



12 May 2026

## APGA File Note – 2026-27 Federal Budget

### Energy and gas policy

- \$35.5m over four years from 2026–27 to establish a **Domestic Gas Reservation Mechanism**. Funding includes:
  - \$30.6m over four years from 2026–27 to develop and implement the Domestic Gas Reservation Mechanism and for gas market analysis and policy development to support market reliability and energy security
  - \$4.9m in 2026–27 to modernise offshore resources regulation to support gas investment and help mitigate supply shortfalls, including providing more clarity on consultation requirements for offshore resources approvals.
- \$11.9b over five years from 2025–26 for the **National Fuel Security Plan**, including
  - \$7.5b – **Fuel and Fertiliser Security Facility** - enabled Export Finance Australia to secure over 450m litres of additional diesel and around 100m litres of additional jet fuel while supporting private sector storage.
  - \$3.2b – **Australian Fuel Security Reserve** to increase fuel reserves to 50 days
  - \$1b – Economic Resilience Program via the National Reconstruction Fund Corporation – to support freight, fuel, fertiliser and other critical supply chains
  - \$54.7m over five years from 2025–26 (and \$8.9m pa) to support ongoing management of Australia’s fuel security framework
  - \$10.0m over two years from 2026–27 for the Australian Energy Regulator to expand electricity market monitoring and reporting activities
  - \$10.0m in 2026–27 to support feasibility studies into new or expanded fuel refining capabilities, to be co-funded with state and territory jurisdictions
  - \$9.2m over two years from 2025–26 to establish a Fuel Supply Taskforce
  - \$4.5m over three years from 2026–27 for CSIRO to maintain and enhance its Transport Network Strategic Investment Tool
  - \$4.0m over three years from 2026–27 to develop a green fuel bunkering strategy
- \$143.2m over five years from 2025–26 (and \$0.7m in 2030–31) to maximise consumer and community benefits of the energy transition. Funding includes:
  - \$97.2m over five years from 2025–26 to continue implementing the National Consumer Energy Resources Roadmap, including establishing a National Technical Regulator to develop, coordinate and streamline regulation of consumer energy resources
  - \$15.9m over four years from 2026–27 (and a \$2.0m equity injection in 2026–27) for the Australian Energy Regulator for network regulation, the Energy Made



- Easy website, implementation of the recommendations of the NEM Review, and compliance and enforcement activities
  - \$14.6m over five years from 2025–26 (and \$0.7m in 2030–31) for battery system inspections under the Cheaper Home Batteries program.
- \$13.3m in 2026–27 to maintain and strengthen the capability of **Australia’s National Greenhouse Accounts** to deliver high-quality emissions data and track progress against Australia’s emissions reduction targets
- **DCCEEW savings measures** - \$1.3b over ten years from 2026–27 (and an average of \$70.8m per year from 2036–37 to 2038–39) from redirecting part of the \$19.7b Future Made in Australia – Making Australia a Renewable Energy Superpower, including
  - reducing uncommitted funding under the Battery Breakthrough Initiative and Solar Sunshot programs
  - **reducing funding available for Round 2 of Hydrogen Headstart to \$1.0 billion**
  - reducing uncommitted funding under the Powering the Regions Fund from the non-delivery of Australian Carbon Credit Units under Carbon Abatement Contracts in 2023–24 and 2024–25 - \$164.4 million over three years
  - reducing expected uncommitted funding under the Powering the Regions Fund – Critical Inputs to Clean Energy Industries Stream and termination of a grant under the Stream from the Powering the Regions Fund – final design
  - reprioritising uncontracted funding under the Regional Hydrogen Hubs program, including the Townsville Hydrogen Hub - \$78.6m over four years from 2025–26.

### Industry policy

- \$173.3m over five years from 2025–26 to establish a **Critical Minerals Strategic Reserve**. Funding includes:
  - \$150.0m over four years from 2026–27 for stockpiling of critical minerals
  - \$20.4m over two years from 2026–27 for DFAT and DISR to support the operation of the Critical Minerals Strategic Reserve
  - \$2.9m over three years from 2025–26 to support delivery of Australia’s international critical minerals commitments.

### Other relevant policy

- \$2.0b over four years from 2026–27 for the **Housing Support Program – Local Infrastructure Fund** to provide funding via states and territories to support local governments and state utility providers to expedite the delivery of housing enabling infrastructure; funding contingent on states committing to reforms to improve productivity in the housing sector, releasing more land, and delivering the national construction code.