Guidelines for ACT Fuel Restriction Scheme under the *Fuels Rationing Act 2019*

About these guidelines

These guidelines have been developed to help the fuels industry and the community understand the ACT Fuel Restriction Scheme. The scheme is a disallowable instrument of the *Fuels Rationing Act 2019*. These guidelines are a policy document that provide guidance on implementing fuel restriction measures in the unlikely event of a fuel shortage.

These guidelines are to be read in conjunction with the Fuel Restriction Scheme and the *Fuels Rationing Act 2019*, which can be found on the <u>ACT Legislation register</u>.

These guidelines came into effect with the commencement of the scheme on 11 October 2019.

The Fuels Rationing Act 2019

The *Fuels Rationing Act 2019* provides powers to the Minister to manage fuel supplies in the ACT in the unlikely event of a liquid fuel emergency.

The Act enables the Minister to develop and approve a Fuel Restriction Scheme, as a disallowable instrument, which outlines fuel rationing measures the Minister may implement in the event or likely event of a liquid fuel emergency. The scheme minimises the costs and impacts to consumers and allows for essential fuel users (such as police and emergency services) to be exempted from fuel restrictions.

The Act enables the ACT Government to respond to a liquid fuel emergency in a manner consistent with the Commonwealth and other state and territory governments. Given its geographical location, it is essential that fuel restrictions are consistent between ACT and New South Wales. ACT and NSW are committed to ensuring a harmonised response to manage liquid fuel emergencies.

The Commonwealth Government also has legislation to manage a potential national liquid fuel emergency. If the Commonwealth Minister declares a National Liquid Fuel Emergency, the Commonwealth may use powers from the *Liquid Fuel Emergency Act 1984* (Cth) to manage the emergency. The Commonwealth may delegate its powers to state and territory governments to manage a national liquid fuel emergency in each jurisdiction. Where state and territory liquid fuel emergency legislation does not align with Commonwealth legislation, the Commonwealth may override state and territory legislation.

The Fuel Restriction Scheme

The Fuel Restriction Scheme is a framework of options available to the Minister to manage a liquid fuel emergency in a way that minimises the impacts on the community. An example of a liquid fuel emergency would be a disruption to fuel supply to the ACT caused by a fault at a major fuel distribution terminal, which could result in a short-term incident where fuel is limited while fuel supply is transported by another route or the issue is resolved. A longer term fuel emergency may arise due to an extreme circumstance such as war.

The scheme provides for two stages of fuel management options depending on the severity and likely duration of a liquid fuel emergency. Stage 1 fuel restriction measures are voluntary actions the community is expected to implement to reduce fuel consumption upon declaration from the Minister in the event or likely event of a liquid fuel emergency.

Stage 2 fuel restrictions, which are mandatory restrictions on the sale and purchase of fuel, may be enacted in an event or likely event of a liquid fuel emergency where the Minister believes that voluntary restrictions may not be sufficient to manage the emergency.

Where possible the scheme is designed to provide efficient, reliable and sustainable fuel supplies to consumers. A declared fuel restriction must also consider the safety and security of the fuel supply chain, comply with national and international requirements, assist other jurisdictions, protect the interests of consumers and most importantly protect public safety.

Essential Users

A range of fuel users provide essential services to the ACT community. Continuity of these services may be critical to the health, safety and wellbeing of all members of the ACT community. The *Fuels Rationing Act 2019* ensures that essential services can continue to function in the event of a liquid fuel emergency.

The scheme identifies two groups of essential users: Class A Essential Users and Class B Essential Users. Class A Essential Users will be provided exemptions from Stage 2 fuel restrictions, while one or more Class B Essential Users will only be exempt from fuel restrictions at the discretion of the Minister. In the event of a National Liquid Fuel Emergency, the Commonwealth Government may not recognise Class B Essential Users. It is therefore important for Class B Essential Users to make all efforts to ensure they are able to continue to function with limited fuel supply.

Business contingency planning remains important for all organisations, despite the preparations made by the Minister and the Legislative Assembly to establish a Fuel Restriction Scheme.

Class A Essential Users

Class A Essential Users, listed in the Fuel Restriction Scheme, will be exempted from Stage 2 fuel restrictions for refuelling identifiable vehicles. The Minister may make further exemptions in the fuel restriction declaration for specific Class A Essential Users to purchase fuel for equipment. It is intended that the fuel restriction declaration will allow emergency services access to fuel for equipment. The Class A Essential Users list reflects the list of Essential Users identified in the *Liquid Fuel Emergency (Activities—Essential Users) Determination 2019* (Cth), which supports the *Liquid Fuel Emergency Act 1984* (Cth).

The state, territory and Commonwealth governments have agreed that the services listed as Class A Essential Users should be considered separately in national fuel emergencies, with the most likely outcome being exemptions from fuel restrictions to fuel clearly identifiable vehicles.

Class A Essential Users include:

- Ambulance Services
- Corrective Services
- Fire and Rescue and Services
- Rural Fire Service
- Police Services
- Public Transport Services
- State Emergency Services
- Emergency Services Agency Support Services
- Taxi Services
- Emergency Controller

To be exempt from fuel restrictions, Class A Essential Users must meet the following criteria. When purchasing fuel, exempt persons must:

- provide the fuel station attendant with photographic identification, which is specific to a Class A Essential User entity and
- 2. be purchasing fuel in accordance with the fuel restriction determination in a vehicle that is clearly identifiable as a Class A Essential User vehicle or a vehicle with ACT Government registration plates or Taxi registration plates.

Class B Essential Users

The Minister may consider exempting one or more entity in the Class B Essential User list from Stage 2 fuel restrictions, if satisfied that compliance with the restrictions would be seriously detrimental to the entity or another person. Class B Essential Users should maintain contingency plans to minimise potential disruptions to their essential activities in the event of a fuel restrictions as they will not necessarily be exempt from fuel restrictions.

Note: A Class B Essential User will not be exempt from fuel restrictions unless the Minister determines an exemption is necessary. In the event of a National Liquid Fuel Emergency the Commonwealth legislation may not allow Class B Essential Users to be exempt from fuel restrictions.

Class B Essential Users include, but are not limited to:

- utility services that hold a current Utilities Licence under the Utilities Act 2000, electricity and gas distributors operating in the ACT, and determined electricity and gas technicians
- municipal waste collection services by determination
- persons under the direction of the Emergency Controller under the Emergencies Act 2004
- inspectors appointed under the *Electricity Safety Act 1971, Gas Safety Act 2000, Building Act 2004, Water and Sewerage Act 2000, Dangerous Substances Act 2004,* and the *Work Health and Safety Act 2011*
- Roads ACT
- fuel transport companies.

If the Minister exempts an entity from the Class B Essential User list from fuel restrictions, in a fuel restriction declaration, workers from that entity must provide fuel attendants with photographic identification for the exempt organisation. They must also be purchasing fuel for a vehicle that can be easily identifiable as belonging to the exempt organisation, or be traveling in a vehicle that can be easily identifiable as belonging to the exempt organisation and purchasing fuel in accordance with the fuel restriction declaration.

The Minister may make a provision to allow an entity access to fuel for a specific activity. For example, the Minister may make provisions in the determination for an entity to access fuel for back up electricity generation in the event of an electricity shortage; or for funeral and mortuary services to transport deceased persons; or for the delivery of critical supplies to hospitals.

The scheme provides guidance for the Minister in identifying essential fuel users that may require exemptions from fuel restrictions in a liquid fuel emergency through the Class A and Class B Essential User lists. These lists are not exhaustive. The exact circumstances of a potential liquid fuel emergency cannot be predicted. The ACT Fuel Restriction Scheme allows the Minister discretion to include further exemptions for fuel restrictions to respond effectively to the circumstances of the emergency.

In the event of a National Liquid Fuel Emergency, the *Liquid Fuel Emergency Act 1984* (Cth) has the power to override state and territory liquid fuel emergency management legislation including the *Fuel Rationing Act 2019*. The Commonwealth legislation makes provisions for exemptions for all Class A Essential Users, but it does not make provisions for entities listed as Class B Essential Users. This means that Class B Essential Users must ensure that they have contingency plans in place to continue their essential operations in an emergency.

Notification that fuel restrictions are in force (fuel restriction declaration)

The Minister may declare, through a notifiable instrument, that a fuel restriction, from an approved Fuel Restriction Scheme, is in place to respond to a liquid fuel emergency.

If the Minister declares that a fuel restriction is in place, the ACT community will be notified by television or radio, and by public notice in a daily newspaper or on the ACT Government website. Relevant fuel sellers (fuel stations) will also be notified of the fuel restrictions in writing. Once notified of a fuel restriction, fuel sellers must display signage notifying customers that fuel restrictions are in force.

A declaration of a fuel restriction will include:

- details of which fuel restrictions are in force including, where relevant, dollar value limits of purchase and sale of fuel
- the type or types of fuel to which the fuel restrictions apply (referred to in this document as declared fuels)
- the duration of the fuel restrictions (the maximum duration that a Minister can declare fuel restrictions in force is three months. The Minister may make a further declaration to extend fuel restrictions.)
- details of exempt entities, which will include all Class A Essential Users.

Types of Fuel restrictions

There are two stages of fuel restrictions in the Fuel Restriction Scheme: Stage 1, which is voluntary; and Stage 2, which is mandatory.

Voluntary Fuel Restrictions

- If Stage 1 Fuel Restrictions are enacted, all Voluntary Restrictions Measures in Stage 1 of the Fuel Restriction Scheme will be implemented by the community. Voluntary Restriction Measures seek to limit unnecessary driving. During Stage 1 Fuel Restrictions, where viable, members of the community should:
 - Limit non-essential driving
 - o Replace driving by walking, riding and catching public transport
 - Car-pool
 - o Work from home
 - Implement eco-driving measures (see further detail in eco-driving section below).

Mandatory Fuel Restrictions

- If Stage 2 Fuel Restrictions are enacted, all Mandatory Restriction Measures in Stage 2 of the Fuel Restriction Scheme will be enforced. Mandatory Restriction Measures seek to ration the amount of fuel consumers can purchase.
- Mandatory fuel restrictions place a limit on the purchase of a declared fuel; the limit will apply to the purchase of fuel for an individual vehicle per day.
- Restrictions are enforceable through penalties which apply to the buyer and seller of declared fuel.
- Restrictions on the quantity of a declared fuel sold and purchased will be described in dollar value units per vehicle per day in the fuel restriction declaration.

Stage 2 Fuel Restrictions—Mandatory Restriction Measures

In the event of shortage or likely shortage of fuel where voluntary fuel restrictions are not sufficient, the Minister may declare that any Stage 2 fuel restriction measures are in force if satisfied that the measure is necessary to meet one or more of the objectives outlined in section 11 (1) (b) of the *Fuels Rationing Act 2019*.

Table 1 describes the different restriction measures (fuel sales and fuel purchases) and identifies how they are implemented.

Table 1

Restriction measure	Restriction measure description	Amount or type of fuel to which restriction applies	Circumstances of restriction	Class of buyers, sellers or other people to whom the restrictions apply
Fuel sales	A fuel seller may only sell a quantity of a declared fuel below or equal to a declared limit, per vehicle, per transaction. The Minister may provide conditions by which fuel may be sold; for example the fuel must be pumped directly into a vehicle.	Determined by fuel restriction declaration	At all times a fuel restriction declaration is in force	All fuel sellers
Fuel purchases	A person may only purchase an amount of declared fuel equal to or less than a declared limit. The Minister may provide conditions by which fuel may be purchased; for example the fuel must be pumped directly into a vehicle.	Determined by fuel restriction declaration	At all times a fuel restriction declaration is in force. Restriction applies per vehicle per day.	All users other than exempt users

Fuel sellers will be required to identify essential users, as exempted by the Minister in the fuel restriction declaration, and allow them to purchase amounts of fuel in accordance with the conditions of the fuel restriction declaration.

Conditions to be included in a fuel restriction declaration include, but are not limited to, the sale of fuel for vehicles and the purchase of fuel for vehicles as outlined below.

Sale of fuel for vehicles

- A fuel seller may only sell a stated declared fuel:
 - o if the fuel is being pumped directly into a vehicle
 - or a person may only sell a maximum of 5 litres of a declared fuel in a suitable vessel for the purpose of refuelling a stranded vehicle
 - or the fuel declaration includes a provision for the fuel purchase for a purpose other than fuelling a vehicle.
- The sale is determined by the fuel restriction declaration.
- It will apply 24 hours per day.
- It will apply to all fuel sellers.

Purchase of fuel for vehicles

- A person may only purchase a declared fuel that has been pumped directly into a vehicle, unless a vehicle has run out of petrol, in which case a person may purchase up to 5 litres of fuel in a suitable vessel to refuel the stranded vehicle.
- The sale is determined by the fuel restriction declaration.
- It will apply 24 hours per day.
- It will apply to all users other than exempt users.

Table 2 outlines the activities that the fuel restriction declaration may make provisions for.

Table 2

Exempt fuel user	Activity	Circumstance
Hospitals	Back up generation	In the event of an electricity shortage
An entity as specified under the Category A Essential User list	Back up generation	In the event of an electricity shortage
Essential User entity as determined. Example: State Emergency Services, Rural Fire service and utility services	Use of equipment for critical operation of essential service delivery by determination.	Where use of fuel powered equipment is critical to the delivery of the essential service of an exempt entity.
Fuel transport operators	Bulk transport of fuel	Where the activity cannot be met within fuel restriction allocations

Responsibilities of fuel stations prior to a fuel restriction

Fuel sellers must:

- keep details of their appropriate emergency contacts and the types and volumes of fuel that they sell up to date with the Environment, Planning and Sustainable Development Directorate at all times, as per Section 10 of the *Fuels Rationing Act 2019*. This includes:
 - o notifying the Directorate of these details not later than 14 days after the day the fuel seller starts to carry on the business
 - o or when any changes in their particulars, including the cessation of their business occur.
 - If the Fuel seller is carrying on a business on 11 October 2019 (the day that that the Fuels
 Rationing Act 2019 commences), the fuel seller must notify the Directorate of these details
 no later than 25 October 2019 (14 days after the Act commences).

Notification of these details can be made through the <u>Access Canberra website</u>.

Responsibilities of fuel stations when a fuel restriction has been declared

Once notified that a fuel restriction is in force, fuel sellers must:

- Display a notice stating a fuel restriction is in a place. The notice needs to be reasonably visible
 to buyers of fuel before the fuel is bought, for example, at the bowser. Fuel stations will be able
 to access files for appropriate fuel signage from the ACT Government when fuel restrictions are
 enacted.
- Adhere to the requirements of the fuel restriction declaration, including:
 - A person may only sell a quantity of a declared fuel below or equal to the limit stated in a fuel restriction declaration unless the person buying the fuel is exempt from fuel restrictions.
 - A person may only sell a stated declared fuel in accordance with the fuel restriction declaration.
- Identify and verify 'Essential Users' that are exempt from fuel restrictions and allow them to access unrestricted amounts of fuel.
- Provide information relating to fuel stocks to an inspector upon request.
- Comply with directions from inspectors, in line with the Fuels Rationing Act 2019.

Responsibilities of customers

Customers purchasing fuel must:

- Adhere to the requirements of the fuel restriction declaration, including:
 - o a person may only purchase a quantity of declared fuel consistent with the quantity and period in the fuel declaration. The quantity may be dollar value based
 - o a person may only purchase a declared fuel in accordance with the fuel restriction declaration.

Essential Users who are exempt from a fuel restriction, in the fuel restriction declaration, must when purchasing fuel:

- provide photo identification that shows they are an approved, exempt essential user and
- be driving a clearly identifiable vehicle or driving a vehicle with ACT Government registration plates or Taxi registration plates.

Penalties for breaches of a fuel restriction

Individuals or corporations that breach the *Fuels Rationing Act 2019* will be subject to the penalties established under the Act.

Division 3.1. of the *Fuels Rationing Act* provides for offences under the Act. For example, it is an offence for a fuel seller or another person to contravene a fuel restriction once notified of the fuel restriction. This offence carries a penalty of 50 penalty units. The value of penalty units is subject to change. At the time of publication of these guidelines, 50 penalty units equates to a value of \$8,000 for an individual and \$40,500 for a corporation.