



Queensland

# Liquid Fuel Supply Regulation 2016

## Subordinate Legislation 2016 No. 203

made under the

*Liquid Fuel Supply Act 1984*

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## Part 1 Preliminary

### 1 Short title

This regulation may be cited as the *Liquid Fuel Supply Regulation 2016*.

### 2 Commencement

This regulation commences on 1 January 2017.

### 3 Definitions

The dictionary in schedule 2 defines particular words used in this regulation.

## Part 2 Threshold amount for fuel retailers

### 4 Threshold amount—Act, s 35A

For the Act, section 35A(5), definition *threshold amount*, paragraph (a), the amount prescribed is 500,000L.

## Part 3 Sustainability criteria for biofuels

### Division 1 Sustainability criteria

#### 5 Sustainability criteria

- (1) For the Act, schedule 1, definition *sustainable biobased diesel*, the sustainability criteria for biobased diesel are stated in schedule 1, part 2.

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- (2) For the Act, schedule 1, definition *sustainable biobased petrol*, the sustainability criteria for biobased petrol are stated in schedule 1, part 3.

## **Division 2                    Equivalent standards**

### **6                    Purpose of division**

This division provides for the chief executive (environment) to approve a standard as an equivalent standard for a sustainability standard.

### **7                    When chief executive (environment) may approve standard**

- (1) The chief executive (environment) may approve a standard as an equivalent standard for a sustainability standard if the chief executive (environment) is satisfied the standard provides for sustainability measures that are at least equivalent to the sustainability standard.
- (2) The chief executive (environment) must publish a list of each standard that is approved as an equivalent standard for each sustainability standard on the environment department's website.
- (3) In this section—

*environment department* means the department in which the *Environmental Protection Act 1994* is administered.

### **8                    Application for approval of standard**

- (1) A person may apply to the chief executive (environment) to approve a standard under this division.
- (2) The application must—
  - (a) be made in the approved form; and

- (d) give the information necessary to enable the chief executive (environment) to decide the application.
- (3) The chief executive (environment) may give the person a written notice asking the person to give to the chief executive (environment), in the reasonable period stated in the notice, further information the chief executive (environment) reasonably considers necessary to decide the application.

## **9 Deciding application**

- (1) For deciding an application under section 8, the chief executive (environment) must—
  - (a) approve the standard as an equivalent standard for a sustainability standard; or
  - (b) refuse to approve the standard as an equivalent standard for a sustainability standard.
- (2) In deciding whether to approve the standard, the chief executive (environment) must have regard to—
  - (a) the sustainability measures set out in the standard compared to the sustainability measures set out in the sustainability standard; and
  - (b) any adverse impact the production of biofuel in accordance with the standard may have on—
    - (i) biodiversity, ecosystems and areas of high conservation value; or
    - (ii) surface and ground water quality, including, for example, from nutrient or sediment runoff; or
    - (iii) soil quality, including, for example, from soil degradation; and
  - (c) anything else the chief executive (environment) considers relevant.
- (3) The chief executive (environment) may refuse to approve the standard if—

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- (a) the chief executive (environment) has given the person a notice under section 8(3) asking for further information; and
- (b) the person does not comply with the request in the period stated in the notice.

## **10 Notice of decision on application**

- (1) The chief executive (environment) must, within 10 days after making a decision under section 9, give the person notice of the decision.
- (2) If the chief executive (environment)'s decision is to refuse to approve the standard, the notice must be a QCAT information notice.
- (3) Subsection (4) applies if the chief executive (environment) fails to give the person a notice about the decision—
  - (a) within 40 days after the application is made; or
  - (b) if the person gave the chief executive (environment) further information requested under section 8(3)—within 40 days after receiving the further information.
- (4) The chief executive (environment) is taken to have refused to approve the standard.

## **11 Review by QCAT**

A person given, or entitled to be given, a QCAT information notice under section 10(2) may apply, as provided under the QCAT Act, to QCAT for an external review of the decision.

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## Part 4 Transitional provision

### 12 Sustainability criteria for biofuel produced in Australia before commencement

- (1) For the Act, schedule 1, definition *sustainable biobased diesel*, the sustainability criteria for biobased diesel produced in Australia before the commencement is that the diesel was produced under an environmental approval relating to the production of biobased diesel.
- (2) For the Act, schedule 1, definition *sustainable biobased petrol*, the sustainability criteria for biobased petrol produced in Australia before the commencement is that the petrol was produced under an environmental approval relating to the production of biobased petrol.
- (3) Subsections (1) and (2) apply despite section 5 and schedule 1.
- (4) In this section—  
*environmental approval* means—
  - (a) for biofuel produced in Queensland—an environmental authority under the *Environmental Protection Act 1994*; or
  - (b) for biofuel produced outside Queensland—an environmental approval (however described) under an Act or law, of the Commonwealth or another State, about the protection of the environment.

# Schedule 1 Sustainability criteria for biofuels

section 5

## Part 1 Preliminary

### 1 What is the *greenhouse gas criterion*

- (1) For this schedule, the *greenhouse gas criterion* for biofuel is that the greenhouse gas emissions for the production and use of the biofuel are at least 20% less than the greenhouse gas emissions for the production and use of the relevant equivalent fuel.
- (2) Whether biofuel meets the criterion mentioned in subsection (1) must be worked out using a lifecycle assessment complying with both of the following standards—
  - (a) ISO 14040:2006;
  - (b) ISO 14044:2006.
- (3) However—
  - (a) for section 4, whether biobased diesel meets the criterion mentioned in subsection (1) may be worked out using the RSB lifecycle methodology if the biobased diesel is appropriately certified as mentioned in section 4(2)(b); and
  - (b) for section 8, whether biobased petrol meets the criterion mentioned in subsection (1) may be worked out using the RSB lifecycle methodology if the biobased petrol is appropriately certified as mentioned in section 8(3)(b)(i) or (4)(b).
- (4) In this section—

*relevant equivalent fuel* means—

  - (a) for biobased petrol—regular petrol; or



(b) for biobased diesel—diesel.

***RSB lifecycle methodology*** means the RSB lifecycle GHG emission calculation methodology under the RSB global standard.

## Part 2                      Biobased diesel

### 2                      Biobased diesel produced from palm oil

- (1) Biobased diesel produced from palm oil (whether or not in combination with another source) must—
  - (a) be appropriately certified; and
  - (b) comply with the greenhouse gas criterion.
- (2) For subsection (1), biobased diesel is ***appropriately certified*** if—
  - (a) each supply chain entity for the biobased diesel is certified under—
    - (i) the RSPO standard; or
    - (ii) an equivalent standard; and
  - (b) if the biobased diesel is produced from palm oil in combination with another source—the biobased diesel is appropriately certified as mentioned in section 4(2).

### 3                      Biobased diesel produced from only waste

Biobased diesel produced from only waste must comply with the greenhouse gas criterion.

### 4                      Other biobased diesel

- (1) Biobased diesel not otherwise mentioned in this part must—
  - (a) be appropriately certified; and
  - (b) comply with the greenhouse gas criterion.

- (2) For subsection (1), biobased diesel is *appropriately certified* if each supply chain entity for the biobased diesel is certified under—
- (a) the International Sustainability and Carbon Certification system in accordance with the ISCC EU standard or the ISCC PLUS standard; or
  - (b) the RSB global standard; or
  - (c) an equivalent standard.

## **Part 3                      Biobased petrol**

### **5                      Biobased petrol produced from oil palm**

- (1) Biobased petrol produced from oil palm (whether or not in combination with another source) must—
- (a) be appropriately certified; and
  - (b) comply with the greenhouse gas criterion.
- (2) For subsection (1), biobased petrol is *appropriately certified* if—
- (a) each supply chain entity for the biobased petrol is certified under—
    - (i) the RSPO standard; or
    - (ii) an equivalent standard; and
  - (b) if the biobased petrol is produced from oil palm in combination with another source—the biobased petrol is appropriately certified as mentioned in section 8(3) or (4).

### **6                      Biobased petrol produced in Australia from sugarcane**

- (1) Biobased petrol produced in Australia from sugarcane (whether or not in combination with another source) must—
- (a) be appropriately certified; and
  - (b) comply with the greenhouse gas criterion.

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- (2) Subsection (1)(a) does not apply to biobased petrol produced at an existing facility after the commencement but before 30 June 2017.

*Note—*

See also section 12(2) of this regulation.

- (3) For subsection (1), biobased petrol is *appropriately certified* if—
- (a) the biobased petrol is produced using the prescribed percentage of accredited sugarcane; and
  - (b) if the biobased petrol is produced from sugarcane in combination with another source—the biobased petrol is appropriately certified as mentioned in section 8(3) or (4).

- (4) In this section—

*accredited sugarcane* means sugarcane produced by a person—

- (a) accredited under the ‘Smartcane Best Management Practices (BMP)’ program administered by the Queensland Cane Growers Organisation Ltd; or
- (b) certified under an equivalent standard.

*new facility* means a facility at which biobased petrol was not being produced immediately before the commencement.

*prescribed percentage* means—

- (a) for biobased petrol produced at an existing facility in the period starting 1 July 2017 and ending 30 June 2018—at least 15%; or
- (b) for biobased petrol produced at an existing facility in the period starting 1 July 2018 and ending 30 June 2019—at least 30%; or
- (c) for biobased petrol produced at an existing facility in the period starting 1 July 2019 and ending 30 June 2020—at least 60%; or
- (d) for biobased petrol produced at an existing facility on or after 30 June 2020—100%; or

- (e) for biobased petrol produced at a new facility—100%.

## 7 **Biobased petrol produced from only waste**

Biobased petrol produced from only waste must comply with the greenhouse gas criterion.

## 8 **Other biobased petrol**

- (1) Biobased petrol not otherwise mentioned in this part must—
- (a) be appropriately certified; and
  - (b) comply with the greenhouse gas criterion.
- (2) Subsection (1)(a) does not apply to biobased petrol produced at an existing facility after the commencement but before 30 June 2018.

*Note—*

See also section 12(2) of this regulation.

- (3) For subsection (1), biobased petrol produced in Australia is ***appropriately certified*** if the facility at which the biobased petrol is produced—
- (a) is certified under—
    - (i) the International Sustainability and Carbon Certification system in accordance with the ISCC EU standard or the ISCC PLUS standard; or
    - (ii) an equivalent standard; or
  - (b) is operated by an entity that is certified under—
    - (i) the RSB global standard; or
    - (ii) an equivalent standard.
- (4) For subsection (1), biobased petrol produced outside Australia is ***appropriately certified*** if each supply chain entity for the biobased petrol is certified under—
- (a) the International Sustainability and Carbon Certification system in accordance with the ISCC EU standard or the ISCC PLUS standard; or

- (b) the RSB global standard; or
- (c) an equivalent standard.

## Schedule 2 Dictionary

### section 3

**biofuel** means—

- (a) biobased petrol; or
- (b) biobased diesel.

**certified**, in relation to an equivalent standard, means certified, accredited or otherwise formally recognised.

**chief executive (environment)** means the chief executive of the department in which the *Environmental Protection Act 1994* is administered.

**equivalent standard**, for a sustainability standard, means a standard approved by the chief executive (environment), under part 3, division 2, as an equivalent standard for the sustainability standard.

**existing facility** means a facility at which biobased petrol was being produced immediately before the commencement.

**greenhouse gas criterion**, for schedule 1, see schedule 1, section 1.

**ISCC EU standard** means the document titled ‘ISCC 201, System Basics’, version 3.0, published by the International Sustainability and Carbon Certification.

**ISCC PLUS standard** means the document titled ‘System Basics, ISCC PLUS Standard for the certification of sustainable biomass and its processing steps, ISCC PLUS 201’, version 2.0, published by the International Sustainability and Carbon Certification.

**ISO 14040:2006** means the standard titled ‘ISO 14040:2006 Environmental management—Life cycle assessment—Principles and framework’, published by the International Organization for Standardization.

**ISO 14044:2006** means the standard titled ‘ISO 14044:2006 Environmental management—Life cycle assessment—Requirements and guidelines’, published by the International Organization for Standardization.

**QCAT information notice** means a notice complying with the QCAT Act, section 157(2).

**RSB global standard** means the standard titled ‘RSB Principles & Criteria for Sustainable Biofuel Production’, version 2.1, published by the Roundtable on Sustainable Biomaterials.

**RSPO standard** means the document titled ‘Principles and Criteria for the Production of Sustainable Palm Oil’, 2013, ratified by the RSPO General Assembly in May 2013.

**standard** means a code, guideline, program, protocol, standard or other instrument or series of instruments, whether made in or outside Australia, relating to the production of biofuel or a source from which biofuel may be produced.

**supply chain entity**, for biofuel, means an entity responsible for a step in the supply chain for the production of the biofuel, including, for example, an entity responsible for—

- (a) the production of the source of the biofuel; or
- (b) the processing of the source of the biofuel; or
- (c) the conversion of the biofuel source into the biofuel.

**sustainability standard** means a standard mentioned in schedule 1.

ENDNOTES

- 1 Made by the Governor in Council on 10 November 2016.
- 2 Notified on the Queensland legislation website on 11 November 2016.
- 3 The administering agency is the Department of Energy and Water Supply.

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