

# **Liquid Fuel Supply (Ethanol and Other Biofuels Mandate) Amendment (Postponement) Regulation 2016**

Explanatory notes for SL 2016 No.190

made under the

*Acts Interpretation Act 1954*

*Liquid Fuel Supply (Ethanol and Other Biofuels Mandate) Amendment Act 2015*

## **General Outline**

### **Short title**

*Liquid Fuel Supply (Ethanol and Other Biofuels Mandate) Amendment (Postponement) Regulation 2016*

### **Authorising law**

Section 15DA of the *Acts Interpretation Act 1954* (AIA).

Section 2 of the *Liquid Fuel Supply (Ethanol and Other Biofuels Mandate) Amendment Act 2015* (the Act).

### **Policy objectives and the reasons for them**

The policy objective is to start the biofuels mandate for biobased petrol and biobased diesel on 1 January 2017. The mandate will require certain fuel sellers to sell a minimum prescribed percentage of biobased fuel each calendar quarter.

On 1 December 2015, the Honourable Mark Bailey MP, Minister for Main Roads, Road Safety and Ports and Minister for Energy, Biofuels and Water Supply announced in Parliament the Government's intention to start the biofuels mandate on 1 January 2017. The 1 January 2017 start date is necessary to give sufficient time for industry to adjust to the mandate. The Postponement Regulation is needed to give effect to that decision.

### **Achievement of policy objectives**

The Postponement Regulation extends the automatic commencement date of those provisions in the Act which have not yet commenced to the end of 31 December 2016. As a result, the deferred provisions will start on 1 January 2017.

## **Consistency with policy objectives of authorising law**

The Postponement Regulation is not inconsistent with the main objectives of the Act which are to:

- provide assurance to existing ethanol and biodiesel producers and stimulate investment in a biofuels industry in Queensland;
- contribute to regional growth and jobs creation;
- reduce greenhouse gas emissions from motor vehicle; and
- take advantage of the emerging second generation technologies for biofuels from a range of feedstock.

## **Inconsistency with policy objectives of other legislation**

The Postponement Regulation is not inconsistent with the policy objectives of other legislation.

## **Alternative ways of achieving policy objectives**

There are no alternate means to achieve the policy objectives effectively.

## **Benefits and costs of implementation**

There will be no new or additional costs to Government resulting from the Postponement Regulation. Delaying the automatic commencement to 1 January 2017 will also avoid an unnecessary reporting burden on fuel sellers. Under the Act, fuel seller reporting requirements are aligned with calendar quarters. Starting these provisions at the beginning of a new calendar quarter will reduce complexity for affected fuel sellers.

## **Consistency with fundamental legislative principles**

The Postponement Regulation has been drafted having regard to the Fundamental Legislative Principles outlined in the *Legislative Standards Act 1992*.

## **Consultation**

The decision to delay commencement until 1 January 2017 arose from changes to the biofuels mandate made in response to feedback received through the Utilities, Science and Innovation Committee's examination of the *Liquid Fuel Supply (Ethanol and Other Biofuels Mandate) Amendment Bill*. The Committee's examination included public consultation.

As the Postponement Regulation is machinery in nature, a Regulatory Impact Statement is not required.