



National Fuel Security Plan

Global conflict is causing an unprecedented shock to global oil and gas supply, pushing up fuel prices for Australian consumers and businesses. The global outlook remains unpredictable and volatile. While Australia is in a secure position currently, it's the responsibility of all governments to plan for every scenario.

All governments are planning ahead so we are ready to act together to support Australians through the impact of the global energy shock.

The community can have confidence that we are working together through these challenges, step by step, with a comprehensive and staged approach.

The National Cabinet has agreed to the National Fuel Security Plan (the Plan) to coordinate a consistent response across the Commonwealth, States and Territories.

The National Cabinet recognises the importance of fuel to the Australian way of life and, in particular, the importance of diesel to the national economy. All of us are committed to keeping Australia open, and the economy moving.

The National Fuel Security Plan is designed to keep the community and business updated and provide an early understanding of further fuel security measures that may be required.

Voluntary action, together with new supply measures, can reduce the need for stronger measures.

All Australians are in this together. We can all play our part to make sure fuel gets to those who need it most.

Our collective approach is guided by four levels:

1. Plan and prepare
2. Keeping Australia moving (*current settings*)
3. Taking targeted action
4. Protecting critical services for all Australians

The Plan outlines the indicative settings in each level.

Responsibilities sit across different levels of government and industry partners. We will all work together to deliver for the community and keep the economy moving for everyone.

Each stage in the Plan is flexible, not fixed. At times we may move up and down the levels, depending on the circumstances.

All governments will be closely monitoring the evolving situation, and responding to what emerges. Operational plans will be prepared as a precaution in the case the situation deteriorates.

The types of indicators that will inform this work include:

- Global market supply conditions, and the outlook for fuel arrivals
- Minimum Stockholding Obligation holdings
- Insights and data from industry and major users
- Retail and distribution trends
- Community need and supporting economic activity.

Any shift in response levels will include consultation with relevant industries and sectors, to ensure additional measures are well designed and have the greatest impact.

All governments must build fuel and energy resilience as we work through the immediate challenges, to shield the Australian community and industry from future global shocks.

Affordable and sovereign energy can underpin Australian industry, keep power prices down and maintain Australia's status as a trusted and reliable energy exporter.

Level 1: Plan and Prepare

What's happening:

Fuel supply operates as normal, with governments monitoring impacts of global factors.

What you need to know:

- Australians can purchase fuel normally

Commonwealth Actions:

- Work collaboratively with fuel suppliers and distributors to gather supply chain information at the national level
- Supply and price reporting will be updated, and the government will work with industry to monitor possible impacts.

State and Territory Actions:

- Work collaboratively with fuel suppliers to ensure fuel gets to where it is needed and local supply chain information is shared voluntarily.

Current status

Level 2: Keeping Australia Moving

What's happening:

Fuel supply continues to operate effectively, but localised supply disruptions occur.

What you need to know:

- The Government is taking precautionary actions to shore up fuel supply
- Only buy the fuel you need. Make voluntary choices to use less and avoid the impact of higher fuel prices.

Commonwealth Actions:

- Bilateral engagement with key trading partners to shore up domestic supply
- Underwrite additional fuel cargoes and other vital strategic reserves, such as urea and plastic resins, as needed
- Monitor, report and share data and information, including the status of fuel imports
- Divert supply to the domestic market through changes to fuel standards
- Manage reserves under the Minimum Stockholding Obligation and deliver equity in jurisdictional allocations.

State and Territory Actions:

- Use relevant legislative provisions to ensure timely data and information from industry and distributors
- Consider regulatory reforms to improve freight efficiency (e.g. longer trailers, trucks able to deliver later hours)
- Monitor and report fuel station supply, including the availability of diesel
- Monitor economic impacts on fuel-exposed industries.

Level 3: Take Targeted Action

What's happening:

Ongoing supply disruptions mean we will focus on getting fuel to where it's needed most and adopt voluntary practical measures to limit fuel use.

What you need to know:

- Governments will act to secure supply. Clear guidance will be provided on how you can help make sure fuel gets to where it's needed most
- All Governments will look for practical measures to help you reduce your use
- All Australians are in this together, and we will need to play our part to help fuel get to where it's needed most.

Commonwealth Actions:

- Step up government to government engagement to secure supply from strategic partners
- Further releases of supply as needed from the Minimum Stockholding Obligation to meet distribution challenges
- In consultation with States and Territories, and with agreement from National Cabinet, develop a nationally consistent approach for practical measures to reduce fuel demand.

State and Territory Actions:

- Consider additional road usage changes to improve efficiency in fuel use (e.g. longer hours for trucking)
- Use relevant legislative provisions to secure petrol station and bulk supply, in accordance with a nationally consistent approach
- Implement a national approach for practical measures to reduce fuel demand.

Level 4: Protecting Critical Services For All Australians

What's happening:

Ongoing supply disruptions require government action to ensure critical users are protected, and the economy remains open and operating.

What you need to know:

- All Governments will work together to implement stronger demand measures, making sure fuel is available for critical users, such as life supporting services, utilities or emergency services
- There will be a nationally consistent framework to support the allocation of fuel, with clear conditions for when the measures can be relaxed.

Commonwealth Actions:

- Engage further with international partners
- In consultation with States and Territories, and with agreement from National Cabinet, develop a nationally consistent framework for the prioritisation of fuel supplies to critical sectors
- Directing fuel supply to ensure national supply is allocated fairly and effectively at the State and Territory level.

State and Territory Actions:

- Implement the national framework for the prioritisation of fuel supplies at the local level
- Targeted public transport solutions for key workforces and those most in need.

Level 3 and 4 are under consideration and may change, depending on circumstances. Governments will continue to work with industry and community.