

Peak Oil Response Plan Bill 2008

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to provide for the establishment of a Peak Oil Taskforce to inquire into and report on the best strategies to mitigate the impacts of peak oil. Peak oil is the point in time when the maximum rate of global petroleum production is reached, after which the rate of production will decline, with anticipated negative impacts on the global economy.

Outline of provisions

Part 1 Preliminary

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to the proposed Act.

Clause 3 defines certain words and expressions used in the proposed Act. More specifically, the clause defines **peak oil** to mean the moment in time at which the maximum rate of global petroleum production is reached.

Part 2 Peak Oil Taskforce

Clause 4 provides that the Premier is to establish a Peak Oil Taskforce (the **Taskforce**). The Taskforce is to consist of not less than 5 persons appointed by the Premier.

Clause 5 provides that the Taskforce is:

- (a) to inquire into and assess the likely negative impacts of peak oil on the State and people of New South Wales, and
- (b) to report to the Premier on the best strategies to mitigate those impacts.

Clause 6 provides that, in conducting its inquiry, the Taskforce is:

- (a) to hold public meetings, and
- (b) to invite submissions from the public and consider those submissions.

Clause 7 requires that, before preparing its report, the Taskforce is to consider (and, where possible, quantify) the following:

- (a) the oil based fuel requirements of the State and people of New South Wales up to the year 2020 (differentiated by fuel types and economic sectors),
- (b) the impact of peak oil on the Australian motor vehicle industry (including any anticipated changes to the importation of vehicles and any resulting technological developments),
- (c) the impact of peak oil on the economy and employment and whether strategies for retraining and redeployment of employees will be needed,
- (d) the effect of peak oil on:
 - (i) critical local facilities in New South Wales (such as hospitals, schools and emergency services), and
 - (ii) the provision of food and water supplies to the people of New South Wales,
- (e) the effect of peak oil on disadvantaged, regional and rural communities,

- (f) any disruption to road transport (including disruption to freight transport) caused by peak oil,
- (g) the effect of peak oil on mining in New South Wales,
- (h) whether alternative energy production and alternative fuels that can be used in substitution for petroleum and other oil based products can ameliorate the impacts of peak oil,
- (i) the effect of peak oil on food affordability and availability,
- (j) the need for public education, awareness and preparedness in anticipation of peak oil,
- (k) whether a system of fuel rationing will need to be established,
- (l) whether new public transport infrastructure and other transport infrastructure will be needed,
- (m) the likelihood of sudden fuel emergencies (similar to the 1973 and 1979 oil crises),
- (n) any other matter prescribed by the regulations under the proposed Act.

Clause 8 requires the Taskforce's report to contain:

- (a) a detailed risk management strategy to mitigate the short, medium and long term impacts of peak oil, and
- (b) strategies on how governments, business, community groups and members of the public may achieve reductions in their use of petroleum and other oil based fuels, and
- (c) a list of priority uses of petroleum and other oil based fuels after peak oil, and
- (d) a strategy to deal with sudden fuel emergencies (similar to the 1973 and 1979 oil crises).

Clause 9 provides that the Taskforce's report is to be completed and provided to the Premier within 12 months after the commencement of the proposed Act.

Clause 10 requires the Taskforce's report to be tabled by the Premier in each House of Parliament as soon as practicable after it is received by the Premier.

Part 3 Miscellaneous

Clause 11 enables the Governor to make regulations for the purposes of the proposed Act.