

VICTORIA

AMENDMENTS TO MINERAL RESOURCES DEVELOPMENT ACT REGULATIONS*

A number of regulations made under the *Minerals Resources Development Act 1990 (Vic)* expire on 28 October 2002. The Department of Natural Resources and Environment is proposing that the following regulations be remade in some form before this date:

- *Mineral Resources (Disclosure of Interest) Regulations 1991;*
- *Mineral Resources (Health and Safety) Regulations 1991;*
- *Mineral Resources (Infringements) Regulations 1991;*
- *Mineral Resources (Royalties) Regulations 1991; and*
- *Mineral Resources (Titles) Regulations 1991.*

The DNRE invited submissions on possible amendments to the regulations by 28 February 2002. It is expected that another opportunity to comment on the proposed new regulations will be provided as part of the public consultation that will occur when the making of the new regulations and regulatory impact statement is advertised around June or July 2002.

STANDARD COMPENSATION AGREEMENT*

The Victorian Minerals and Energy Council has successfully completed negotiations with the Victorian Farmers Federation on revisions to the standard Compensation Agreement for exploration on private land in Victoria.

Under s 43(1)(e) of the *Mineral Resources Development Act 1990 (Vic)* ("the Act") the holder of an exploration licence must not carry out any work (other than low impact exploration) on the land covered by the licence unless a number of conditions have been satisfied, including, if the land affected is private land -

- (i) the licensee has obtained the written consent of the owners and occupiers of the land affected; or
- (ii) the licensee has made and registered compensation agreements with those owners and occupiers; or
- (iii) the amount of compensation payable to those owners and occupiers has been determined under Part 8 of the Act; or
- (iv) the licensee has purchased the land affected.

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The requirement specified by s 43(1)(e) can be waived by the Department Head if the licensee is unable to determine the name and address of the owners and occupiers of the land.

The purpose of the Compensation Agreement that has been agreed by the Victorian Minerals and Energy Council and the Victorian Farmers Federation is to encourage the achievement of a quick and low cost agreement between explorers and owners and occupiers of private land that can be registered under the Act. Once the agreement is registered and the requirements of the other provisions of s 43 are met (relating to the approval of the licensee's work plan, the lodgement of a rehabilitation bond, the obtaining of any other approvals required under the Act and the giving of notice of an intention to commence work), work under the exploration licence can commence.

The standard Compensation Agreement allows the explorer to undertake exploration in the areas of the property that are defined in exchange for various covenants by the explorer. For example, the explorer must comply with the requirements of the Act and the exploration licence, cause minimum disturbance to the property and rehabilitate the affected areas of the property. The agreement also contains a schedule where the most typical exploration activities are listed. The owner /occupier is entitled to a payment that the parties must agree on in respect of each activity that is to be undertaken.

A copy of the standard Compensation Agreement is available from the Victorian Minerals and Energy Council.

MARKETING CODE OF CONDUCT FOR ELECTRICITY FULL RETAIL COMPETITION*

The Victorian electricity market was opened to full retail contestability on 13 January 2002. While discussions regarding market compliance have been ongoing since early 2000, the Essential Services Commission released, in February 2002, a draft Code of Conduct for Marketing Retail Electricity along with a discussion paper outlining the substance of the Code. The Code will regulate retailers' participation in the electricity retail market and is designed to ensure that minimum standards are met in the marketing of electricity to small and domestic consumers of electricity. Compliance with the Code is required under the retailers' licence for retailers who sell or intend to sell electricity to customers consuming less than 160 MWh per year.

The Code incorporates provisions of the Victorian *Fair Trading Act* 1999 and the federal *Trade Practices Act* 1974, specifically those that relate to misleading and deceptive behaviour. It also addresses such matters as customers' informed consent to entering non-standard contracts, disclosure of information, contact hours, training and auditing. The main objects of the Code are to protect customers, facilitate competition in the market and provide mechanisms for dispute resolution. The Code will apply only to retailers licensed in Victoria and their agents. However, under the *Fair Trading Act* 1999, the Department of Consumer and Business Affairs is empowered to mandate the Code to apply to independent brokers. The Department of Consumer and Business

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