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THE HON ANGUS TAYLOR

MINISTER FOR ENERGY AND EMISSIONS REDUCTION

NOTICE UNDER SECTION 17A OF THE *FUEL QUALITY STANDARDS ACT 2000* CONCERNING A DECISION UNDER SECTION 13 OF THAT ACT FOR AN APPROVAL FOR A VARIATION OF THE FUEL QUALITY STANDARDS (AUTOMOTIVE DIESEL) DETERMINATION 2019

I, Angus Taylor, Minister for Energy and Emissions Reduction, provide the following information concerning my decision to grant an approval under section 13 of the *Fuel Quality Standards Act 2000* (the Act).

Name of approval holder

BP Australia Pty Ltd

Viva Energy Australia Pty Ltd

Period of operation

The period of operation of the approval is from 28 May 2020 until 28 May 2021.

Details of the approval

The approval varies the fuel standard for diesel set out in the Fuel Quality Standards (Automotive Diesel) Determination 2019 (the Diesel Determination) so that fuel with a minimum flash point of 60.5 degrees Celsius will be taken to comply with the relevant parameter specified in the Diesel Determination in respect of the supply of automotive diesel fuel.

The approval applies to diesel supplied by the approval holder and the regulated persons specified in Annexure 1 of this approval. This approval is granted subject to the conditions specified in section 17 of the Act and in Annexure 2 of the approval instrument.

Summary of reasons for the approval

I grant the approval as provided for in section 15 of the Act for the following reasons:

(a) The protection of the environment

The diesel fuel flash point parameter is not subject to environmental regulations and is specified in the Fuel Quality Standards (Automotive Diesel) Determination 2019 for safety and handling purposes. Allowing diesel with a lower flash point (of one degree Celsius) to be supplied for use in Australia is not expected to impact on the environment. There is no impact of flash point on autoignition temperature or other combustion characteristics that may affect vehicle or emissions performance.

(b) The protection of occupational and public health and safety

The proposed reduction of flash point from 61.5 degrees Celsius to 60.5 degrees Celsius is not considered to be significant and does not change the Dangerous Goods Classification or the required health and safety handling procedures, including transport. The reduction may require a change to the hazard identification number of the fuel in those states or territories that require flash point identification on storage labelling.

(c) The interests of consumers

The flash point of fuels is not expected to adversely impact on the interests of consumers. The flash point parameter does not have a direct correlation with the vehicle auto-ignition temperature or other combustion characteristics that may affect engine performance. Reducing the flash point by one degree Celsius is not expected to provide any negative impact on vehicle emissions, fuel consumption performance, operability or durability.

(d) The impact on economic and regional development

The lower flash point will allow for the improved utilisation of each barrel of petroleum and cost competitiveness, enabling the Applicants to maintain operations and supply of other fuels during this period of reduced demand for jet fuel. Both refineries' operations generate employment opportunities and revenue to their local regions.

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Angus Taylor Minister for Energy and Emissions Reduction