

Australian Government

Department of the Prime Minister and Cabinet

Office of Impact Analysis

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Marisa Purvis-Smith
Deputy Secretary
Transport
Department of Infrastructure, Transport, Regional Development, Communications and the
Arts

Simon Duggan
Deputy Secretary
Energy
Department of Climate Change, Energy, the Environment and Water

Dear Ms Purvis-Smith and Mr Duggan

Impact Analysis – Second Pass Final Assessment – Improving Australia's fuel and vehicle emissions standards

Thank you for your letter submitting an Impact Analysis (IA) for formal Second Pass Final Assessment. I note the IA has been formally certified at the Deputy Secretary level consistent with the *Australian Government Guide to Policy Impact Analysis* (the Guide).

I appreciate your Departments' constructive engagement on the IA. The Office of Impact Analysis' (OIA's) assessment is that the quality of the analysis in the IA is good practice. To have been assessed as 'exemplary' under the Guide, the IA would have benefited from:

- Additional data on assumptions, including the expected vehicle profile, government administration costs and incidences of misfueling over the analysis period.
- Quantifying regulatory burden consistent with the Regulatory Burden Measurement framework.
- Further alignment between the assumptions for analysis of options relating to fuel quality standards and vehicle emissions standards
- Additional detail on the evaluation approach, including whether any additional monitoring is required to answer the questions proposed for the 2030 review, and suggested focus for proposed new research.

Next steps

After a final decision has been announced, I ask that your agency work with OIA to finalise this material for public release. This includes providing a copy of the IA in Word and PDF format for web accessibility purposes. The IA must be included in any Explanatory Memorandum or Statement giving effect to the proposals in the IA.

If you have any further queries, please do not hesitate to contact me.

Yours sincerely

Jason Lange

Executive Director

Office of Impact Analysis

2 June 2023