

Regulatory fees and levies

Document No: N-11300-PL2064 A880766

Date: 16/12/2024

1. Background

The Offshore Infrastructure Regulator (OIR) is provided with functions and powers under the Offshore Electricity Infrastructure Act 2021 (OEI Act)¹. The OIR is responsible for regulating work health and safety, **infrastructure integrity**² and environmental management of **offshore infrastructure activities**³ in the **Commonwealth offshore area**⁴.

2. Purpose

The purpose of this policy is to provide a documented, systematic, and consistent approach to the administration of regulatory fees and levies payable to the OIR in accordance with the OEI Act framework. This document should be read in conjunction with the OIR's Cost recovery policy.

3. Scope

This policy applies to fees payable to the OIR for the receipt, processing and subsequent assessment of applications made. This policy also covers levies payable by licence holders for compliance as provided for under the OEI Act framework.

This document is not legally binding and is provided to inform stakeholders as to how the OIR administers cost recovery charging activities. This document reflects the current policies of the OIR, which may change from time to time, with all changes being notified publicly.

4. Relevant legislation

The following Commonwealth legislation gives direction to the administration of regulatory fees and levies payable to the OIR:

- *Offshore Electricity Infrastructure Act 2021* (OEI Act)
 - *Offshore Electricity Infrastructure (Regulatory Levies) Act 2021* (OEI Levies Act)
-

¹ See section 8 and Part 2 of the OEI Act

² See section 8 of the OEI Act

³ Ibid

⁴ Ibid

- Offshore Electricity Infrastructure Regulations 2022 (OEI Regulations)
- Offshore Electricity Infrastructure (Regulatory Levies) Regulations 2022 (OEI Levies Regulations)
- Work Health and Safety Regulations 2011 (Cth) (WHS Regulations) as applied under the OEI Regulations
- A New Tax System (Goods and Services Tax) Regulations 2019.

This policy does not cover requirements beyond the scope of the OEI Act framework and related legislation listed above. Duty holders should be aware of and comply with all other Commonwealth, State and Territory legislative requirements that may apply to their activities.

5. Fees and levies

The OIR's work is to be fully cost recovered through a combination of fees and levies collected from regulated entities. A fully cost recovered regime allows the OIR to deliver high quality regulatory services and ensure the costs of administering the regulatory framework are borne by the offshore renewables industry.

The OIR's cost recovery charges comprise an annual compliance levy implemented through the different *licence*⁵ types and fees charged on applications made to the OIR for the approval of activities under the OEI Act framework.

Levies are classified as being exempt from the Goods and Services Tax (GST) under the A New Tax System (Goods and Services Tax) Regulations 2019.

5.1. Calculation and notification of fees

Cost recovery fees comprise two components:

- an application fee; and
- an assessment fee.

5.1.1. Application fees

An application fee becomes due and payable on receipt of an application by the OIR. The fee charged is reflective of the effort and specialist skills required to manage the receipt of submissions, registration in the OIR's management systems and publication of applications where required.

As noted in section 189(5)(a) of the OEI Act, an application under the OEI Act and the applied work health and safety provisions is taken to have been made only if the application fee has been paid.

Application fees are non-refundable. If an application is withdrawn by the applicant, or the application is refused by the OIR, the application fee will not be refunded.

⁵ Ibid

Regulation 146 of the OEI Regulations sets out the fees for dealing with the following applications made to the OIR.

Table 1. Schedule of application fees

Kind of application	Amount
Initial plan approval application	\$10,000
Plan revision approval application	\$10,000
Safety zone application	\$10,000
Protection zone application	\$10,000

5.1.2. Assessment fees

Assessment fees will cover costs incurred for effort and specialist skills required to assess the technical detail of each application. The amount payable for any fee will not exceed the total costs to the OIR for assessing an application. The cost-based rate is established with consideration to the hourly rate of OIR staff and is reviewed annually and inclusive of fixed corporate overheads. The fee may include costs associated with specialist external advice where necessary.

In accordance with Regulation 148(4) the OIR may remit the whole or a part of an amount of an assessment fee if the OIR considers that there are good reasons for doing so. Any decision to remit an amount will be consistent with the principle of full cost recovery.

If an application is withdrawn by the applicant or refused by the OIR, any assessment fees due will be invoiced.

The assessment fee will become due when the OIR issues an invoice to the applicant, payable according to the requirements of the invoice. For extended assessments, invoicing will occur quarterly. In accordance with Regulation 148(5) where an amount of an assessment fee has been invoiced and remains unpaid after a reasonable period, the OIR may decline to continue the assessment until the invoiced amount is paid.

Regulation 148 sets out the fees for performing or exercising functions or powers in relation to the following applications made under the OEI Regulations.

Table 2. Schedule of assessment fees

Function or power	Amount
Assessing an initial plan approval application	Assessment fee
Assessing a plan revision approval application	Assessment fee
Assessing a design notification	Assessment fee
Assessing a safety zone application	Assessment fee
Assessing a protection zone application	Assessment fee

5.1.3. WHS fees

Schedule 2 of the modified WHS Regulations sets out the fees for dealing with the applications made under the applied WHS provisions. WHS fees are a combination of application and assessment fees.

Table 3. Schedule of WHS fees

Function or power	Amount	When fee is to be paid
Approval of course of training in work health and safety	\$5,500 (capped)	On invoice
Approval of course of training in workplace entry by WHS entry permit holders	\$5,500 (capped)	On invoice
Application for high-risk work licence	\$200 (fixed)	On application
Application for replacement high-risk licence document	\$50 (fixed)	On application
Application for renewal of high-risk work licence	\$100 (fixed)	On application
Diving safety management system	\$30,000 (capped)	On invoice
Diving safety management system revision	\$15,000 (capped)	On invoice
Application for general construction induction training card	\$100 (fixed)	On application
Application for asbestos removal licence	\$5,500 (capped)	On invoice
Application for replacement asbestos removal licence document	\$50 (fixed)	On application
Application for renewal of asbestos removal licence	\$50 (fixed)	On application
Application for major hazard facility licence	\$55,000 (capped)	On invoice
Application for renewal of major hazard facility licence	\$55,000 (capped)	On invoice

5.1.4. Capped fees

For WHS fees described as **capped**⁶ in Table 3, the amount of the fee is the lesser of the amount specified in the item and the total amount of the expenses incurred by the OIR in performing or exercising the function or power or dealing with the application.

The fee is:

- due when the OIR issues an invoice for the fee to the person who requested the performance or exercise of the function or power, or made the application
- payable by that person

⁶ see Schedule 2 (2) of the applied WHS provisions

- payable in accordance with the requirements of the invoice.

Where an amount of the fee is owed by a person, the OIR may decline to perform the function or exercise the power to which the fee relates until the amount is paid.

5.2. Calculation and notification of levies

An annual compliance levy payable to the OIR is applied to an OEI licence according to the licence type and, for certain licence types, the size of the licence area, calculated in accordance with the Part 2 of the OEI Levies Regulations.

The compliance levy is imposed for each period of 12 months for which the licence is held and is due within 30 days of the licence being granted or after an anniversary of that day. The OIR will advise licence holders of their levy obligations by way of a levy notification and payment terms are to be in accordance with these notifications.

Where a licence ceases to be in effect or parts of the licence area become vacated during payment periods, adjustments to levies will be assessed and administered in accordance with Part 3 of the OEI Levies Regulations and part 4 of the OEI Regulations.

6. Related documents

Department of Finance - Australian Government Cost Recovery Guidelines, July 2014

N-11300-PL2222 – Policy – Cost recovery

N-17101-PL2102 – Policy – Sharing information with Australian agencies