




Speech By
Hon. Mark Bailey

MEMBER FOR YEERONGPILLY

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MINISTERIAL STATEMENT

Biofuels

 **Hon. MC BAILEY** (Yeerongpilly—ALP) (Minister for Main Roads, Road Safety and Ports and Minister for Energy, Biofuels and Water Supply) (10.07 am): Queensland biofuels can power our vehicles, diversify our fuel mix and reduce emissions. By supporting the use of biofuels, we have an opportunity to drive growth in our regional areas, create jobs and add value to the state's abundant agricultural resources. An important part of our biofutures agenda is the introduction of a biofuels mandate, which will commence on 1 January 2017. I am pleased to confirm that the Palaszczuk government is actively preparing for the commencement of the mandate to ensure that industry is in the best possible position to transform Queensland into a renewable energy economy.

The mandate requires fuel retailers to sell the required amount of E10—three per cent; in other words, 30 per cent of fuel volume sales—where they own or operate 10 or more sites or have sale volumes at a site above a certain threshold. The act allows this threshold to be adjusted by regulation. As indicated would happen at the time that the parliament gave unanimous support to the legislation, the Palaszczuk government has now undertaken further analysis on the most appropriate threshold. Today, I can announce that, following very strong industry response to initial reporting requirements, the government will set the threshold at 500,000 litres of petrol sold per site and calendar quarter. This change is expected to significantly reduce the number of small businesses that need to comply with the mandate. Over half of those that no longer need to comply are expected to be businesses outside South-East Queensland.

We are reducing the regulatory burden on independent small businesses while maintaining the overall policy outcome for the biofuels industry. The regulation to give effect to this change is now being drafted and will be in place before the end of the year. I am also pleased to advise the House that we have finalised the exemption guideline for the mandate, and I table a copy.

Tabled paper: Department of Energy and Water Supply: Biofuels exemption guide, August 2016 [[1426](#)].

The guideline neither expands nor restricts the application of the legislation this parliament has put in place. Rather, it provides clarity and certainty for industry by explaining some of the scenarios in which an exemption application might be approved. It also provides guidance around the process and types of information that should support an exemption application. While exemptions are not the first or preferred option, some fuel sellers may have specific circumstances that justify the grant of an exemption from the mandate for a period of time.

I would like to convey my appreciation to the state's fuel industry, including its wholesalers, service station representatives and biofuels producers, for their contribution to both the threshold and the exemptions framework, as well as our Department of Energy and Water Supply staff who are doing a fantastic job. This constructive approach stands us in good stead for the commencement of the

mandate. We know that Queensland is driving the nation's biofuels industry. As we move to a renewable energy future for Queensland, the biofuels mandate will provide certainty to ensure that the biofuels industry can invest, innovate and grow and, of course, most importantly, support jobs in our regions.