

Explanatory note

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

Overview of Bill

The object of this Bill is to mandate a minimum 2% ethanol content for total petrol sales in NSW by requiring primary wholesalers of petrol to ensure that the volume of ethanol sold by them (in the form of petrol-ethanol blend) is at least 2% of the volume of all petrol sold by them.

The Bill will apply only to sales to a person in NSW or for delivery in NSW.

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 a day or days to be appointed by proclamation.

Clause 3 defines certain words and expressions used in the proposed Act.

Clause 4 defines *primary wholesaler* to mean a petrol wholesaler who operates or supplies petrol from a facility that is (or is connected by pipeline to) an oil refinery, shipping facility or other pipeline connected facility.

Clause 5 limits the application of the proposed Act to sales of petrol by a primary wholesaler to a person in NSW or for delivery in NSW. Sales by one primary wholesaler to another primary wholesaler are excluded.

Part 2 Required ethanol content for petrol sales

Clause 6 requires primary wholesalers of petrol to ensure that the volume of ethanol sold by them (in the form of petrol-ethanol blend) during each relevant period is at least 2% of the volume of all petrol sold by them in the relevant period. Each 3-month period starting at the beginning of October, January, April and July is a relevant period.

Clause 7 requires primary wholesalers to furnish returns for each relevant period, showing the volume of petrol and ethanol sold in the relevant period.

Clause 8 requires primary wholesalers to keep adequate records of petrol and ethanol sales to enable them to furnish the required returns of petrol/ethanol sales.

Part 3 Compliance

Clause 9 makes it an offence for a primary wholesaler to fail to comply with the minimum 2% ethanol sales volume requirement imposed by clause 6, unless the primary wholesaler can prove that all reasonable steps were taken to comply.

Clause 10 makes it an offence for a primary wholesaler to fail to furnish the required returns or keep the required records, or to furnish or keep returns or records containing false or misleading information.

Clause 11 authorises the Minister to publish information about compliance by primary wholesalers with the requirements of the proposed Act.

Clause 12 provides for the Minister to exempt a primary wholesaler from compliance with the minimum 2% ethanol sales volume requirement in certain circumstances.

Clause 13 provides for the Minister to suspend the operation of the minimum 2% ethanol sales volume requirement in certain circumstances.

Part 4 Enforcement

Clause 14 provides for the appointment of investigators.

Clause 15 gives investigators power to obtain information, records and evidence to enforce compliance with and investigate possible contraventions of the proposed Act.

Clause 16 gives investigators power to enter and inspect premises to enforce compliance with and investigate possible contraventions of the proposed Act.

Clause 17 makes it an offence to hinder, obstruct or provide false information to an investigator or to fail to comply with a lawful requirement made by an investigator.

Clause 18 deals with the procedure for the seizure of records by an investigator.

Clause 19 provides for the regulations to require primary wholesalers to be registered under the proposed Act.

Part 5 Miscellaneous

Clause 20 establishes an Expert Panel that is to advise the Minister on any proposed exemption from or suspension of the minimum 2% ethanol sales volume requirement.

Clause 21 deals with confidentiality of information obtained in the exercise of functions under the proposed Act.

Clause 22 protects the State from liability in connection with the operation of the proposed Act.

Clause 23 provides for the taking of proceedings for offences.

Clause 24 requires the Minister's consent for the taking of proceedings for an offence against the proposed Act or regulations.

Clause 25 provides for the issue of penalty notices for offences against the proposed Act or regulations.

Clause 26 is a general regulation-making power.

Clause 27 makes a consequential amendment to the *Fines Act 1996*.

Clause 28 provides for a review of the operation of the proposed Act in 3 years.