

Rural and Regional Adjustment (Electric Vehicle Charging Infrastructure Scheme) Amendment Regulation 2022

Explanatory Notes for SL 2022 No. 90

made under the

Rural and Regional Adjustment Act 1994

General Outline

Short title

Rural and Regional Adjustment (Electric Vehicle Charging Infrastructure Scheme) Amendment Regulation 2022

Authorising law

Sections 3,10,11 and 44 of the *Rural and Regional Adjustment Act 1994* (the Act).

Policy objectives and the reasons for them

The Queensland Government released *Queensland's Zero Emission Vehicle Strategy 2022-2032* (Strategy) and *Action Plan 2022-2024* (Action Plan) on 16 March 2022, which reaffirms the Government's commitment to support Queensland's shift to zero net emissions by 2050 through a number of targets, including that 50 per cent of new passenger vehicle sales will be zero emission by 2030, and moving to 100 per cent by 2036.

It is intended that Queensland communities will benefit from the Strategy through improved air quality, quieter neighbourhoods and streets, and improved health for the community and the broader environment.

Research studies and stakeholder feedback received during the development of the Strategy identified that a significant barrier to the purchase of zero emission vehicles in Queensland is a perceived lack of accessible fast charging infrastructure.

To help realise the goals of the Action Plan, the Queensland Government is supporting the development of additional public fast charging infrastructure across Queensland through a \$10 million *Electric Vehicle Charging Infrastructure Scheme* (Scheme).

Supporting local government and industry investment in fast charging infrastructure will encourage increased uptake and the transition to zero emission vehicles in Queensland

by overcoming barriers, such as: reducing consumer 'range' anxiety and improving regional connectivity to the zero emission vehicles charging network, thereby increasing zero emission vehicle visits to Queensland regional tourist areas which, in turn, will provide economic outcomes to Queensland regions.

The primary purpose of the *Rural and Regional Adjustment (Electric Vehicle Charging Infrastructure Scheme) Amendment Regulation 2022* (Amendment Regulation) is to enable the Queensland Rural and Industry Development Authority (QRIDA) to administer the Scheme. This will increase the availability of public fast charging infrastructure to improve regional connectivity by providing financial assistance to local governments, government-owned entities, and industry, with up to a maximum of \$3 million and a maximum of 50 per cent of the capital costs of electric vehicle fast charging infrastructure.

Achievement of policy objectives

The policy objective will be achieved by amending the *Rural and Regional Adjustment Regulation 2011* to establish the Scheme as an approved assistance scheme under the *Rural and Regional Adjustment Act 1994* (the Act). This enables QRIDA to administer the Scheme, as QRIDA can only provide financial assistance under an approved assistance scheme prescribed by regulation under the Act.

QRIDA will be able to provide financial assistance to successful applicants in the form of a grant. The grant is made to assist in establishing or upgrading infrastructure for charging electric vehicles for use by the public throughout Queensland up to a maximum of \$3 million and a maximum of 50 per cent of the costs.

The financial assistance will only apply to the cost of purchasing, installing and commissioning infrastructure for electric vehicle fast charging equipment, and does not include: costs associated with the purchase of land where the infrastructure will be located; expenses associated with preparing an application under the Scheme; sales or promotional activities; or costs associated with the infrastructure's ongoing maintenance, operation, or administration.

Applications under the Scheme will be subject to a two-stage competitive, merit-based process involving the assessment of an expression of interest and, if successful, a detailed application for which QRIDA will give consideration to the following merit criteria which align with Government objectives:

- Value for money
- Location and demand
- Capabilities and performance
- Quality of project design
- Network access
- Support of jobs and economic growth.

The Scheme will commence 1 July 2022 and operate until the funds are exhausted.

Consistency with policy objectives of authorising law

The Amendment Regulation is consistent with the policy objectives of the Act. The Act establishes QRIDA primarily to administer assistance schemes which foster the development of a more productive and sustainable rural and regional sector in

Queensland. QRIDA may also support the State's economy by administering approved assistance schemes to assist primary producers, small business, and other sectors during periods of temporary difficulty, or to otherwise benefit the Queensland economy.

Inconsistency with policy objectives of other legislation

This Amendment Regulation is not inconsistent with the policy objectives of any other legislation.

Alternative ways of achieving policy objectives

An alternative way to achieve the policy objective would be to have an entity other than QRIDA provide the assistance. However, QRIDA was established to provide assistance and support to the State's economy and has significant experience and expertise in administering grants funding. Given QRIDA's established expertise, QRIDA is the most appropriate entity to administer the Scheme.

Benefits and costs of implementation

QRIDA has extensive experience in administering grant, loan, rebate, and payment schemes for government and is well placed to administer the Scheme.

The Scheme is designed to provide greater access to electric vehicle charging infrastructure across Queensland by supporting industry and local government investment in the infrastructure. This will encourage an increase in the uptake and transition to zero emission vehicles in Queensland and assist in achieving the targets set out in the Strategy to accelerate Queensland towards a cleaner, greener transport future.

Encouraging a transition to electric vehicles will benefit Queensland communities through improved air quality, quieter neighbourhoods, and improved health, and contribute to the Government's emission reduction commitments.

The Queensland Government has allocated a budget of \$10 million over two financial years (2022-2024) to the Scheme. The total cost to the Queensland Government will depend on the level of uptake.

Consistency with fundamental legislative principles

The Amendment Regulation has been drafted with regard to, and is consistent with, the fundamental legislative principles as defined in section 4 of the *Legislative Standards Act 1992*.

Consultation

To help shape the Strategy, extensive consultation was conducted by the Department of Transport and Main Roads with the community, transport and energy industries, environmental and sustainability interest groups, and local and State government agencies. A public survey attracted responses and written submissions from more than 4,700 Queenslanders. There was direct engagement with over 100 stakeholders, and local government and industry workshops.

The consultation identified that a significant barrier to the purchase of zero emission vehicles in Queensland is a perceived lack of accessible fast charging infrastructure. The Scheme will address this barrier by supporting industry and local government investment in the infrastructure to provide greater access to electric vehicle fast charging infrastructure across Queensland.

The Department of Agriculture and Fisheries consulted the Office of Best Practice Regulation (OBPR), on whether the amendments are excluded from further analysis under the *Queensland Government Guide to Better Regulation*. The OBPR noted that the proposed changes enable QRIDA to administer payments and do not increase the regulatory burden on business or the community; participation is voluntary. OBPR advised that no further regulatory impact analysis was required.

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