competition and Regulatory Commission Balance Sheet as at 30 June 2023
- Independent Competition and Regulatory Commission Statement of Changes in Equity for the year ended 30 June 2023
- Independent Competition and Regulatory Commission Cash Flow Statement for the year ended 30 June 2023
- Independent Competition and Regulatory Commission Statement of Appropriation for the year ended 30 June 2023
- Independent Competition and Regulatory Commission Notes to and forming part of the financial statements for the year ended 30 June 2023.

Financial Statements

Independent Competition and Regulatory Commission

**For the Year Ended
30 June 2023**

INDEPENDENT AUDITOR'S REPORT

To the Members of the ACT Legislative Assembly

Opinion

I have audited the financial statements of the Independent Competition and Regulatory Commission (Commission) for the year ended 30 June 2023 which comprise the operating statement, balance sheet, statement of changes in equity, statement of cash flows, statement of appropriation and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- (i) present fairly, in all material respects, the Commission's financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended; and
- (ii) are presented in accordance with the *Financial Management Act 1996* and comply with Australian Accounting Standards.

Basis for opinion

I conducted the audit in accordance with the Australian Auditing Standards. My responsibilities under the standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of this report.

I am independent of the Commission in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (Code). I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Commission for the financial statements

The Chief Executive Officer is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996* and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of the financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the Commission to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

Auditor's responsibilities for the audit of the financial statements

Under the Financial Management Act 1996, the Auditor-General is responsible for issuing an audit report that includes an independent opinion on the financial statements of the Commission.

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Commission's internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commission;
- conclude on the appropriateness of the Commission's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in this report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of this report. However, future events or conditions may cause the Commission to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether they represent the underlying transactions and events in a manner that achieves fair presentation.

I communicated with the Chief Executive Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identified during my audit.



Rosa San Miguel

Audit Principal, Financial Audit

12 September 2023

**Independent Competition and Regulatory Commission
Financial Statements
For the Year Ended 30 June 2023**

Statement of Responsibility

In my opinion, the Independent Competition and Regulatory Commission's financial statements fairly reflect the financial operations for the year ended 30 June 2023 and its financial position on that date.



Mr Lachlan Phillips
Acting Chief Executive Officer
Independent Competition and Regulatory Commission
30 August 2023

**Independent Competition and Regulatory Commission
Financial Statements
For the Year Ended 30 June 2023**

Statement by the Chief Finance Officer

In my opinion, the commission's financial statements have been prepared in accordance with the Australian Accounting Standards, and are in agreement with its accounts and records and fairly reflect its financial operations for the year ended 30 June 2023 and the financial position on that date.



Calvin Robinson
Chief Finance Officer
Independent Competition and Regulatory Commission
30 August 2023

Independent Competition and Regulatory Commission

Content of the Financial Statements

For the Year Ended 30 June 2023

Financial Statements

Operating Statement
Balance Sheet
Statement of Changes in Equity
Statement of Cash Flows
Statement of Appropriation

Overview Notes

Note 1 Objectives of the Independent Competition and Regulatory Commission
Note 2 Basis of Preparation of the Financial Statements
Note 3 Impact of Accounting Standards Issued But Yet to be Applied

Income Notes

Note 4 Fees
Note 5 Sales of Services from Contracts with Customers
Note 6 Grants and Contributions Revenue

Expense Notes

Note 7 Employee Expenses
Note 8 Supplies and Services

Asset Notes

Note 9 Cash
Note 10 Receivables

Liability Notes

Note 11 Payables
Note 12 Employee Benefits

Other Notes

Note 13 Financial Instruments
Note 14 Other Commitments
Note 15 Third Party Monies
Note 16 Related Party Disclosures
Note 17 Budgetary Reporting

Independent Competition and Regulatory Commission
Operating Statement
For the Year Ended 30 June 2023

	Note No.	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
Income				
Controlled Recurrent Payments	#	598	598	749
Fees	4	128	405	676
Sales of Services from Contracts with Customers	5	1,426	871	322
Grants and Contributions Revenue	6	490	448	467
Investment Revenue		65	15	19
Other Revenue		-	-	31
Total Income		2,707	2,337	2,264
Expenses				
Employee Expenses	7	1,757	1,650	1,572
Supplies and Services	8	735	553	483
Total Expenses		2,492	2,203	2,055
Operating Result		215	134	209
Total Comprehensive Result		215	134	209

The above Operating Statement is to be read in conjunction with the accompanying notes.

Refer to the Statement of Appropriation

Independent Competition and Regulatory Commission
Balance Sheet
As at 30 June 2023

	Note No.	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
Current Assets				
Cash	9	2,527	1,952	2,118
Receivables	10	78	244	57
Other Assets		-	-	2
Total Current Assets		2,605	2,196	2,177
Total Assets		2,605	2,196	2,177
Current Liabilities				
Payables	11	271	99	97
Employee Benefits	12	531	416	495
Total Current Liabilities		802	515	592
Non-Current Liabilities				
Employee Benefits	12	11	21	8
Total Non-Current Liabilities		11	21	8
Total Liabilities		813	536	600
Net Assets		1,792	1,660	1,577
Equity				
Accumulated Funds		1,792	1,660	1,577
Total Equity		1,792	1,660	1,577

The above Balance Sheet is to be read in conjunction with the accompanying notes.

Independent Competition and Regulatory Commission
Statement of Changes in Equity
For the Year Ended 30 June 2023

	Accumulated Funds Actual 2023 \$'000	Total Equity Actual 2023 \$'000	Total Original Budget 2023 \$'000
Balance at 1 July 2022	1,577	1,577	1,526
Comprehensive Income			
Operating Result	215	215	134
Total Comprehensive Result	215	215	134
Balance at 30 June 2023	1,792	1,792	1,660

	Accumulated Funds Actual 2022 \$'000	Total Equity Actual 2022 \$'000	Total Original Budget 2022 \$'000
Balance at 1 July 2021	1,368	1,368	1,369
Comprehensive Income			
Operating Result	209	209	144
Total Comprehensive Result	209	209	144
Balance at 30 June 2022	1,577	1,577	1,513

The above Statement of Changes in Equity is to read in conjunction with the accompanying notes.

Independent Competition and Regulatory Commission
Statement of Cash Flows
For the Year Ended 30 June 2023

	Note No.	Actual 2023 \$'000	Original Budget 2023 \$'000	Actual 2022 \$'000
Cash Flows from Operating Activities				
Receipts				
Controlled Recurrent Payments		598	598	749
Fees		273	405	695
Sales of Services from Contracts with Customers		1,370	871	405
Grants and Contributions Receipts		448	436	437
Investment Receipts		65	15	19
Goods and Services Tax Input Tax Credits from the Australian Taxation Office		54	45	51
Goods and Services Tax Collected from Customers		182	-	76
Other		-	-	31
Total Receipts from Operating Activities		2,990	2,370	2,463
Payments				
Employee Payments		1,713	1,659	1,478
Supplies and Services		678	581	459
Goods and Services Tax Remitted to the Australian Taxation Office		125	-	70
Goods and Services Tax Paid to Suppliers		65	-	50
Total Payments from Operating Activities		2,581	2,240	2,057
Net Cash Inflows from Operating Activities	9	409	130	406
Net Increase in Cash		409	130	406
Cash at the Beginning of the Reporting Period		2,118	1,822	1,712
Cash at the End of the Reporting Period	9	2,527	1,952	2,118

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Independent Competition and Regulatory Commission

Statement of Appropriation

For the Year Ended 30 June 2023

Description and Material Accounting Policies relating to Controlled Recurrent Payments

Controlled Recurrent Payments (CRP) are revenue received from the ACT Government to fund the costs of delivering outputs.

CRP are recognised when the commission gains control over the funding which is normally obtained upon the receipt of cash, given they do not contain enforceable and sufficiently specific performance obligations as defined by AASB 15 Revenue from Contracts with Customers.

Column Heading Explanation

The *Original Budget* column shows the amount that appears in the Statement of Cash Flows in the Statement of Intent. This amount also appears in the Statement of Cash Flows.

The *Total Appropriated* column is inclusive of all appropriation variations occurring after the Original Budget.

The *Appropriation Drawn* is the total amount of appropriation received by the commission during the year. This amount appears in the Statement of Cash Flows.

	Original Budget 2023 \$'000	Total Appropriated 2023 \$'000	Appropriation Drawn 2023 \$'000	Appropriation Drawn 2022 \$'000
Appropriation				
Controlled Recurrent Payments	598	633	598	749
Total Appropriation	598	633	598	749

The above Statement of Appropriation is to be read in conjunction with the accompanying notes.

Variations between '2022-23 Controlled Recurrent Payments Appropriation Drawn' and '2021-22 Controlled Recurrent Payments Appropriation Drawn'

The decrease in CRP reflects the completion of the following work in 2021-22:

- advice on implementing measures to improve the transparency and comparability of retail electricity price offers;
- review of the retail electricity form of control; and
- updates to energy utility licences.

Reconciliation of Appropriation for 2022-23

	Controlled Recurrent Payments (CRP) \$'000
Original Appropriation	598
Supplementary Appropriation (Financial Management Act (FMA) s.13)	35
Total Appropriated	633
Undrawn Funds	(35)
Controlled Appropriation Drawn	598

Variations between 'Original Budget' and 'Total Appropriated'

The difference between Original Budget and Total Appropriated is due to the supplementary appropriation for the ACT Government enterprise agreement bargaining and pay offer.

Variance between 'Total Appropriated' and 'Appropriation Drawn'

The difference between Total Appropriated and Appropriation Drawn is due to delays on the finalisation of ACT Government enterprise agreement bargaining and pay offer (\$0.035 million).

Independent Competition and Regulatory Commission

Notes to and Forming Part of the Financial Statements

For the Year Ended 30 June 2023

NOTE 1 OBJECTIVES OF THE INDEPENDENT COMPETITION AND REGULATORY COMMISSION

Operations and Principal Activities

The Independent Competition and Regulatory Commission (the commission) has statutory and regulatory, rather than commercial, objectives and functions. The commission's primary roles and responsibilities are established under the *Independent Competition and Regulatory Commission Act 1997* (ICRC Act) and the *Utilities Act 2000* (Utilities Act). Together, the Acts set out the functions of the commission including:

- making price directions
- providing recommendations about price regulation
- providing advice to the Minister about proposed access regimes
- arbitrating disputes about access to services under access regimes
- maintaining a register of access agreements
- investigating and reporting on matters referred by the Minister and other referring authorities
- investigating and reporting on competitive neutrality complaints
- investigating and reporting on government-regulated activities
- issuing licences for the provision of certain types of utility services
- determining licence conditions
- monitoring compliance with the licence conditions
- approving and reviewing standard customer contracts and industry codes for certain types of utility services.

The commission also has a statutory role under the *Electricity Feed-In (Renewable Energy Premium) Act 2008* in providing advice to the Minister relevant to the determination of the premium rate payable by National Energy Retail Law (NERL) retailers supplying electricity to renewable energy generators, and in monitoring compliance with the Electricity Feed-In Scheme through the Electricity Feed-In Code 2015 for NERL retailers.

The commission's objectives are outlined in the ICRC Act and the Utilities Act. The objectives set out in section 7 and 19L of the ICRC Act are to:

- promote effective competition in the interests of consumers
- facilitate an appropriate balance between efficiency and environmental and social considerations
- ensure non-discriminatory access to monopoly and near-monopoly infrastructure
- ensure when making a price direction in a regulated industry, promote the efficient investment in, and efficient operation and use of regulated services for the long-term interests of consumers in relation to the price, quality, safety, reliability, and security of the service.

**Independent Competition and Regulatory Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023**

**NOTE 1 OBJECTIVES OF THE INDEPENDENT COMPETITION AND
REGULATORY COMMISSION - CONTINUED**

Section 3 of the Utilities Act provides the commission with additional functions in accordance with the following objectives:

- encourage the provision of safe, reliable, efficient and high-quality utility services at reasonable prices
- minimise the potential for misuse of monopoly power in the provision of utility services
- promote competition in the provision of utility services
- encourage long-term investment, growth and employment in utility services
- promote ecologically sustainable development in the provision of utility services
- protect the interests of consumers
- ensure that advice given to the commission by the ACT Civil and Administrative Tribunal (ACAT) is properly considered
- ensure that the Government’s programs concerning the provision of utility services are properly addressed
- give effect to directions of the Minister under section 19 of the Utilities Act.

Independent Competition and Regulatory Commission

Notes to and Forming Part of the Financial Statements

For the Year Ended 30 June 2023

NOTE 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

LEGISLATIVE REQUIREMENT

The *Financial Management Act 1996* (FMA) requires the preparation of annual financial statements for ACT Government Agencies. The FMA and the *Financial Management Guidelines* issued under the FMA, requires the commission's financial statements to include:

- i. an Operating Statement for the reporting period;
- ii. a Balance Sheet at the end of the reporting period;
- iii. a Statement of Changes in Equity for the reporting period;
- iv. a Statement of Cash Flows for the reporting period;
- v. a Statement of Appropriation for the reporting period;
- vi. the material accounting policies adopted for the reporting period;
- vii. other statements as necessary to fairly reflect the financial operations of the commission during the reporting period and its financial position at the end of the reporting period.

These general-purpose financial statements have been prepared in accordance with:

- i. Australian Accounting Standards (as required by the FMA);
- ii. ACT Accounting and Disclosure Policies.

ACCRUAL ACCOUNTING

The financial statements have been prepared using the accrual basis of accounting. The financial statements are prepared according to the historical cost convention.

CURRENCY

These financial statements are presented in Australian dollars, which is the commission's functional currency.

INDIVIDUAL REPORTING ENTITY

The commission is a not-for-profit reporting entity.

REPORTING PERIOD

These financial statements state the financial performance, changes in equity and cash flows of the commission for the year ended 30 June 2023 together with the financial position of the commission as at 30 June 2023.

Independent Competition and Regulatory Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023

**NOTE 2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS -
CONTINUED**

COMPARATIVE FIGURES

Budget Figures

To facilitate a comparison with the Budget Papers, as required by the FMA, budget information for 2022-23 has been presented in the financial statements. Budget numbers in the financial statements are the original budget numbers that appear in the Statement of Intent.

Prior Year Comparatives

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements, except where an Australian Accounting Standard does not require comparative information to be disclosed. Where the presentation or classification of items in the financial statements is amended, the comparative amounts have been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000). Use of "-" represents zero amounts or amounts rounded down to zero.

GOING CONCERN

The commission's 2022-23 financial statements have been prepared on a going concern basis as the ongoing functions, activities and funding of the commission is provided for under section 7 of the *Financial Management Act 1996*.

**NOTE 3 IMPACT OF ACCOUNTING STANDARDS ISSUED BUT YET TO BE
APPLIED**

All Australian Accounting Standards and Interpretations issued but yet to be applied are either not relevant to the commission or have been assessed as having an immaterial financial impact on the commission.

These standards and interpretations are applicable to future reporting periods. The commission does not intend to adopt these standards and interpretations early and as such they will be adopted from their application date.

Independent Competition and Regulatory Commission

Notes to and Forming Part of the Financial Statements

For the Year Ended 30 June 2023

INCOME NOTES

MATERIAL ACCOUNTING POLICIES – INCOME

REVENUE RECOGNITION

Revenue is recognised in accordance with AASB 15 Revenue from Contracts with Customers where the contract is enforceable and contains sufficiently specific performance obligations, otherwise revenue is in the scope of AASB 1058 Income of Not-for-Profit Entities.

AASB 15 Revenue from Contracts with Customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. Revenue is recognised by applying a five step model as follows:

1. identify the contract with the customer;
2. identify the performance obligations;
3. determine the transaction price;
4. allocate the transaction price; and
5. recognise revenue as or when control of the performance obligation is transferred to the customer.

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the commission have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

AASB 1058 Income of Not-for-Profit Entities

Where revenue streams are in the scope of AASB 1058, the commission recognises the asset received (generally cash or other financial asset) at fair value, recognises any related amount (e.g. liability or equity) in accordance with an accounting standard and recognises revenue as the residual between the fair value of the asset and the related amount on receipt of the asset.

Independent Competition and Regulatory Commission

Notes to and Forming Part of the Financial Statements

For the Year Ended 30 June 2023

NOTE 4 FEES

Description and Material Accounting Policies relating to Fees

Utility Licence Fees

Utility Licence Fees are recorded under AASB 15 Revenue from Contracts with Customers as it constitutes contracts with customers and is an output of the commission's ordinary activities. The basis of the recognition is from the guidance as provided in AASB 2018-4 Amendments to Australia Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensors.

Utility licence fees are collected from utilities providing water and wastewater services, electricity transmission and gas transmission services to recover the reasonable costs incurred by the commission, the Technical Regulator and the ACT Civil and Administrative Tribunal (ACAT) in discharging their respective regulatory responsibilities. These fees are collected under the *Utilities Act 2000*. The fees are based on the estimated cost of regulatory activities for the financial year, which are adjusted based on revised end of year estimates and any over or under collection of fees identified in the current financial year. It is the commission's practice to adjust the fees in the following year if the actual costs incurred at the end of the financial year vary from the original estimate. The commission only records fee income relating to its own activities in its operating statement. Fees received by the commission and ultimately transferred to the Technical Regulator and ACAT are not recorded as income (or expenses) by the commission, as the commission does not control the future economic benefits embodied in the fees. Information on utility licence fees collected and paid to the Technical Regulator and ACAT is included in Note 16 Third Party Monies.

Material Accounting Judgements and Estimates - Fees

The commission has made material estimates regarding the amount of revenue to be recognised as utility licence fees using an activity-based costing model. The commission's model is used to determine the amount of revenue to be recognised for an activity based on the amount of time commission staff spend on the activity, direct costs associated with the activity and proportional allocation of indirect costs. The commission reviews this model on an ongoing basis and revises the model as appropriate.

	2023	2022
	\$'000	\$'000
Revenue from Regulatory Activities		
Utility Licence Fees ^{a)}	128	676
Total Fees	128	676

a) In 2022-23, the Utility Licence Fees decrease reflects reduced general regulatory activities conducted during the financial year while the pricing investigation to determine the regulated prices of water and sewerage services was completed.

**Independent Competition and Regulatory Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023**

NOTE 5 SALES OF SERVICES FROM CONTRACTS WITH CUSTOMERS

Description and Material Accounting Policies relating to the Sale of Services

The commission earns revenue from user charge services. User charges revenue is derived by providing services to other ACT Government entities and to the public. User charges revenue is legally retained by the agency and driven by consumer demand. During 2022-23, the commission recognised user charges revenue in relation to work undertaken on the pricing investigation to determine the regulated prices of water and sewerage services and the pricing investigation into retail electricity supplied to small customers on standard retail contracts.

Revenue is recognised when the commission satisfies the performance obligations which is over time (across the duration of a contract).

Material Accounting Judgements and Estimates – Revenue from Contracts with Customers

The commission has made material judgements and estimates regarding the amount of revenue to be recognised as User Charges under the Sales of Services from Contracts with Customers. The commission has reviewed each contract or agreement in terms of timing of satisfaction of performance obligations and determining the transaction price and the amounts allocated to performance obligations.

Revenue has been recognised when the commission is satisfied that its performance obligations for each contract have been met over time in accordance with the requirements of AASB 15.

	2023	2022
	\$'000	\$'000
ACT Government Customers		
User Charges Revenue - ACT Government ^{a)}	1,348	322
Total Sales of Services from ACT Government Customers	1,348	322
Non-ACT Government Customers		
User Charges Revenue ^{b)}	78	-
Total Sales of Services from Non-ACT Government Customers	78	-
Total Sales of Services from Contracts with Customers	1,426	322

User Charges revenue is derived by providing services to other entities, including other ACT Government agencies. User Charges revenue is legally retained by the commission and driven by customer demand.

a) The revenue in 2022-23 of \$1,348,000 relates to the price investigation for water and sewerage services that was completed across both 2021-22 and 2022-23 financial years with most of the work conducted in 2022-23.

b) The revenue in 2022-23 of \$78,000 relates to user charges required to recover costs of the pricing investigation into retail electricity supplied to small customers on standard retail contracts.

**Independent Competition and Regulatory Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023**

NOTE 6. GRANTS AND CONTRIBUTIONS REVENUE

Description and Material Accounting Policies Relating to Grants and Contributions Revenue

Other Grants and Contributions

The commission has determined that the Service Level Agreement with the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) relating to 'Other Grants and Contributions' do not contain sufficiently specific performance obligations for recognising revenue from contracts with customers under AASB 15. The purpose of the Service Level Agreement between the CMTEDD and the commission is to provide a mechanism by which the Government provides funding for the operation of the commission for a nominated period which is consistent with the appropriation received by CMTEDD for this purpose. The agreement only broadly specifies performance obligations and as such, AASB 1058 has been applied for recognising this revenue. This revenue is recognised upon receipt of funds.

	2023	2022
	\$'000	\$'000
Resources Received Free of Charge from ACT Government Entities		
Legal Services	28	17
Shared Services - Fixed Costs	14	13
Total Resources Received Free of Charge	42	30
Other Grants and Contributions		
Service Level Agreement with the Chief Minister, Treasury and Economic Development Directorate	448	437
Total Other Grants and Contributions	448	437
Total Grants and Contributions	490	467

Independent Competition and Regulatory Commission Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2023

EXPENSE NOTES

NOTE 7 EMPLOYEE EXPENSES

Description and Material Accounting Policies Relating to Employee and Superannuation Expenses

Employee Expenses

Employee benefits include:

- short-term employee benefits such as wages and salaries, annual leave loading, and applicable on-cost if expected to be settled wholly before twelve months (see Note 12 Employee benefits if longer than 12 months) after the end of the annual reporting period in which the employees render the related services
- other long-term benefits such as long service leave and annual leave, and
- termination benefits.

On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual leave and long service leave.

(See Note 12 Employee Benefits for accrued wages and salaries, and annual and long service leave).

Superannuation Expenses

Employees of the commission will have different superannuation arrangements due to the type of superannuation scheme available at the time of commencing employment, including both defined benefit and defined contribution superannuation scheme arrangements.

For employees who are members of the defined benefit Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation Scheme (PSS), the commission makes employer superannuation contribution payments to the Territory Banking Account at a rate determined by the Chief Minister, Treasury and Economic Development Directorate. The commission also makes productivity superannuation contribution payments on behalf of these employees to the Commonwealth Superannuation Corporation, which is responsible for administration of the schemes.

For employees who are members of defined contribution superannuation schemes (the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice), the commission makes employer superannuation contribution payments directly to the employees' relevant superannuation fund.

All defined benefit employer superannuation contributions are recognised as expenses on the same basis as the employer superannuation contributions made to defined contribution schemes. The accruing superannuation liability obligations are expensed as they are incurred and extinguished as they are paid.

Superannuation Liability Recognition

For commission employees who are members of the defined benefit CSS or PSS, the employer superannuation liabilities for superannuation benefits payable upon retirement are recognised in the financial statements of the Superannuation Provision Account.

**Independent Competition and Regulatory Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023**

NOTE 7 EMPLOYEE EXPENSES – CONTINUED

	2023	2022
	\$'000	\$'000
Salaries and Wages	1,502	1,385
Annual Leave Expense	21	(20)
Long Service Leave Expense	(13)	(6)
Workers' Compensation Insurance Premium	12	11
Superannuation Contributions to the Territory Banking Account	90	70
Productivity Benefit	6	5
Superannuation to External Providers	139	127
Total Employee Expenses ^{a)}	1,757	1,572

a) In 2022-23, the Employee Expenses increased through upgrading staffing resources to meet the requirements of the price investigation for water and sewerage services.

Independent Competition and Regulatory Commission

Notes to and Forming Part of the Financial Statements

For the Year Ended 30 June 2023

NOTE 8 SUPPLIES AND SERVICES

Description and Material Accounting Policies Relating to Supplies and Services

General – Supplies and Services

Purchases of Supplies and Services generally represent the day-to-day running costs incurred in normal operations, recognised in the reporting period in which these expenses are incurred.

Office Rental Expenses

This covers payments for short-term leases (12 month term or less) and low-value leases (individual asset less than \$10,000) and standard non-specialised accommodation leases with the ACT Property Group.

Professional Services

This covers payments made to consultants and contractors to assist with specialised or additional temporary work required by the commission.

Auditor Fees

Auditor fees consists of financial audit services provided to the commission by the ACT Audit Office. No other services were provided by the ACT Audit Office.

	2023	2022
	\$'000	\$'000
Auditor Fees	41	40
Information Communication Technology	50	50
Office Rental and Operating Costs	126	127
Professional Services ^{a)}	433	153
Recruitment Costs	1	30
Subscriptions, Memberships and Conferences	55	52
Other	29	31
Total Supplies and Services	735	483

a) Professional Services expenditure increased due to external contractors and consultants engaged by the commission for the pricing investigation to determine the regulated prices of water and sewerage services.

**Independent Competition and Regulatory Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023**

ASSET NOTES

MATERIAL ACCOUNTING POLICIES - ASSETS

ASSETS – CURRENT AND NON-CURRENT

Assets are classified as current where they are expected to be realised within 12 months after the reporting date. Assets which do not fall within the current classification are classified as non-current.

NOTE 9 CASH

Description and Material Accounting Policies Relating to Cash

The commission managed two bank accounts in 2022-23 with Westpac Banking Corporation. The first account was the commission's operating account, and the second bank account was for Third Party Monies. Details of transactions relating to Third Party Monies are provided in Note 15.

	2023	2022
	\$'000	\$'000
(a) Cash Balances		
Cash at Bank ^{a)}	2,527	2,118
Total Cash	2,527	2,118
(b) Reconciliation of Cash at the End of the Reporting Period in the Statement of Cash Flows to the Equivalent Items in the Balance Sheet.		
Cash at Bank	2,527	2,118
Cash at the End of the Reporting Period as Recorded in the Statement of Cash Flows	2,527	2,118
(c) Reconciliation of the Operating Result to Net Cash Inflows from Operating Activities		
Operating Result	215	209
Cash Before Changes in Operating Assets and Liabilities	215	209
Changes in Operating Assets and Liabilities		
(Increase)/Decrease in Receivables	(21)	103
(Increase)/Decrease in Other Assets	2	(2)
Increase in Payables	174	-
Increase in Employee Benefits	39	96
Net Changes in Operating Assets and Liabilities	194	197
Net Cash Inflows from Operating Activities	409	406

a) The increase in cash is mainly due to higher sales of services from contracts with customers.

**Independent Competition and Regulatory Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023**

NOTE 10 RECEIVABLES

Description and Material Accounting Policies relating to Receivables

Accounts Receivable

Accounts receivable (including trade receivables and accrued revenue) are measured at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement.

Accrued Revenue

Accrued Revenue is revenue relating to fees and sales of services from contracts with customers that is owed to the commission but has not been invoiced at the reporting date.

	2023	2022
	\$'000	\$'000
Current Receivables		
Accrued Revenue	78	57
Total Current Receivables	78	57
Total Receivables	78	57

Independent Competition and Regulatory Commission Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2023

LIABILITY NOTES

MATERIAL ACCOUNTING POLICIES - LIABILITIES

LIABILITIES – CURRENT AND NON-CURRENT

Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or the commission does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Liabilities which do not fall within the current classification are classified as non-current.

NOTE 11 PAYABLES

Description and Material Accounting Policies relating to Payables

Payables

Payables are initially recognised at fair value based on the transaction cost and, subsequent to initial recognition, at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within 14 days after the invoice date.

Payables include Trade Payables, Accrued Expenses and GST Payables.

Contract Liabilities

Contract Liabilities relate to consideration received in advance from customers in respect of Utility Licence Fee Funds. When an amount of consideration is received from a customer prior to the commission transferring a good or service to the customer, the balance of consideration which has not been transferred is presented as a contract liability.

	2023	2022
	\$'000	\$'000
Current Payables		
Trade Payables	53	36
Accrued Expenses	31	30
GST Payable ^{a)}	77	31
Amounts Received Related to Contracts with Customers where the Performance Obligations have not yet been Satisfied ^{b)}	110	-
Total Current Payables	271	97
Total Payables	271	97

Payables are aged as follows:

Not Overdue	271	97
Total Payables	271	97

a) The increase in GST payable relates to the timing of the GST collected from customers in 2022-23 which is payable to ATO in 2023-24.

b) The \$110,000 relates to Utility Licence Fee funds received in advance in 2022-23 for work that has been deferred and will be undertaken in 2023-24.

Independent Competition and Regulatory Commission Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2023

NOTE 12 EMPLOYEE BENEFITS

Description and Material Accounting Policies relating to Employee Benefits

Accrued Wages and Salaries

Accrued wages and salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

Annual and Long Service Leave

Annual and long service leave including applicable on-costs that are not expected to be wholly settled before twelve months after the end of the reporting period when the employees render the related service are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At the end of each reporting period, the present value of future annual leave and long service leave payments are estimated using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

Annual leave liabilities have been estimated on the assumption that they will be wholly settled within three years. This financial year the rate used to estimate the present value of future:

- annual leave payments is 98.2% (101.8% in the previous financial year)
- payments for long service leave is 93.0% (95.3% in the previous financial year).

The long service leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of 7 years of qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for long service leave and applicable on-costs.

The provision for annual leave and long service leave includes estimated on-costs. As these on-costs only become payable if the employee takes annual and long service leave while in-service, the probability that employees will take annual and long service leave while in service has been taken into account in estimating the liability for on-costs.

Annual leave and long service leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional long service leave liabilities are classified as non-current because the agency has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Material Judgements and Estimates – Employee Benefits

Material judgements have been applied in estimating the liability for employee benefits. The estimated liability for annual and long service leave requires a consideration of the future wage and salary levels, experience of employee departures, probability that leave will be taken in service and periods of service. The estimate also includes an assessment of the probability that employees will meet the minimum service period required to qualify for long service leave and that on-costs will become payable.

The significant judgements and assumptions included in the estimation of annual and long service leave liabilities include an assessment by an actuary. The Australian Government Actuary performed this assessment in December 2021. The next actuarial review is expected to be undertaken by late 2024.

**Independent Competition and Regulatory Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023**

NOTE 12. EMPLOYEE BENEFITS – CONTINUED

	2023	2022
	\$'000	\$'000
Current Employee Benefits		
Annual Leave	209	170
Long Service Leave	257	274
Accrued Salaries	65	51
Total Current Employee Benefits	531	495
Non-Current Employee Benefits		
Long Service Leave	11	8
Total Non-Current Employee Benefits	11	8
Total Employee Benefits	542	503
Estimate of when Leave is Payable		
Estimated Amount Payable within 12 months		
Annual Leave	115	112
Accrued Salaries	65	51
Total Employee Benefits Payable within 12 months	180	163
Estimated Amount Payable after 12 months		
Annual Leave	94	58
Long Service Leave	268	282
Total Employee Benefits Payable after 12 months	362	340
Total Employee Benefits	542	503

**Independent Competition and Regulatory Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023**

NOTE 13 FINANCIAL INSTRUMENTS

Material Accounting Policies Relating to Financial Instruments

Details of the material policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in each respective note. In addition to these policies, the following are also accounting policies relating to financial assets and liabilities.

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) the business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial assets.

The following are the classification of commission's financial assets under AASB 9:

Items	Business Model	Solely for payment of Principal and Interest SPPI	Classification
	Held to collect principal and interest/sell	Test (basic lending characteristics)	
Cash	Held to collect	Yes	Amortised cost
Receivables	Held to collect	Yes	Amortised cost

Financial Liabilities are measured at amortised cost.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

A greater proportion of financial assets are held in floating interest rate arrangements, compared to financial liabilities that are subject to floating interest rates. This means that the commission is not significantly exposed to movements in interest payable; however, it is exposed to movements in interest receivable. Interest rates have increased during the year ended 30 June 2023 and, as such, have resulted in an increase in the amount of interest received. There have been no changes in risk exposure or processes for managing risk since last financial reporting period.

Sensitivity Analysis

A sensitivity analysis has not been undertaken for the interest rate risk of the Agency as it has been determined that the possible impact on income and expenses or total equity from fluctuations in interest rates is immaterial.

**Independent Competition and Regulatory Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023**

NOTE 13. FINANCIAL INSTRUMENTS - CONTINUED

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The commission's credit risk is limited to the amount of the financial assets it holds net of any provision for impairment.

Credit risk is managed by the commission for cash at bank by holding bank balances with the ACT Government's bank, Westpac Banking Corporation (Westpac). Westpac holds a 'AA' issuer credit rating with Standard and Poors. A 'AA' credit rating is defined as a 'very strong capacity to meet financial commitments'.

The commission's receivables are predominantly from other ACT Government entities and entities where the ACT Government has entered into a joint venture agreement with a third party. Inter-agency receivables between ACT Government agencies are generally expected to have low credit risks. The commission expects to collect all financial assets that are not past due or impaired. There have been no significant changes in credit risk exposure since last reporting period.

Liquidity Risk

Liquidity risk is the risk that the commission will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. To limit its exposure to liquidity risk, the commission ensures that at any particular point in time it has a sufficient amount of funds in its bank account to meet its current financial liabilities. This is achieved by constantly monitoring receivables and payables levels and ensuring ongoing cash flows are sufficient to meet the commission's obligations as they fall due.

The commission's exposure to liquidity risk is low and the management of this risk has not changed since the previous reporting period.

Fair Value of Financial Assets and Liabilities

The carrying amount and fair values of financial assets and liabilities at the end of the reporting period are:

	Note No.	Carrying Amount 2023 \$'000	Fair Value 2023 \$'000	Carrying Amount 2022 \$'000	Fair Value 2022 \$'000
Financial Assets					
Cash	9	2,527	2,527	2,118	2,118
Receivables	10	78	78	57	57
Total Financial Assets		2,605	2,605	2,175	2,175
Financial Liabilities					
Payables	11	271	271	97	97
Total Financial Liabilities		271	271	97	97

**Independent Competition and Regulatory Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023**

NOTE 14 OTHER COMMITMENTS

Description and Material Accounting Policies Relating to Other Expenditure Commitments

Commitments are a firm intention, but not a present obligation, at the end of the reporting period to incur future expenditure. As such, commitments do not constitute a liability. Commitments usually arise from contracts but can arise from other things like placing an order.

Commitments are measured at their nominal value and are inclusive of GST.

Other Commitments

Other Commitments contracted at reporting date but not recognised as liabilities, are payable as follows:

	2023	2022
	\$'000	\$'000
Within One Year	76	229
Total Other Commitments	76	229

The commission's Other Commitments for 2022-23 mainly relate to office manager services, professional services and outsourced strategic accounting services that are performed by Shared Services.

Non-Cancellable Low Value Commitments

Non-Cancellable Low Value Commitments are payable as follows:

Within One Year	6	10
Later than One Year but not later than Five Years	3	9
Later than Five Years	2	3
Total Non-Cancellable Low Value Commitments	11	22

The non-cancellable low value commitments that have not been recorded as lease liabilities under AASB 16 relate to the provision of ICT equipment with Digital Data & Technology Solutions.

All amounts shown in the commitment note are inclusive of GST.

Independent Competition and Regulatory Commission

Notes to and Forming Part of the Financial Statements

For the Year Ended 30 June 2023

NOTE 15 THIRD PARTY MONIES

Description and Material Accounting Policies Relating to Third Party Monies

Utility Licence Fees are collected and administered by the commission under the *Utilities Act 2000*. The annual licence fee for a particular utility is the amount considered by the commission to be a reasonable contribution towards the costs incurred, or expected to be incurred:

- (a) by the following entities in the exercise of functions, in the ACT or elsewhere, in relation to utility services:
- (i) Independent Competition and Regulatory Commission
 - (ii) the Technical Regulator on behalf of the Territory
- (b) by ACAT in hearing and deciding matters to which a utility is a party.

As the administrator, fees collected by the commission and subsequently transferred to the Technical Regulator and ACAT are not controlled by the commission. Further the commission does not obtain any benefit from those fees.

On the basis that the commission does not control the component of the fees relating to the Technical Regulator or ACAT, it follows that the commission does not control the cash or receivables relating to those fees and therefore it does not recognise them as assets. The associated amounts payable to the Technical Regulator and ACAT are also excluded from the commission's liabilities.

The commission holds the following third-party monies:

	2023 \$'000	2022 \$'000
Utility Licence Fees		
Balance at the Beginning of the Reporting Period	-	-
Cash Receipts		
- East Australian Pipeline Limited	19	66
- Icon Water Limited	989	1,287
- TransGrid (NSW Electricity Networks Operations Pty Ltd)	58	115
- Interest Received	1	1
Cash Payments		
- Independent Competition and Regulatory Commission	(273)	(695)
- ACT Civil and Administrative Tribunal (ACAT)	(137)	(86)
- Access Canberra (technical regulation)	(657)	(688)
Balance at the End of the Reporting Period	-	-

Independent Competition and Regulatory Commission

Notes to and Forming Part of the Financial Statements

For the Year Ended 30 June 2023

NOTE 16 RELATED PARTY DISCLOSURES

Description and Material Accounting Policies Relating to Related Party Disclosures

A related party is a person that controls or has significant influence over the reporting entity or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity and includes their close family members and entities in which the KMP and/or their close family members individually or jointly have controlling interests.

KMP are those persons having authority and responsibility for planning, directing, and controlling the activities of the commission, directly or indirectly.

KMP of the commission are the Commissioner and Chief Executive Officer.

The Head of Service and the ACT Executive comprising the Cabinet Ministers are KMP of the ACT Government and therefore related parties of the Commission.

This note does not include typical citizen transactions between the KMP and the commission that occur on terms and conditions no different to those applying to the general public.

(A) CONTROLLING ENTITY

The commission is an ACT Government controlled entity.

(B) KEY MANAGEMENT PERSONNEL

B.1 Compensation of Key Management Personnel

Compensation of all Cabinet Ministers, including the Portfolio Minister, is disclosed in the note on related party disclosures included in the ACT Executive's financial statements for the year ended 30 June 2023.

Compensation of the Head of Service is included in the note on related party disclosures included in the Chief Minister, Treasury and Economic Development Directorate's (CMTEDD) financial statements for the year ended 30 June 2023.

Compensation by the commission to KMP is set out below.

	2023	2022
	\$'000	\$'000
Short-term employee benefits	535	387
Post-employment benefits	106	88
Other long-term benefits	13	9
Total Compensation by the commission to KMP	654	484

B.2 Transactions with Key Management Personnel

There were no transactions with KMP that were material to the financial statements of the commission.

B.3 Transactions with parties related to Key Management Personnel

There were no transactions with KMP that were material to the financial statements of the commission.

Independent Competition and Regulatory Commission

Notes to and Forming Part of the Financial Statements

For the Year Ended 30 June 2023

NOTE 16 RELATED PARTY DISCLOSURES - CONTINUED

(C) TRANSACTIONS WITH OTHER ACT GOVERNMENT CONTROLLED ENTITIES

The commission has entered into transactions with other ACT Government entities in 2022-23 and 2021-22 consistent with day-to-day business operations provided under varying terms and conditions. The notes to the Financial Statements provide the details of transactions with other ACT Government Entities. Below is a summary of the material transactions with other ACT Government Entities.

Revenue

- Appropriation (Statement of Appropriation) – the commission receives ongoing funding in the form of Controlled Recurrent Payment appropriation from the ACT Government through the Territory Banking Account.
- Fees (Note 4) – the commission received approximately \$128,000 of Utility Licence Fees revenue from Icon Water.
- Sales of Services from Contracts with Customers (Note 5) – The commission received \$1,348,000 in 2022-23 for revenue from Icon Water for the pricing investigation to determine the regulated prices of water and sewerage.
- Grants and Contributions Revenue (Note 6) – the commission received \$448,000 from the Chief Minister, Treasury and Economic Development Directorate for its funding operation as part of the Service Level Agreement.

Expenses

- Supplies and Services (Note 8) – the commission had a total of \$296,000 of expenses in 2022-23 with various ACT Government Entities. These entities include the ACT Property Group for office rent and operating expenses, the ACT Audit Office for audit services, insurance premiums paid to the ACT Insurance Authority, Information Communication Technology expenses with Digital Data & Technology Solutions and Financial Services expenses with Shared Services.

Liabilities

- Payables (Note 11) – the commission had \$61,000 in trade payables and accrued expenses with the ACT Audit Office for audit services, the ACT Property Group for office rent and operating expenses, and Shared Services for Financial Services expenses at the end of 2022-23.

Independent Competition and Regulatory Commission Notes to and Forming Part of the Financial Statements For the Year Ended 30 June 2023

NOTE 17 BUDGETARY REPORTING

Significant Accounting Judgements and Estimates – Budgetary Reporting

Significant judgements have been applied in determining what variances are considered ‘major variances’. Variances are considered major if both of the following criteria are met:

- The line item is a significant line item: where either the line item actual amount accounts for more than 10% of the relevant associated category (Income, Expenses and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- The variances (original budget to actual) are greater than plus (+) or minus (-) 10% and \$30,000 of the budget for the financial statement line item.

Operating Statement Line Items	Actual	Original	Variance	Variance
	2023	Budget		
	\$'000	2023	\$'000	%
Sales of Services from Contracts with Customers ^{a)}	1,426	871	555	63.7
Supplies and Services ^{b)}	735	553	182	32.9

Variance Explanations

a) The budget variance of \$555,000 is due to the recovery of additional costs of the pricing investigation to determine the regulated prices of water and sewerage services

b) The budget variance of \$182,000 mainly relates to external contractors and consultants engaged by the commission for the pricing investigation to determine the regulated prices of water and sewerage services.

Balance Sheet Line Items	Actual	Original	Variance	Variance
	2023	Budget		
	\$'000	2023	\$'000	%
Cash ^{c)}	2,527	1,952	575	29.5
Payables ^{d)}	271	99	172	173.7
Employee Benefits - Current ^{e)}	531	416	115	27.6

Variance Explanations

c) The budget variance of \$575,000 mainly relates to higher sales of services from contracts with customers.

d) The budget variance of \$172,000 in payable mainly relates to the \$110,000 increase of other payables due to Utility Licence Fee funds received in advance in 2022-23 for work that has been deferred and undertaken in 2023-24 and the \$62,000 increase in in GST payable due to the timing of the GST collected from customers in 2023-24 which is payable to ATO in 2023-24.

e) The budget variance of \$115,000 in current employee benefits mainly relates to an increase in the annual leave liability as a result of the recruitment of a new staff member that transferred leave balances from their previous employer, and an increase in the salary and wages accrual.

**Independent Competition and Regulatory Commission
Notes to and Forming Part of the Financial Statements
For the Year Ended 30 June 2023**

NOTE 17 BUDGETARY REPORTING – CONTINUED

Statement of Cash Flows Line Items	Actual 2023 \$'000	Original Budget 2023 \$'000	Variance \$'000	Variance %
Sales of Services from Contracts with Customers ^{f)}	1,370	871	499	57
Supplies and Services ^{g)}	678	581	97	17

Variance Explanations

f) The budget variance of \$499,000 is due to the recovery of additional costs of the pricing investigation to determine the regulated prices of water and sewerage services.

g) The budget variance of \$97,000 is mainly due to an increase in professional services from external contractors and consultants engaged by the commission for the pricing investigation to determine the regulated prices of water and sewerage services.

APPENDIX 2 STATEMENT OF PERFORMANCE AND INDEPENDENT LIMITED ASSURANCE REPORT

- Independent Limited Assurance Report
- Statement of Responsibility – Chief Executive Officer
- Statement of Performance for the year ended 30 June 2023



INDEPENDENT LIMITED ASSURANCE REPORT

To the Members of the ACT Legislative Assembly

Conclusion

I have undertaken a limited assurance engagement on the statement of performance of the Independent Competition and Regulatory Commission (Commission) for the year ended 30 June 2023.

Based on the procedures performed and evidence obtained, nothing has come to my attention to indicate the results of the accountability indicators reported in the statement of performance for the year ended 30 June 2023 are not in agreement with the Commission's records or do not fairly reflect, in all material respects, the performance of the Commission, in accordance with the *Financial Management Act 1996*.

Basis for conclusion

I have conducted the engagement in accordance with the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. My responsibilities under the standard and legislation are described in the 'Auditor-General's responsibilities' section of this report.

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and the ACT Audit Office applies Australian Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information or Other Assurance or Related Services Engagements*.

I believe that sufficient and appropriate evidence was obtained to provide a basis for my conclusion.

Responsibilities of the Commission for the statement of performance

The Chief Executive Officer is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

Auditor-General's responsibilities

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*, the Auditor-General is responsible for issuing a limited assurance report on the statement of performance of the Commission.

My objective is to provide limited assurance on whether anything has come to my attention that indicates the results of the accountability indicators reported in the statement of performance are not in agreement with the Commission's records or do not fairly reflect, in all material respects, the performance of the Commission, in accordance with the *Financial Management Act 1996*.

In a limited assurance engagement, I perform procedures such as making inquiries with representatives of the Commission, performing analytical review procedures and examining selected evidence supporting the results of accountability indicators. The procedures used depend on my judgement, including the assessment of the risks of material misstatement of the results reported for the accountability indicators.

Limitations on the scope

The procedures performed in a limited assurance engagement are less in extent than those required in a reasonable assurance engagement and consequently the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, I do not express a reasonable assurance opinion on the statement of performance.

This limited assurance engagement does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations; or
- adequacy of controls implemented by the Commission.



Rosa San Miguel
Audit Principal, Financial Audit
12 September 2023



INDEPENDENT COMPETITION AND REGULATORY COMMISSION

Statement of Performance for the Year Ended 30 June 2023

Statement of Responsibility

In my opinion, the Statement of Performance is in agreement with the Independent Competition and Regulatory Commission's records and fairly reflects the service performance of the Independent Competition and Regulatory Commission for the financial year ended 30 June 2023 and also fairly reflects the judgements exercised in preparing the Statement of Performance for the financial year ended 30 June 2023.

Yours sincerely,

Lachlan Phillips
Acting Chief Executive Officer
Independent Competition and Regulatory Commission

31 August 2023

Table 4: Statement of performance for the year ended 30 June 2023

Statement of intent accountability indicators	Original target 2022-23	Actual result 2022-23	Variance from original target	Explanation of material variances	Notes
Water and sewerage services pricing	Price determination for regulatory period from 1 July 2023, in line with terms of reference from ACT Government.	Price determination for regulatory period from 1 July 2023, in line with terms of reference from ACT Government.	-		1
Retail electricity pricing	Annual price adjustment	Annual price adjustment	-		2
Utilities compliance and performance monitoring	1 report	1 report	-		3
Utility licence fees (water, sewerage services and certain energy sector utilities not subject to energy industry levy)	Licence fees determination and collection	Licence fees determination and collection	-		4
Utility levies (energy sector)	5 determinations	5 determinations	-		5
Industry Code determinations	Determinations as required	No determinations required	na		
Capital Contributions Code (water and sewerage infrastructure upgrades)	1 annual review and 1 approval of precinct map update if required	1 annual review and 1 approval of precinct map update	-		6
Advice on industry-related matters or competition policy issues	Subject to receipt of references	No references received	na		

The above accountability indicators were reviewed by the ACT Audit Office in accordance with the *Financial Management Act 1996*.

Explanation of accountability indicators for the year ended 30 June 2023

The Statement of Performance is to be read in conjunction with the following information:

Notes

1. On 10 December 2021, we received an industry reference to investigate, and determine a price direction for regulated water and sewerage services for the regulatory period 1 July 2023 to 30 June 2028. We released a draft report on 21 October 2022 and a final report and price direction on 1 May 2023, in accordance with the terms of reference. Our reports and price direction are available on our website. The price direction is available on our website: *Report 2 of 2023—Regulated water and sewerage services*²¹ as is the final report: *Report 3 of 2023—Regulated water and sewerage services: 2023-28*.²²
2. Each year, we are required to update the maximum average percentage change by which ActewAGL can increase its regulated retail tariffs under our price direction for standing offer electricity prices for small customers from 1 July 2020 to 30 June 2024. The price direction is available on our website: *Report 10 of 2020—Price Direction: Standing Offer Prices for the Supply of Electricity to Small Customers*.²³
 1. We updated the maximum average percentage change for the 12 months from 1 July 2023 in accordance with the price direction. The report was published on 7 June 2023 and is available on our website: *Report 4 of 2023—Retail electricity price recalibration 2023-24: standing offer prices for the supply of electricity to small customers*.²⁴
 3. Licensed utilities providing certain infrastructure services must submit a Utility Licence Annual Report that details how they met their non-technical licence conditions, relevant laws, industry codes, and other relevant regulatory obligations in the relevant year. On 12 April 2023, we published a monitoring report on the utilities' performance in 2021-2022. The report is available on our website: *Report 1 of 2023—Utility Licence Annual Report (ULAR) and National Energy Retail Law (NERL) Retailer Compliance Report 2021-22*.²⁵ The report also includes a section on how well the NERL retailers performed in delivering services and complying with customer protections.
 4. We determined the annual licence fees payable by certain licenced utilities under the *Utilities Act 2000* for the year ending 30 June 2023 and collected those fees accordingly. The determination was notified on 10 November 2022 and can be accessed on the ACT Legislation Register²⁶ or through our website.²⁷

²¹ https://www.icrc.act.gov.au/__data/assets/pdf_file/0004/2215462/Price-Direction-2023-28.pdf

²² https://www.icrc.act.gov.au/__data/assets/pdf_file/0006/2215455/Regulated-water-and-sewerage-services-2023-28-final-report.pdf

²³ https://www.icrc.act.gov.au/__data/assets/pdf_file/0011/1556183/Electricity-Price-Direction-2020-24.pdf

²⁴ https://www.icrc.act.gov.au/__data/assets/pdf_file/0003/2233758/20230605_Retail-electricity-price-recalibration-2023-24_Final-A41849531.pdf

²⁵ https://www.icrc.act.gov.au/__data/assets/pdf_file/0009/2204388/2021-22-Utility-Licence-Annual-Report-ULAR.pdf

²⁶ <https://www.legislation.act.gov.au/ni/2022-572/>

²⁷ <https://www.icrc.act.gov.au/utilities-licensing/licence-fees-and-the-energy-industry-levy>

5. As the Levy Administrator, the Commission's Chief Executive Officer made 5 determinations under Part 3A of the *Utilities Act 2000* for the year ending 30 June 2023. These determinations are used to impose a levy on energy utilities to recover the ACT's national and local regulatory costs of regulating the energy industry sectors. The determinations were published 6 October 2022 and can be accessed on the ACT Legislation Register²⁸ or through our website.²⁹
6. On 6 June 2023, we approved the updated precinct map for 2023-24 submitted by Icon Water and set the 2023-24 capital contributions charge for water and sewerage infrastructure upgrades under the Water and Sewerage Capital Contribution Code³⁰ made under section 58 of the *Utilities Act 2000*. The updated precinct map for 2023-24 is available on our website.³¹ A summary of our review of the capital contributions charge is included in our final report into regulated water and sewerage prices, which is available on our website: *Report 3 of 2023—Regulated Water and Sewerage Services: 2023-28*.³²

²⁸ [Utilities \(Energy industry levy - national regulatory costs\) Determination 2022 | Notifiable instruments \(act.gov.au\)](#); [Utilities \(Energy industry levy – base amount\) Determination 2022 | Notifiable instruments \(act.gov.au\)](#); [Utilities \(Energy industry levy – local regulatory costs\) Determination 2022 | Notifiable instruments \(act.gov.au\)](#); [Utilities \(Energy industry levy – net regulatory cost\) Determination 2022 | Notifiable instruments \(act.gov.au\)](#); [Utilities \(Energy industry levy – other\) Determination 2022 | Notifiable instruments \(act.gov.au\)](#)

²⁹ <https://www.icrc.act.gov.au/utilities-licensing/licence-fees-and-the-energy-industry-levy>

³⁰ https://www.icrc.act.gov.au/__data/assets/pdf_file/0008/1250279/Report-10-Final-Determination-CCC.pdf

³¹ <https://www.icrc.act.gov.au/water-and-sewerage/water-and-sewerage-capital-contribution-code>

³² https://www.icrc.act.gov.au/__data/assets/pdf_file/0006/2215455/Regulated-water-and-sewerage-services-2023-28-final-report.pdf#page=61&zoom=100,72,646

APPENDIX 3 SECTION 9 REPORTING REQUIREMENTS

Section 9 of the ICRC Act sets out specific reporting requirements the Commission must address in its annual report:

- investigations
- final reports and special reports
- price directions
- advice about proposed access agreements
- the number of access agreements notified
- arbitration disputes
- determinations of arbitration disputes
- number of notices issued under section 41
- general use by the Commission of information and documents obtained as a result of notices issued under section 41
- any other functions exercised by the Commission.

Investigations

Regulated water and sewerage services price investigation 2023-28

On 15 December 2021, the Treasurer gave the Commission terms of reference to undertake an investigation into, and make a price direction for, the prices Icon Water Limited can charge for regulated water and sewerage services.³³ The price direction will be for the period from 1 July 2023 to 30 June 2028.

The final report for the price investigation was published on 1 May 2023.

Retail electricity price investigation 2023-27

On 1 June 2023, the Commission received terms of reference from the Treasurer to determine a price direction for the supply of electricity to small customers. The price direction will be for the period from 1 July 2024 to 30 June 2027.

The final report for the price investigation will be published before 1 June 2024.³⁴

³³ *Independent Competition and Regulatory Commission (Regulated Water and Sewerage Services) Terms of Reference Determination 2021 DI2021-278*

³⁴ https://www.icrc.act.gov.au/__data/assets/pdf_file/0006/2249745/2023-97.PDF

Final reports and special reports

Electricity Price Reset

On 7 June 2023, the Commission published the retail electricity price recalibration 2023-24 of regulated retail electricity prices for ActewAGL's small customers.³⁵

Regulated water and sewerage services final report

On 1 May 2023, the Commission published its final report into regulated water and sewerage services from 1 July 2023 to 30 June 2028.³⁶

Price directions

Regulated water and sewerage services price direction 2023-28

On 1 May 2023, the Commission released the price direction for regulated water and sewerage services from 1 July 2023 to 30 June 2028.³⁷

Access agreements

Our responsibilities for access agreements, in relation to infrastructure facilities, are set out in Part 5 of the ICRC Act. We did not receive any notifications under Part 5 in 2021-22.

Arbitration of disputes

Part 6 of the ICRC Act provides for disputes about an access regime to be referred to the Commission for arbitration. No disputes were referred to us in 2021-22.

Notices issued under section 41 and general use of information obtained

Section 41 of the ICRC Act provides that we can, by written notice, require a person to give us information or a document that may assist us in exercising our functions. We did not issue any notices to provide information under section 41 of the ICRC Act in 2021-22.

³⁵ https://www.icrc.act.gov.au/__data/assets/pdf_file/0003/2233758/20230605_Retail-electricity-price-recalibration-2023-24_Final-A41849531.pdf

³⁶ https://www.icrc.act.gov.au/__data/assets/pdf_file/0006/2215455/Regulated-water-and-sewerage-services-2023-28-final-report.pdf

³⁷ https://www.icrc.act.gov.au/__data/assets/pdf_file/0004/2215462/Price-Direction-2023-28.pdf

Other functions exercised by the commission

Section 8(1)(g) and section 8(2) of the ICRC Act set out other functions of the Commission. We exercised the following functions under the Utilities Act in 2022-23:³⁸

- variation of the ACT retail electricity (transparency and comparability) code under section 61 Utilities Act (DI2023-14)
- determination of the energy industry levy under sections 54E, 54F, 54GA and 54H Utilities Act (NI2022-487, NI2022-488, NI2022-489, NI2022-490, and NI2022-491)
- determination of the annual licence fee under section 52 Utilities Act (NI2022-572)
- granting a utility licence to Lumea Pty Ltd under section 37 of the Utilities Act (NI2022-360)
- utility licence annual reporting under section 25(2)(d) of the Utilities Act.

³⁸ Notifiable (NI) and disallowable (DI) instruments are available on the ACT Legislation Register website at <http://www.legislation.act.gov.au/>

APPENDIX 4 ANNUAL REPORTS (GOVERNMENT AGENCIES) NOTICE 2023 (NI2023-272) COMPLIANCE STATEMENT

The Commission must comply with the Annual Report Directions (the Directions). The Directions made under section 8 of the Annual Reports Act. The Directions are found at the ACT Legislation Register: www.legislation.act.gov.au.

The Compliance Statement indicates the subsections, under Parts 1 to 5 of the Directions, that are applicable to the Commission and the location of information that satisfies these requirements:

Part 1 Directions overview

The requirements under Part 1 of the Directions relate to the purpose, timing and distribution, and records keeping of annual reports. The Commission has complied with all subsections of Part 1 under the Directions.

To meet Section 15: Feedback, Part 1 of the Directions, our contact details are provided within the ICRC Annual Report of 2022-23 to help readers with the opportunity to provide feedback.

Part 2 Reporting entity Annual report requirements

The requirements within Part 2 of the Directions are mandatory for all reporting entities and the Commission complies with all subsections. The information that satisfies the requirements of Part 2 is found in the ICRC Annual Report of 2022-23 as follows:

- Transmittal Certificate
- Organisational Overview and Performance, inclusive of all subsections
- Financial Management Reporting, inclusive of all subsections

Part 3 Reporting by exception

We have no information to report by exception under Part 3 of the Directions for the 2022-23 reporting year.

Part 4 Directorate and Public Sector Body Specific Annual Report Requirements

The following subsections of Part 4 of the 2023 Directions are applicable to the Commission and can be found within the ICRC Annual Report of 2022-23:

Section 9 reporting requirements—Appendix 3.

Part 5 Whole of government annual reporting

All subsections of Part 5 of the Directions apply to the Commission. Consistent with the Directions, the information satisfying these requirements is reported in the one place for all ACT Public Service directorates, as follows:

- Bushfire Risk Management, see the annual report of the Justice and Community Safety Directorate
- Human Rights, see the annual report of the Justice and Community Safety Directorate
- Legal Services Directions, see the annual report of the Justice and Community Safety Directorate
- Public Sector Standards and Workforce Profile, see the annual State of the Service Report; and
- Territory Records, see the annual report of Chief Minister, Treasury and Economic, Development Directorate.

ACT Public Service Directorate annual reports are found at the following web address:
http://www.cmd.act.gov.au/open_government/report/annual_reports.

APPENDIX 5 COMMISSION'S PUBLICATIONS 2022-23

Report Number	Report Title
Report 5 of 2022	Annual Report 2021-22 (October 2022)
Report 6 of 2022	Draft Report on Regulated water and sewerage services 2023-28 (October 2022)
Report 7 of 2022	Draft Water Price Direction 2023 - 28 (October 2022)
Report 1 of 2023	2022-2023 Utility Licence Annual Reports (ULAR) (April 2023)
Report 2 of 2023	Price Direction- Regulated water and sewerage services 2023-28 (May 2023)
Report 3 of 2023	Final Report- Regulated water and sewerage services 2023-28 (June 2023)
Report 4 of 2023	Retail electricity price recalibration 2023-24 (June 2023)

GLOSSARY AND ABBREVIATIONS

Term	Definition
ABN	Australian Business Number
ACAT	ACT Civil Administrative Tribunal
ACT	Australian Capital Territory
ASO4	Administrative Services Office Level 4
ASO5	Administrative Services Office Level 5
ASO6	Administrative Services Office Level 6
ACTPS	ACT Public Service
CCC	Consumer Consultative Committee
CDS	Container Deposit Scheme
CEO	Chief Executive Officer
CNG	Compressed natural gas
CPC	Consumer Protection Code
CRP	Controlled Recurrent Payments
DI	Disallowable instrument
DDO	Designated Disclosure Officer
FOI	Freedom of information
FOI Act	<i>Freedom of Information Act 1989</i>
FTE	Full-time equivalent
FY	Financial year
GPO	General payment for outputs
Human Rights Act	<i>Human Rights Act 2004</i>
ICRC	Independent Competition and Regulatory Commission
ICRC Act	<i>Independent Competition and Regulatory Commission Act 1997</i>
ICT	Information and communications technology
LPG	Liquid Petroleum Gas
MLA	Member of the Legislative Assembly
NERL	National Energy Retail Law
NSW	New South Wales
NI	Notifiable instrument
PO	Post Office
SES	Senior Executive Service
SOGA	Senior Officer Grade A
SOGB	Senior Officer Grade B
SOGC	Senior Officer Grade C
Utilities Act	<i>Utilities Act 2000</i>
WH&S Act	<i>Work Health and Safety Act 2011</i>

ALPHABETICAL INDEX

Aboriginal and Torres Strait Islander.....	18, 32
ACT electricity (transparency and comparability) code	13
Asset management.....	31
Assets	29
Audit.....	15, 74
Capital works.....	31
Chief Executive Officer, CEO.....	70, 76, 83
Commission’s publications.....	82
Community engagement and support	17
Competitive neutrality	i, 27
Consultation	17
Consumer Protection Code.....	14, 18, 83
Electricity	12, 13, 14, 18, 26, 27, 28, 74, 75, 82
Financial Management.....	24, 25, 31, 74
Financial statements	25, 31
Fraud prevention	16
Freedom of information, FOI.....	16, 83
Government contracting.....	31
Human resources management	19
ICRC Act.....	i, 11, 18, 27, 83
Internal audit	15
Liabilities.....	30
Procurement.....	31, 32
Risk Management	15
Scrutiny.....	14
Section 9 reporting requirements.....	77
Senior Commissioner	i, 1, 11, 15, 16, 18, 31
Statement of Performance.....	70, 75
Statement of Responsibility.....	70
Water	13, 14, 17, 23, 74, 76, 82



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