DOCKETED	
Docket Number:	23-SB-02
Project Title:	SB X1-2 Implementation
TN #:	259100
Document Title:	Western States Petroleum Association Comments - WSPA Cmt Ltr 9-10-2024 cite 28 Boosting Australia's Diesel Storage Programpdf
Description:	N/A
Filer:	System
Organization:	Western States Petroleum Association
Submitter Role:	Public
Submission Date:	9/10/2024 4:09:19 PM
Docketed Date:	9/10/2024

Comment Received From: Western States Petroleum Association

Submitted On: 9/10/2024 Docket Number: 23-SB-02

WSPA Cmt Ltr 9-10-2024 cite 28 Boosting Australia's Diesel Storage Programpdf

Additional submitted attachment is included below.

business.gov.au

Boosting Australia's Diesel Storage Program

Increasing Australia's resilience through additional onshore diesel storage

Last Updated: 1 August 2024

Boosting Australia's Diesel Storage Program

The Boosting Australia's Diesel Storage Program will contribute to the government's long-term fuel security goal to increase our domestic fuel storage that meets our needs during an emergency and into the future.



This grant is currently closed to applications

What do you get?

Grants from \$6 million to \$33.3 million.

Who is this for?

Eligible organisations with the capacity to build and independently maintain diesel fuel storage facilities.

Overview

The Boosting Australia's Diesel Storage Program will provide up to \$260 million in competitive grants over three years to 2023-24. The program is part of the Government's 10-year comprehensive fuel security package to increase Australia's resilience to fuel supply disruptions, secure sovereign refining capability, and keep fuel prices low for consumers.

The objectives of the program are to:

- provide matched funding to industry to construct new diesel storage that will result in an
 estimated 780ML of additional diesel storage being kept onshore. This quantity is
 estimated to be required for industry to meet the proposed minimum stockholding
 obligation by 2024
- support job creation in local industries.

There is \$260 million available for this grant opportunity.

The minimum grant amount is \$6 million and the maximum grant is \$33.3 million.

You must complete your project by 30 June 2024.

Eligibility

What are the eligibility criteria?

To be eligible you must be an entity incorporated in Australia and a trading corporation.

Your trading activities must either:

- form a sufficiently significant proportion of the corporation's overall activities as to merit it being described as a trading corporation
- be a substantial and not merely peripheral activity of the corporation.

Check the full eligibility details in the grant opportunity guidelines.

Not eligible

You are not eligible to apply if you are:

- income tax exempt
- an individual
- partnership
- unincorporated association
- any organisation not included in section 4.1 of the guidelines
- trust (however, an incorporated trustee may apply on behalf of a trust)
- a Commonwealth, State, Territory or local government body (including government business enterprises)
- a non-corporate Commonwealth entity.

Applying

How do you apply?

The Boosting Australia's Diesel Storage Program is closed to applications.

Impact of COVID-19

When preparing your application, you need to take into consideration the time frames and any constraints that may impact the delivery of your project resulting from the impact of the COVID-19 pandemic. Projects need to ensure participants' safety and health.

How do we assess your application?

We assess your application against the eligibility criteria. If eligible, we will then assess it against the assessment criteria. Only eligible applications will proceed to the assessment stage.

The amount of detail and supporting evidence you provide in your application should be relative to the project size, complexity and grant amount requested. You should define, quantify and provide evidence to support your answers. The sample application form displays character limits.

The Minister for Energy and Emissions Reduction decides which grants to approve taking into account the application assessment and the recommendations of the committee and the availability of grant funds.

The Minister decides which of the eligible applications are successful.

What are the assessment criteria?

To be competitive you must score highly against each of the assessment criteria.

Assessment criterion 1

Project alignment with program objectives (50 points)

You should demonstrate this by identifying:

- **a.** the extent to which your project will deliver new diesel fuel storage above any existing total diesel fuel storage you have available at 30 June 2021
- **b.** how you will ensure that this new storage capacity is utilised and increases onshore diesel stockholdings
- c. how your project will contribute to increasing fuel security (including taking account of any adverse effects that the proposal may have such as decreasing competition or supply chain diversity). This includes demonstrating how the project will offer advantages such as:
 - being located nearby and with connections to existing fuel infrastructure and supply chains, including (but not limited to) refineries, and transport infrastructure such as pipelines, terminals, ports, road freight distribution centres and other fuel storage (including non-diesel fuels)
 - other existing and/or planned infrastructure and economic activity that the diesel storage will support
 - servicing of strategic regional locations (see glossary)

d. whether there is existing demand for fuel storage now and in the future including:

 evidence of your expected offtake customer(s) for the additional diesel stored by the proposed project, along with the end use(s) and/or nearby demand centres

- if the diesel storage will be for exclusive usage by one entity or under other arrangements, such as open access (preferred)
- **e.** the expected job creation, including during construction and in day-to-day operation including the recruitment of Indigenous persons or procurement of Indigenous businesses where possible.

Assessment criterion 2

Capacity, capability and resource to deliver the project (40 points)

You should demonstrate this by identifying:

- a. your plan to manage the project which addresses timeframes, budget (including identifying eligible expenditure and why this should be considered eligible), and risks including work, health and safety, financial, land access, technical and environmental risks
- **b.** the extent you or other project partners are providing funding or in-kind support for the project
- c. your track record managing similar projects, and that of your project partners, and/or key personnel including your commitment to professional excellence and experience, including relevant accreditations, quality standards and/or benchmarks (see Supplier Declaration at Appendix C)
- **d.** your resources, including personnel, physical resources and facilities that you will use to deliver the project including your access, and future access to, any land, infrastructure, capital equipment, technology, intellectual property and required regulatory or other approvals required to deliver the project
- **e.** the nature and status of any agreements directly linked to delivery of the proposed project that may affect the development and operation of the diesel storage.

Assessment Criteria 3

Impact of grant funding on your project (10 points)

You should demonstrate this by identifying the:

- a. likelihood your project would not proceed without the grant
- b. positive impact the grant will have on the scale or timing of the project
 - if your entity includes a refinery, the positive impact the project will have on the efficiency/viability of your refining operation
- **c.** total investment your project will leverage.

What happens next?

If your application is successful, you'll receive a written offer. If you are unsuccessful, we'll notify you in writing and give you the chance to discuss the outcome with us.

Successful applicants must enter into a grant agreement with the Commonwealth. The grant agreement will specify the reporting requirements, payment schedule and milestones necessary to receive payments.

We'll make an initial advance payment when the grant agreement is executed. We'll make subsequent payments when we receive satisfactory progress reports. We set aside a minimum of 10% of the total grant funding for the final payment. We'll pay this when we receive a satisfactory final report.

Payments will be made by direct credit into a nominated bank account.

Need help?

Let us answer your question via phone, email or live chat. And if we can't help, we'll put you in touch with someone who can.

Phone:

13 28 46

Open Hours:

Monday - Friday, 8am - 8pm across Australia

Website:

Contact us

Grant recipients

<u>View the successful applicants for the Boosting Australia's Diesel Storage Program.</u>

→ Grant Recipients

Information session

On Wednesday 10 February 2021 Boosting Australia's Diesel Storage Program held a webinar to provide further information on the program. Questions raised and answers covered in the session and PowerPoint slides are now available below.

Webinar Question and Answer session

Webinar presentation slideshow

▶ PPTX · 0.36 MB

Key documents

Grant opportunity guidelines

<u>**J**</u> DOCX · 0.46 MB

Sample application form

Board or CEO approval letter

<u>**DOCX** ⋅ 0.13 MB</u>

Accountant declaration