



## COVERSHEET

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|-------------------------------|---|-----------------------------|----------------------|
| <b>Minister</b>               | Hon Dr Megan Woods                              | <b>Portfolio</b>            | Energy and Resources |
| <b>Title of Cabinet paper</b> | <b>Fuel Industry Amendment Regulations 2022</b> | <b>Date to be published</b> | 5 May 2022           |

| <b>List of documents that have been proactively released</b> |   |  |
|--|---|--|
| <b>Date</b>  | <b>Title</b>  | <b>Author</b>                                  |
| March 2022   | Fuel Industry Amendment Regulations 2022                    | Office of the Minister of Energy and Resources |
| 30 March 2022  | Fuel Industry Amendment Regulations 2022<br>DEV-22-MIN-0064 | Cabinet Office                                 |

### **Information redacted**

**YES / NO**

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

In Confidence

Office of the Minister of Energy and Resources  
Cabinet

## Fuel Industry Amendment Regulations 2022

### Proposal

- 1 This paper seeks authorisation for submission to the Executive Council of the Fuel Industry Amendment Regulations 2022 (the amendment regulations).

### Executive Summary

- 2 I am making the amendment regulations to require certain fuel industry participants to disclose specific information on their wholesale and retail fuel margins. I consider that regulations are desirable to monitor whether the reduction to petrol excise duty as well as any consequent GST reduction is being passed through to consumers in a manner that is expected in a competitive market, in order to promote competition in engine fuel markets for the long-term benefit of end users of engine fuel products.
- 3 I seek a waiver from the 28-day rule so that the regulations can come into force on 1 April 2022. I consider it is desirable that regulations come in to force as soon as possible, to ensure information is available as soon as possible to enable monitoring of the fuel market in relation to the pass through of the tax reduction to consumers during the period of reduction in the rate of petrol excise duty.

### Policy

- 4 On Monday 14 March 2022, Cabinet agreed to reduce the rate of petrol excise duty by 25 cents per litre (cpl) and to make an equivalent reduction to road user charges for a period of three months [CAB-22-MIN-0073 refers] to address the impacts on households and businesses from increases in prices of petrol and diesel, driven by global fuel price increases. To give effect to this change, the Excise and Excise-equivalent Duties Table (Temporary Reduction of Motor Spirits Duty) Amendment Order 2022 came into force on 15 March 2022.
- 5 Following this decision, Cabinet Business Committee, with Power to Act, agreed to make changes to the Fuel Industry Regulations 2021 to require certain fuel industry participants to disclose specific information on their wholesale and retail fuel margins to the Ministry of Business, Innovation and Employment (MBIE) [CBC-22-MIN-0023 refers].

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- 6 Information disclosure requirements will enable monitoring of the performance of fuel markets in relation to the continued pass through of the reduction to petrol excise duty agreed by Cabinet as well as any consequent GST reduction in a manner that is expected in a competitive market.
- 7 The amendment regulations are being made under the Fuel Industry Act 2020 (the Act), which allows for regulations to be made prescribing requirements relating to record keeping, and the retention and disclosure of information, about engine fuel markets.

*Feedback was sought on proposed information disclosure requirements*

- 8 Fuel industry participants were consulted on information disclosure proposals and on an exposure draft of regulations. Fuel industry participants that submitted noted:
  - 8.1 Timely provision of accurate disclosures may be difficult for many fuel industry participants. To address this and ensure that data is meaningful, I propose that the regulations should require fuel importers and wholesale suppliers and distributors to disclosure information on an indicative basis weekly on the second working day after the period to which disclosures relate. This will be followed by any correction on the 21<sup>st</sup> day of the calendar month.
  - 8.2 I consulted on a requirement to disclose four weeks' worth of historical margin data to provide a baseline for margin monitoring. Some participants noted information relating to four weeks before the petrol excise duty reduction was introduced was unusually volatile and will not be sufficient to provide a useful baseline for analysis of before and after the reduction was made. To address this, the regulations require three months of historical data from before the excise duty change.
  - 8.3 There are different payment mechanisms for different taxes outlined in the proposal as some are levied on import, some on dispatch from Customs Controlled areas and some on delivery. The regulations should seek information on taxes accrued rather than taxes incurred.
  - 8.4 Some fuel importers noted that to enable more accurate costs to be disclosed, that the cost of goods sold should take into account international shipping and wharfage costs.

*I seek agreement for policy changes following feedback on draft regulations*

- 9 Following feedback from industry participants and further consideration on the requirements I seek your agreement for the following policy changes to be reflected in regulations:
  - 9.1 To clarify the specific requirements for the transitional time period where historical information is required to be disclosed, I seek your agreement that:

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- 9.1.1 Fuel importers are required to disclose, by 5 April 2022, information as specified in the regulations, for each day in the period from 15 December 2021 to the commencement of these regulations;
- 9.1.2 Wholesale suppliers and distributors are required to disclose, by 5 April 2022, information as specified in the regulations, for each week in the period from 15 December 2021 until the commencement of regulations;
- 9.2 I seek your agreement to require that information disclosed after the regulations come into force must be recorded and retained by fuel industry participants for a period of seven years after the date that the information is disclosed to MBIE. This would align with the record keeping requirements for other information disclosures by fuel industry participants, under the Fuel Industry Amendment Regulations 2021 that are to come into force on 1 April 2022 [CAB-21-MIN-0457.01 refers].
- 9.3 Acknowledging that there are different payment mechanisms for different taxes, to address feedback from submitters I seek your agreement to clarify that the disclosure obligation applied to taxes accrued, rather than taxes incurred.
- 9.4 To ensure that fuel industry participants are able to provide meaningful indicative data, I seek your agreement that fuel industry participants be required to disclose information on an indicative basis weekly on the second working day after the week to which the disclosures relate.
- 9.5 To enable more accurate costs to be disclosed, I seek your agreement that the information disclosed by fuel importers on costs of goods sold should include international shipping and wharfage costs.
- 10 For clarity, I also note that fuel industry participants will be required to disclose the information specified in the regulations in the form and manner specified by the Chief Executive of MBIE. Fuel industry participants were provided with a draft of the proposed disclosure template for feedback alongside draft regulations.

*Fuel Industry Amendment Regulations 2022*

- 11 The amendment regulations will require information from fuel industry participants on their wholesale and retail margins, including from:
  - 11.1 fuel importers; and
  - 11.2 wholesale suppliers and distributors (who are not also fuel importers).

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- 12 The types of information that the amendment regulations will require from fuel industry participants includes:
- 12.1 volumes of fuels sold;
  - 12.2 revenue earned from fuels sold;
  - 12.3 costs of engine fuels (for fuel importers, the cost to replace the engine fuel sold including international shipping and wharfage costs; for wholesale supplier and distributors, the actual price paid for the engine fuel sold); and
  - 12.4 taxes and levies accrued in relation to engine fuels sold.
- 13 Fuel importers and wholesale suppliers and distributors (who are not importers) will be required to disclose information on an indicative basis weekly. Fuel industry participants will be able to provide any corrections to the information disclosed by the 21<sup>st</sup> day of the calendar month after the disclosure. Information disclosure requirements will apply to 91 Octane, 95 Octane, 98 Octane and diesel.
- 14 I seek authorisation for the submission of the amendment regulations to Executive Council.

**Timing and 28-day rule**

- 15 It is desirable that the regulations come into force as soon as possible, to align with the period of time when the rate of petrol excise duty is reduced by 25 cpl. This will require a waiver of the 28-day rule. The grounds for the waiver are
- 15.1 that early commencement is necessary to avoid the defeat of the purpose of the regulations. Government has reduced the rate of petrol excise duty for a period of three months from 15 March 2022. Information is required as close as possible to this date to enable monitoring of the fuel market in relation to the pass through of the tax reduction to consumers during the period of the change.
  - 15.2 that the amendment regulations will have little or no effect on the public and will confer benefit by enabling monitoring of whether the reduction to petrol excise duty as well as any consequent GST reduction is passed through to consumers in a manner that is expected in a competitive market.
- 16 Affected industry stakeholders have been made aware of the proposed amendment regulations and will be updated on final decisions as soon as is possible.

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## Compliance

- 17 The amendment regulations comply with each of the following:
- 17.1 the principles of the Treaty of Waitangi;
  - 17.2 the principles and guidelines set out in the Privacy Act 2020 (if the regulations raise privacy issues, indicate whether the Privacy Commissioner agrees that they comply with all relevant principles);
  - 17.3 relevant international standards and obligations;
  - 17.4 the Legislation Guidelines (2018 edition), which are maintained by the Legislation Design and Advisory Committee.

### *Rights and freedoms contained in the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993*

- 18 I note that the provisions of the regulations may engage the right to freedom of expression and the right to be secure from unreasonably search and seizure under sections 14 and 21 of the New Zealand Bill of Rights Act 1990 (BORA).
- 19 Section 14 of the BORA provides that everyone has the right to freedom of expression, including the freedom to seek, receive and impart information and opinions of any kind in any form. The right has been interpreted as including the right not to be compelled to say certain things or provide certain information.
- 20 The amendment regulations require fuel industry participants to disclose certain information and/or regulate how information must be imparted. The amendment regulations will:
- 20.1 require certain fuel industry participants to make disclosures of information relating to engine fuel prices
  - 20.2 require information to be disclosed in respect of the period between 15 December 2021 and 31 March 2022
- 21 Section 21 of the BORA provides that everyone has the right to be secure against unreasonable search and seizure, whether of the person, property or correspondence or otherwise. We note that the information disclosure requirements proposed in the paragraph above could constitute a 'search'. A search is consistent with section 21 of the BORA if it is 'reasonable'.
- 22 I consider that if requirements to disclose information under the regulations constitutes a 'search', it is reasonable and proportionate for the purpose of s 21. The requirement for fuel importers, wholesale suppliers, and resellers to disclose information under the regulations is necessary to provide the chief executive with sufficient information to assess whether the Fuel Industry Act 2020 is fulfilling its purpose.

- 23 Any limitation on the right to freedom of expression under section 14 of BORA can be reasonably justified under section 5 of BORA, which provides that the rights and freedoms protected under BORA may be such reasonable limits prescribed by law as can be demonstrably justified in a free and democratic society.
- 24 I consider the requirement in regulations for fuel importers, wholesale suppliers, and resellers to disclose information to the chief executive of MBIE is rationally connected with the Act's purpose of promoting competition in engine fuel markets for the long-term benefit of end users of engine fuel products and is a proportionate response.
- 25 The requirement to disclose information under the regulations limits the right to freedom of expression under s 14 no more than is reasonably necessary to achieve their purpose. The regulations will enable monitoring of whether the reduction in petrol excise duty (as well as any consequent GST reduction) is passed through to consumers in a manner that is expected in a competitive market. The information disclosure requirements proposed are necessary for monitoring in line with the purpose of the Act and of Subpart 4 of the Act. Regulations are being made now in order to understand whether a lack of competition could limit whether the full amount of the fuel excise levy reduction is passed on to consumers.

*Statutory prerequisites for the making of the regulations*

- 26 Section 27 of the Act provides that before regulations are made, I, as the Minister of Energy and Resources must be satisfied that the regulations are necessary or desirable after having regard to the purposes of the Act and subpart 4 of the Act.
- 27 The Cabinet paper [CBC-22-MIN-0023 refers] noted that I consider regulations are desirable to monitor whether the reduction to petrol excise duty as well as any consequent GST reduction is passed through to consumers in a manner that is expected in a competitive market, in order to promote competition in engine fuel markets for the long-term benefit of end users of engine fuel products.
- 28 Section 27 of the Act also provides that before regulations can be made, I must consult with fuel industry participants that I consider are likely to be significantly affected by the proposed regulation.
- 29 On Friday 18 March 2022, I wrote to fuel importers, wholesale suppliers and distributors, seeking their feedback by 8am, Monday 21 March on proposed information requirements. Following this feedback, targeted consultation on an exposure draft of the regulations has been undertaken with fuel industry participants. Fuel industry participants were also provided with a draft of the proposed disclosure template for feedback alongside draft regulations.

- 30 While the consultation period for development of these regulations has been short, I note the urgent circumstances under which regulations have been made. The regulations are being made in response to the reduction in the rate of petrol excise duty. To enable effective monitoring of the fuel market in relation to this change, regulations must be put in place as soon as is possible after the change to the rate of petrol excise duty. I also note the following mitigations in relation to this timeframe:
- 30.1 These amendment regulations are to only be in place for the period of time until four weeks after the Excise and Excise-equivalent Duties Table (Temporary Reduction of Motor Spirits Duty) Amendment Order 2022 expires or is revoked.
- 30.2 To address difficulties relating to capability to make timely disclosure of information, the regulations require disclosure of information on an indicative basis, followed by any correction on the 21<sup>st</sup> day of the calendar month.

### **Regulations Review Committee**

- 31 The Regulations Review Committee may draw the regulations to the attention of the House of Representatives under Standing Order 327(2)(c), if it considers that requiring disclosure of information relating to the period before commencement is an unusual use of the regulation making power in section 27 of the Act. The regulation making power is framed around requiring recording and retention of certain information followed by its disclosure. Provisions in Part 2 of Schedule 1 do not retrospectively provide for information to be recorded and retained, but do require the disclosure of historical information.
- 32 I note that requiring information for the period before regulations commence is not typical, but I consider that requiring this information is necessary to achieve the purposes of the Act and of Subpart 4 of the Act. In particular, disclosure of this information will be needed to ensure that sufficient information is readily available for the Chief Executive of MBIE to assess whether the purpose of the Act is being met (consistent with the purpose of Subpart 4 of the Act).
- 33 To determine whether the purpose of the Act is being met, we will need baseline information from prior to the reduction in the rate of petrol excise duty. If the regulation making powers cannot require fuel industry participants to disclose baseline historical information, there will not be sufficient information to assess whether tax reductions are being passed through to consumers in a manner that is expected in a competitive market, and competition will not be promoted effectively in engine fuel markets for the long-term benefit of consumers. On this basis I consider that the subpart appropriately contemplates that baseline information could be required to be disclosed after commencement of the regulations.



## **Certification by Parliamentary Counsel**

- 34 The draft regulations have been certified by the Parliamentary Counsel as being in order for submission to Cabinet on the basis of paragraphs 18 to 33 of this paper and subject to a waiver of the 28-day rule.

## **Impact Analysis**

### *Regulatory Impact Analysis*

- 35 The Treasury's Regulatory Impact Analysis team has determined that the proposal to introduce changes to the Fuel Industry Regulations requiring fuel companies to provide daily disclosures on their fuel margins is exempt from the requirement to provide a Regulatory Impact Statement on the grounds that relevant issues on information disclosure have been addressed by existing impact analysis (*Regulatory Impact Statement on Fuel Industry Act 2020 – Information disclosure regulations*; CAB-21-MIN-0547.01 refers), and the marginal effect of this temporary change has only minor impacts on businesses, individuals and not-for-profit entities.
- 36 The Cabinet paper *Taking action on fuel prices: monitoring of reductions in petrol excise duty* [CBC-22-MIN-0023 refers] included an Appendix outlining the marginal impacts of the additional disclosure requirements proposed.
- 37 I note that this exemption was granted on the condition that any extension of these regulations beyond four months would require an update to the existing impact analysis referred to above

### *Climate Implications of Policy Assessment*

- 38 The Climate Implications of Policy Assessment (CIPA) team has been consulted and notes that the CIPA requirements do not apply to the proposals in this Cabinet paper as the potential emissions impact is indirect and unable to be accurately quantified.
- 39 However, these proposals intend to directly support the decision by Cabinet to reduce the Petrol Excise Duty by 25 cents per litre for three months and Road User Charges by the equivalent amount. It is likely that a price change of 25 cents per litre combined with an equivalent reduction to road user charges will have a significant negative emissions impact as it is likely to result in an increase in fuel consumption relative to if no price change occurred.

## **Publicity**

- 40 The amendment regulations will be notified in the New Zealand Gazette.
- 41 Affected fuel industry participants have been consulted during development of regulations and will be advised that the amendment regulations have been put in place.

- 42 MBIE will make summary and analysis of the information disclosed publicly available.

### Proactive release

- 43 I intend to proactively release this paper subject to any appropriate redactions under the Official Information Act 1982, within 30 business days of decisions being confirmed by Cabinet.

### Consultation

- 44 The Treasury, Ministry of Transport, New Zealand Customs Service, Ministry for the Environment, ACC, IRD, Department of Internal Affairs, Ministry of Justice and Commerce Commission were consulted on the proposals in this Cabinet paper. The Department of Prime Minister and Cabinet has been informed.
- 45 I have also consulted with fuel industry participants I consider are likely to be significantly affected by the amendment regulations as outlined in the section on statutory prerequisites above.

### Recommendations

I recommend that Cabinet:

- 1 **note** that on 21 March 2022, the Cabinet Business Committee [CBC-22-MIN-0023 refers], with Power to Act, agreed to require fuel industry participants to disclose specific information to MBIE on their wholesale and retail fuel margins for a range of engine fuels, as part of monitoring fuel market performance in relation to the pass through to consumers of reductions to petrol excise duty, as would be expected in a competitive market;
- 2 **agree** that fuel importers are required to disclose, by 5 April 2022, information as specified in the regulations, for each day in the period from 15 December 2021 until 31 March 2022;
- 3 agree that wholesale suppliers and distributors are required to disclose, by 5 April 2022, information as specified in the regulations, for each week in the period from 15 December 2021 until 31 March 2022;
- 4 **agree** that information disclosed after the regulations come into force must be recorded and retained by fuel industry participants to which the regulations apply, for a period of seven years after the date that information is disclosed to the Ministry of Business, Innovation and Employment;
- 5 **note** that on 21 March 2022, Cabinet Business Committee [CBC-22-MIN-0023 refers], with Power to Act, agreed that fuel importers be required to disclose the following information for each day (including weekends and public holidays) on an indicative basis by 12pm the following working day until four weeks after the Excise and Excise-equivalent Duties Table (Temporary Reduction of Motor Spirits Duty) Amendment Order 2022 expires or is revoked:

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- 5.1 Daily information on wholesale transactions:
  - 5.1.1 Total volume of fuel sold to resellers;
  - 5.1.2 Total revenue earned from fuel sold to resellers;
  - 5.1.3 Cost of goods sold on a replacement basis;
  - 5.1.4 All taxes and levies incurred including petrol excise duty, New Zealand Emissions Trading Scheme (NZ ETS) costs, GST, ACC petrol levy, Local Authorities Fuel Tax, Petroleum or Engine Fuel Monitoring Levy (PEFML) and Regional fuel tax;
- 5.2 Daily retail market information at an aggregate level for retail fuel sites owned by the fuel importer:
  - 5.2.1 Total volume of fuel sold from retail fuel sites;
  - 5.2.2 Total revenue earned on fuel sales at retail fuel sites;
  - 5.2.3 Cost of goods sold on a replacement basis;
  - 5.2.4 All taxes and levies incurred including petrol excise duty, NZ ETS costs, GST, ACC petrol levy, Local Authorities Fuel Tax, PEFML and Regional fuel tax;
- 6 **agree** that Cabinet rescind the decision referred to in recommendation 5;
- 7 **agree** that fuel importers be required to disclose the following information for each day (including weekends and public holidays) on an indicative basis by 5pm on the second working day after the week (from Monday to Sunday) to which disclosures relate, until four weeks after the Excise and Excise-equivalent Duties Table (Temporary Reduction of Motor Spirits Duty) Amendment Order 2022 expires or is revoked including:
  - 7.1 Daily information on wholesale transactions:
    - 7.1.1 Total volume of fuel sold to resellers;
    - 7.1.2 Total revenue earned from fuel sold to resellers;
    - 7.1.3 Cost of goods sold on a replacement basis including international shipping and wharfage costs;
    - 7.1.4 New Zealand Emissions Trading Scheme (NZ ETS) costs accrued and all taxes and levies accrued including petrol excise duty, GST, ACC petrol levy, Local Authorities Fuel Tax, Petroleum or Engine Fuel Monitoring Levy (PEFML) and Regional fuel tax;
  - 7.2 Daily retail market information at an aggregate level for retail fuel sites owned by the fuel importer:

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- 7.2.1 Total volume of fuel sold from retail fuel sites;
- 7.2.2 Total revenue earned on fuel sales at retail fuel sites;
- 7.2.3 Cost of goods sold on a replacement basis including international shipping and wharfage costs;
- 7.2.4 NZ ETS costs accrued and all taxes and levies accrued including petrol excise duty, GST, ACC petrol levy, Local Authorities Fuel Tax, PEFML and Regional fuel tax;

8 **note** that on 21 March 2022, Cabinet Business Committee [CBC-22-MIN-0023 refers], with Power to Act, agreed that wholesale suppliers and distributors (who are not importers) must be required to disclose the following information on an indicative basis weekly (from Monday to Sunday) until four weeks after the Excise and Excise-equivalent Duties Table (Temporary Reduction of Motor Spirits Duty) Amendment Order 2022 expires or is revoked:

- 8.1 The following components of an indicative wholesale margin:
  - 8.1.1 Total volume of fuel sold to resellers;
  - 8.1.2 Total revenue earned from fuel sold to resellers;
  - 8.1.3 Actual price paid for goods sold;
  - 8.1.4 All taxes and levies incurred including petrol excise duty, NZ ETS costs, GST, ACC petrol levy, Local Authorities Fuel Tax, PEFML and Regional fuel tax;
- 8.2 The following components of an indicative retail margin at an aggregate level for retail fuel sites owned by the fuel industry participant:
  - 8.2.1 Total volume of fuel sold from retail fuel sites;
  - 8.2.2 Total revenue earned on fuel sales at retail sites;
  - 8.2.3 Actual price paid for goods sold;
  - 8.2.4 All taxes and levies incurred including petrol excise duty, NZ ETS costs, GST, ACC petrol levy, Local Authorities Fuel Tax, PEFML and Regional fuel tax;

9 **agree** that Cabinet rescind the decision referred to in recommendation 8;

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- 10 **agree** that that wholesale suppliers and distributors (who are not importers) must be required to disclose the following information for each week (from Monday to Sunday) on an indicative basis by 5pm on the second working day after the week to which disclosures relate, until four weeks after the Excise and Excise-equivalent Duties Table (Temporary Reduction of Motor Spirits Duty) Amendment Order 2022 expires or is revoked, including:
- 10.1 The following components of an indicative wholesale margin:
    - 10.1.1 Total volume of fuel sold to resellers;
    - 10.1.2 Total revenue earned from fuel sold to resellers;
    - 10.1.3 Actual price paid for goods sold;
    - 10.1.4 NZ ETS costs accrued and all taxes and levies accrued including petrol excise duty, GST, ACC petrol levy, Local Authorities Fuel Tax, PEFML and Regional fuel tax;
  - 10.2 The following components of an indicative retail margin at an aggregate level for retail fuel sites owned by the fuel industry participant:
    - 10.2.1 Total volume of fuel sold from retail fuel sites;
    - 10.2.2 Total revenue earned on fuel sales at retail sites;
    - 10.2.3 Actual price paid for goods sold;
    - 10.2.4 NZ ETS costs accrued and all taxes and levies accrued including petrol excise duty, GST, ACC petrol levy, Local Authorities Fuel Tax, PEFML and Regional fuel tax;
- 11 **note** that fuel industry participants will be required to disclose the information specified in the regulations in the form and manner specified by the chief executive of MBIE;
- 12 **note** that the Fuel Industry Amendment Regulations 2022 will give effect to the decisions referred to in recommendations 1 to 10 ;
- 13 **authorise** the submission to the Executive Council of the Fuel Industry Amendment Regulations 2022;
- 14 **note** that a waiver of the 28-day rule is sought:
- 14.1 so that the regulations can come into force on 1 April 2022;
  - 14.2 on the grounds that early commencement is necessary to avoid the defeat of the purpose of the regulations, and that the Fuel Industry Amendment Regulations 2022 will have little or no effect on the public;

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- 15 agree to waive the 28-day rule so that the regulations can come into force on 1 April 2022;
- 16 note that section 27 of the Fuel Industry Act 2020 (the Act) provides that before regulations are made, I, as the Minister of Energy and Resources must be satisfied that the regulations are necessary or desirable after having regard to the purposes of the Act and subpart 4 of the Act;
- 17 **note** that I consider this requirement has been met as regulations are desirable to monitor whether the reduction to petrol excise duty as well as any consequent GST reduction is passed through to consumers in a manner that is expected in a competitive market, in order to promote competition in engine fuel markets for the long-term benefit of end users of engine fuel products [CBC-22-MIN-0023 refers];
- 18 **note** that section 27 of the Act also provides that before regulations can be made, I must consult with fuel industry participants that I consider are likely to be significantly affected by the proposed regulation;
- 19 **note** that during the development of these regulations, fuel industry participants that I consider are likely to be significantly affected were consulted on draft requirements between 18 March and 21 March, and subsequently consulted on an exposure draft of the regulations and a draft disclosure template;
- 20 **note** that while the consultation period for development of regulations has been short:
- 20.1 regulations have been made in order to be in place as soon as possible after the change to the rate of petrol excise duty to enable effective monitoring of the fuel market in relation to this change;
- 20.2 regulations are to only be in place for the period of time until four weeks after the Excise and Excise-equivalent Duties Table (Temporary Reduction of Motor Spirits Duty) Amendment Order 2022 expires or is revoked;
- 21 **note** that on the basis outlined in recommendations 19 and 20 I consider that the requirement outlined in recommendation 18 has been met.

Authorised for lodgement

Hon Dr Megan Woods  
Minister of Energy and Resources

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