

TASMANIA

**WATER AND SEWERAGE LEGISLATION
(CORPORATE GOVERNANCE AND PRICING)
AMENDMENT BILL 2018**

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**WATER AND SEWERAGE LEGISLATION
(CORPORATE GOVERNANCE AND PRICING)
AMENDMENT BILL 2018**

*(Brought in by the Treasurer, the Honourable Peter Carl
Gutwein)*

A BILL FOR

An Act to amend the *Water and Sewerage Corporation Act 2012* to enable the Crown to hold shares in, and have certain rights in relation to, the Corporation, and to amend the *Water and Sewerage Industry Act 2008* in relation to pricing, and for related purposes

Be it enacted by Her Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:

PART 1 – PRELIMINARY

1. Short title

This Act may be cited as the *Water and Sewerage Legislation (Corporate Governance and Pricing) Amendment Act 2018*.

2. Commencement

The provisions of this Act commence on a day or days to be proclaimed.

*Water and Sewerage Legislation (Corporate Governance and
Pricing) Amendment Act 2018
Act No. of 2018*

s. 3

Part 2 – Water and Sewerage Corporation Act 2012 Amended

**PART 2 – WATER AND SEWERAGE CORPORATION
ACT 2012 AMENDED**

3. Principal Act

In this Part, the *Water and Sewerage Corporation Act 2012** is referred to as the Principal Act.

4. Section 6 amended (Principal objectives of Corporation)

Section 6(1)(c)(ii) of the Principal Act is amended by omitting “its members” and substituting “such of its members as are councils”.

5. Section 7 amended (Status of Corporation)

Section 7(1)(b) of the Principal Act is amended by omitting “council” and substituting “member”.

6. Section 10 amended (Ownership and restrictions on sale and issue of securities)

Section 10 of the Principal Act is amended as follows:

- (a) by inserting in subsection (1) “, or the Crown,” after “councils”;

*No. 51 of 2012

*Water and Sewerage Legislation (Corporate Governance and
Pricing) Amendment Act 2018
Act No. of 2018*

Part 2 – Water and Sewerage Corporation Act 2012 Amended

s. 7

- (b) by omitting subsection (2);
- (c) by inserting in subsection (4) “or to the Crown” after “shareholdings”.

7. Section 14 amended (Board of Corporation)

Section 14(3)(b) of the Principal Act is amended by inserting “or of the Crown” after “council”.

8. Section 21 amended (Distribution of dividends)

Section 21 of the Principal Act is amended as follows:

- (a) by omitting from subsection (2)(a) “members” and substituting “members, who are not the Crown,”;
- (b) by omitting from subsection (2)(d) “members” and substituting “members who are not the Crown”;
- (c) by omitting from subsection (3) “members” and substituting “members who are not the Crown”;
- (d) by inserting the following subsection after subsection (3):
 - (4) The constitution of the Corporation must not provide that the Crown is entitled to any dividends or that dividends may be paid to the Crown.

Water and Sewerage Legislation (Corporate Governance and Pricing) Amendment Act 2018
Act No. of 2018

s. 9 Part 2 – Water and Sewerage Corporation Act 2012 Amended

9. Sections 22 and 23 repealed

Sections 22 and 23 of the Principal Act are repealed.

10. Section 42 repealed

Section 42 of the Principal Act is repealed.

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Act No. of 2018

Part 3 – Water and Sewerage Industry Act 2008 Amended

s. 11

**PART 3 – WATER AND SEWERAGE INDUSTRY ACT
2008 AMENDED**

11. Principal Act

In this Part, the *Water and Sewerage Industry Act 2008** is referred to as the Principal Act.

12. Section 65 amended (Price and service plan)

Section 65 of the Principal Act is amended as follows:

(a) by inserting the following subsection after subsection (6):

(6A) A regulated entity may, without the approval of the Regulator, amend a proposed price, in relation to a service, that is set out, in relation to a year, in the entity's price and service plan, if the price as so amended does not exceed the maximum price, in relation to the service, that is specified, in relation to the year, in a price determination in relation to the entity.

(b) by inserting in subsection (10) “, including such a plan as amended under this section” after “subsection (5)”.

*No. 13 of 2008

*Water and Sewerage Legislation (Corporate Governance and
Pricing) Amendment Act 2018
Act No. of 2018*

s. 13

Part 3 – Water and Sewerage Industry Act 2008 Amended

13. Section 66 amended (Price determinations)

Section 66 of the Principal Act is amended as follows:

- (a) by omitting paragraph (a) from subsection (3);
- (b) by omitting paragraph (b) from subsection (3) and substituting the following paragraph:
 - (b) fixing a maximum price, or maximum rate of increase of price, for a regulated service;
- (c) by omitting paragraph (c) from subsection (3);
- (d) by omitting from subsection (3)(e) “a price” and substituting “a maximum price, or maximum rate of increase of price,”;
- (e) by omitting from subsection (3)(f) “a price” and substituting “a maximum price, or maximum rate of increase of price,”;
- (f) by omitting from subsection (3)(g) “and minimum” first occurring;
- (g) by omitting from subsection (3)(g) “or maximum rate of increase or decrease or minimum rate of increase or decrease in the maximum and minimum revenue”;

Water and Sewerage Legislation (Corporate Governance and Pricing) Amendment Act 2018
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Part 3 – Water and Sewerage Industry Act 2008 Amended

s. 14

(h) by inserting the following subsection after subsection (3):

(3A) Nothing in this section is to be taken to permit a price determination made under this section to set –

(a) a price, other than a maximum price or maximum rate of increase of price; or

(b) an amount of revenue other than a maximum amount of revenue.

14. Part 6 repealed

Part 6 of the Principal Act is repealed.

*Water and Sewerage Legislation (Corporate Governance and
Pricing) Amendment Act 2018
Act No. of 2018*

s. 15

Part 4 – Concluding Provision

PART 4 – CONCLUDING PROVISION

15. Repeal of Act

This Act is repealed on the three hundred and sixty fifth day from the day on which all of the provisions of this Act commence.