

DOCKETED	
Docket Number:	23-SB-02
Project Title:	SB X1-2 Implementation
TN #:	259102
Document Title:	Western States Petroleum Association Comments - WSPA Cmt Ltr 9-10-2024 cite 27 Minimum Stockholding Obligation - DCCEEWpdf
Description:	N/A
Filer:	System
Organization:	Western States Petroleum Association
Submitter Role:	Public
Submission Date:	9/10/2024 4:07:39 PM
Docketed Date:	9/10/2024

*Comment Received From: Western States Petroleum Association
Submitted On: 9/10/2024
Docket Number: 23-SB-02*

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DCCEEWpdf**

Additional submitted attachment is included below.



Minimum Stockholding Obligation

As a crucial component to delivering Australia's long-term fuel security, the government has introduced a national minimum stockholding obligation (MSO). The MSO is supported by Australia's sovereign refining capability through the Fuel Security Services Payment, which will protect fuel consumers and the economy by ensuring ongoing fuel availability in the event of an emergency.

On 1 July 2023, the MSO commenced. The legislative requirements of the MSO are confirmed by the [Fuel Security Act](https://www.legislation.gov.au/Details/C2021C00547) (https://www.legislation.gov.au/Details/C2021C00547) and the [Fuel Security \(Minimum Stockholding Obligation\) Rules 2022](https://www.legislation.gov.au/Details/F2023C00357) (https://www.legislation.gov.au/Details/F2023C00357) and require major fuel importers and refineries to hold baseline level stocks of:

- petrol (24 days, increasing to 27 days on 1 July 2024 for importers)
- diesel fuel (20 days, increasing to 32 on 1 July 2024 for importers)
- jet fuel (24 days, increasing to 27 days on 1 July 2024 for importers).

Through an online reporting system, refiners and importers are required to confirm stock levels fortnightly, then weekly from 1 July 2024.

Increase in diesel stockholdings

The MSO will deliver a major increase in stockholdings of diesel from 1 July 2024

Whilst the use of alternative fuels and new vehicle technology is increasing, diesel demand is expected to continue to grow as alternative energy options are currently limited.

We currently hold significantly less diesel stocks in the country than the other fuels. Yet, diesel is our most critical fuel in a shortage or emergency scenario, contributing to vital sectors of the economy such as transport, mining, agriculture, essential services and defence.

Increasing the amount of diesel stocks held in Australia reflects the importance of diesel to our domestic fuel security as we implement our emissions reduction targets.

The increase in diesel stocks is supported by the [Boosting Australia's Diesel Storage Program](#).
(/energy/security/australias-fuel-security#boosting)

Entities obligated under the MSO

To be obligated under the MSO, entities must have imported and/or refined one or more of the key transport fuels for a calendar year which exceed the following thresholds:

- petrol – 200 megalitres
- diesel fuel – 250 megalitres
- jet fuel – 250 megalitres.

For additional information regarding the legislative requirements of the MSO, please see the following:

- [Fuel Security Act 2021](https://www.legislation.gov.au/Details/C2021C00547) (https://www.legislation.gov.au/Details/C2021C00547)
- [Fuel Security \(Minimum Stockholding Obligation\) Rules 2022](https://www.legislation.gov.au/Details/F2023C00357) (https://www.legislation.gov.au/Details/F2023C00357)
- [Petroleum and Other Fuels Reporting Rules 2017](https://www.legislation.gov.au/Details/F2022C01122) (https://www.legislation.gov.au/Details/F2022C01122)

Publication of information

As required under section 43 of the *Fuel Security (Minimum Stockholding Obligation) Rules 2022* the following information must be published:

Number of entities subject to the MSO for each MSO product:

MSO product	Number of entities subject to an MSO FY2023-24*	Number of entities subject to an MSO FY2024-25*
Gasoline	7	8
Kerosene	5	6
Diesel	9	10

*Where an entity has an Australian controlling corporation with multiple subsidiaries, a single entity has been counted as 'subject to an MSO'.

Total volume of each MSO product that is required to be held on the first obligation day of the financial year and each obligation day after:

MSO product	Total volume required to be held on 4 July 2023*	Total volume required to be held on 2 July 2024*	*These figures exclude any
Gasoline	961 ML	1070 ML	
Kerosene	364 ML	581 ML	
Diesel	1656 ML	2485 ML	

temporary reductions approved under section 18 of the *Fuel Security Act 2021*.

The estimate of the aggregate percentage of all importing and refining of each MSO product undertaken by entities subject to the MSO:

MSO product	Estimated percentage capture FY 2023-24*	Estimated percentage capture FY 2024-25*	*These figures have been rounded to the nearest whole number.
Gasoline	97%	99%	
Kerosene	98%	100%	
Diesel	98%	98%	