

REPEAL OF REGULATIONS POSTPONEMENT BILL 2012

SECOND READING SPEECH

Mr Speaker, I move that the Bill now be read a second time.

The *Subordinate Legislation Act 1992* provides that all regulations are repealed automatically on the tenth anniversary of the date on which they were made.

According to this schedule, the *Gas (Safety) Regulations 2002* will be repealed automatically on 26 June 2012, and the *Gas Pipelines Regulations 2002* will be repealed automatically on 6 November 2012, unless legislation is enacted before those dates to postpone their repeal.

The purpose of this Bill is to postpone the repeal of these regulations to ensure continued administration and safe operation of the Tasmanian gas industry while a major review is undertaken of the *Gas Act 2000* and the *Gas Pipelines Act 2000*.

The regulations that are made under those Acts, which are the subject of this Bill, will also be reviewed at the same time.

Neither set of regulations have previously been extended.

Mr Speaker, the current legislation was developed in the late 1990s and, although modern at the time, is now somewhat outdated due to the rapid expansion of industrial growth that came from the introduction of natural gas to Tasmania and the changing technical

and safety requirements associated with that growth, which was not envisaged at the time.

The review will ensure that these technical and safety requirements are appropriately regulated into the future.

In addition, the opportunity will be taken during the review to consider the application to the Tasmanian gas industry of national legislative and regulatory reform initiatives. These include, amongst other matters, the implementation of the Intergovernmental Agreement (IGA) on Energy Supply Industry Safety, the Model Work Health and Safety Laws, the Occupational Licensing National Laws, and the National Construction Code.

Most of these national initiatives are in the final stages of development and should be close to completion when the review of the Gas Act and the Gas Pipelines Act is commenced later this year and continuing into 2013.

It would be inefficient, Mr Speaker, to review and re-make the Gas Safety Regulations and the Gas Pipelines Regulations when, within the next 12 months or so, we may have to incorporate nationally agreed legislative outcomes into the Tasmanian regulatory framework.

The review will also enable administrative arrangements in relation to the legislation to be considered.

Currently the Department of Infrastructure, Energy and Resources is responsible for the administration of both Acts. However the Department of Justice administers provisions in both Acts relating to the functions, powers and duties of the Director of Gas Safety.

So the review is an opportunity to clearly define these matters, though for example, consolidating safety and technical functions and regulation to provide a more efficient regulatory framework for the on-going development of the gas industry in Tasmania.

Mr Speaker, before the availability of natural gas in Tasmania, generally only liquefied petroleum gas (or “LPG” as many of us know it), was available.

The natural gas industry has been established in Tasmania now for over 10 years and has expanded rapidly during that time.

When the Tasmanian Natural Gas Pipeline was completed, many industries, businesses and consumers in major centres in the north, north-west and south of the State had access to an alternative source of energy.

This has resulted in further major infrastructure projects being developed.

Some of these major projects include -

- the Aurora Energy Tamar Valley Power Station, fuelled by natural gas; and

- a liquefied natural gas (LNG) industry, with infrastructure located at Westbury that converts natural gas to a cryogenic liquid to fuel heavy duty vehicles and plant in the transport and forestry industries. In addition, various satellite LNG re-fuelling stations are progressively being built throughout the State.

There are three other fledgling gas industries currently under way.

- The first is the compressed natural gas (CNG) industry, with infrastructure established for natural gas compression, storage, etc. CNG-fuelled vehicles are already on Tasmanian streets and roads and it's anticipated that this industry will grow as oil prices increase.
- The second is the biogas industry, where waste from cattle, pig and poultry farms and municipal tip waste, is used to generate electricity.
- The third is the intended use of CNG and LNG to fuel the engines of commercial boats and larger ferries.

Mr Speaker, Tasmania has embraced the availability of natural gas and all the benefits that it has brought to industry and consumers in this State.

It is timely to review the existing legislation to ensure that it continues to provide a robust framework for the ongoing

development of the gas industry in this State. This Bill enables us to get on with that job and dedicate resources to the review.

Mr Speaker, I commend the Bill to the House.