

Electricity Industry Restructuring (Response to Auditor-General Report) Bill 2008

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

This Bill is cognate with the *Electricity Industry Restructuring Bill 2008 (No 2)*.

Overview of Bill

The object of this Bill is to impose the following additional requirements on the restructuring of the State's electricity industry under the proposed *Electricity Industry Restructuring Act 2008 (the EIR Act)* in response to the report of the Auditor-General on the restructuring:

- (a) the Government will be required to determine the retention value to the State and a reserve price for State electricity assets before any State electricity assets are transferred to the private sector,
- (b) the Secretary of the Treasury will be required to continuously evaluate the manner in which the restructuring is proposed to be implemented (including the method and timing of transactions),
- (c) the lease of a power station must not provide for the lessor to indemnify the lessee in respect of any liability under any carbon pollution reduction scheme of the Commonwealth.

The Bill also requires Country Energy to continue the operation of its customer service centres in the localities listed in Schedule 1 to the Bill.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the commencement of the provision of the EIR Act that authorises the restructuring of the State's electricity industry.

Clause 3 provides for the proposed Act to be construed as if it formed part of the EIR Act.

Clause 4 requires the Government to determine the retention value to the State and a reserve price for State electricity assets before any State electricity assets are transferred to the private sector.

Clause 5 requires the Secretary of the Treasury to continuously evaluate the manner in which the restructuring is proposed to be implemented, including the method and timing of transactions, having regard to specified factors.

Clause 6 prohibits the terms of a lease of a power station from providing indemnity to the lessee in respect of any liability of the lessee under any carbon pollution reduction scheme of the Commonwealth that accrues in connection with the operation of the power station.

Clause 7 requires the continued operation of Country Energy customer service centres in the localities specified in Schedule 1.

Clause 8 is a general regulation-making power.

Schedule 1 Country Energy customer service centre localities

Schedule 1 lists the localities in which Country Energy customer service centres are required to continue to operate.