



Fuel Quality Standards Act 2000

**CLEAN FUELS
BULLETIN**

APRIL 2003

EA SEEKS COMMENT ON NATIONAL STANDARD FOR BIODIESEL

The Federal Minister for the Environment and Heritage, Dr David Kemp, is calling for public comment on a biodiesel discussion paper that will help set a national standard for the environmentally friendly fuel.

The *National Standard for Biodiesel Discussion Paper*, details the range of parameters involved with setting an appropriate standard for biodiesel to ensure optimum vehicle and environmental performance.

Biodiesel is a generic name for a renewable fuel derived from vegetable oils and/or animal fats and which, through processing, can be directly substituted for conventional petrol-based diesel. It has the potential to become a very useful niche fuel in Australia, with data showing it is less toxic and produces less emissions for certain pollutants than conventional diesel.

The discussion paper aims to encourage the automotive and fuel industries, as well as other key stakeholders, to put forward their views on a range of issues associated with achieving an appropriate standard, and ultimately, greater certainty for the burgeoning biodiesel industry.

Fuel quality standards for biodiesel have been established overseas and have been used to form the basis of this discussion paper.

Submissions in response to this paper should be made to:

Mr Daniel Sheedy
Clean Fuels and Vehicles Section
Environment Australia
GPOBox787 CANBERRA ACT 2601

Or submitted electronically to: fuel.quality@deh.gov.au

The deadline for receipt of submissions is **Friday 23 May 2003**.

A copy of the *National Standard for Biodiesel Discussion Paper* is available at www.deh.gov.au/atmosphere/transport/biodiesel/index.html

MONITORING, COMPLIANCE AND ENFORCEMENT

Petrol and Diesel

The sampling program for petrol and diesel commenced in April 2002. At 1 March 2003, a total of 667 petrol and diesel samples have been taken from fuel retail sites across Australia with another 500 scheduled for the remainder of the financial year. Of the 667 samples that have been taken, 637 have been tested for compliance against the national fuel quality standards and indicate that, in general, the majority of the industry is supplying compliant fuel to the market.

With the introduction of the 500ppm sulfur standard for diesel from 31 December 2002, Environment Australia has been working with the Australian Institute of Petroleum to provide information to consumers about the implications of the lower sulfur fuels for the environment and diesel engines.

Annual statements from fuel producers and importers on fuel quality are required under the *Fuel Quality Standards Act 2000*. Statements have now been received for the first reporting period, which were required by 14 February 2003 for fuel produced or imported during the 2000 calendar year.

Consultation with fuel producers and importers during 2002 on the requirements for the annual statements raised a number of issues in relation to the current monitoring, compliance and enforcement (MCE) program. In order to address these issues, an industry workshop was held in Adelaide on 24 and 25 February 2003 to provide a consultative forum where agreement was reached on how EA could better administer its national MCE program. Key issues discussed included reference test methods for petrol and diesel standards, sampling procedures, information sharing and quality assurance within the fuel supply chain. Representatives from each of the major domestic refining companies and importers who attended the workshop are pictured below. The discussion was particularly enhanced by the presence of refinery laboratory chemists who have particular expertise in the science of fuel sampling and testing.



Standing from left: Roger Kauffman (WalterTurnbull), Ewen Macpherson (AIP), Paul Kruger (Mobil), David Jacobson (Shell NZ) Stephen Andrews (Mobil), Terry Flynn (UNSW), Stephen Pearson (Intertek Testing Services), Philip Briggs (NATA), Gary Whitfield (BP), Jack Jansen (Shell Geelong Refinery), Greg Engeler (Caltex), Kathy McDonald (Caltex Kurnell Refinery), Glenn Smith (BP Kwinana Refinery), Bill Rodgers (BP), Mohamed Ahmed (Mobil Pt Stanvac Refinery), Scott Kean (Neumann Petroleum), Robert Cheong (Trafigura Fuels).

Seated: Greg Fraser (WalterTurnbull), Brynn Hibbert (UNSW), Josiane Edwards (Intertek Testing Services), Sharon Rees (EA), Mike Gilbert (EA).

NEW FUEL QUALITY STANDARDS

Appearance parameter for automotive diesel

The Department of Industry, Tourism and Resources (ITR) has been progressing 'phase 2' of the operability standards for petrol and diesel. It proposed to the Fuel Standards Consultative Committee (the Committee) at its meeting on 19 February 2003, that the appearance parameter be incorporated into the *Fuel Standard (Automotive Diesel) Determination 2001*. The test for the appearance parameter will be ASTM D 4176-02. The Committee will recommend to the Minister for the Environment and Heritage, the Hon Dr Kemp, that he endorse the appearance parameter amend the Determination to incorporate it.

Two months notice will be provided to industry of the implementation date of the appearance parameter.

The following phase 2 operability standards are being developed by ITR for the Committee's consideration:

- for petrol: drivability index, flexible volatility index, colour and appearance (in relation to a drivability index specification, this is unlikely to be resolved until a decision is made on the maximum limit of ethanol in petrol.); and
- for diesel: acidity, cloud point and cold filter plugging point.

Trials of higher ethanol blends

A national standard for ethanol is being developed as part of the Government's commitment to cleaner air through the *Fuel Quality Standards Act 2000*. Comprehensive testing is being undertaken to determine the effect of ethanol petrol blends on non-automotive and automotive engines in order to make informed decisions based on sound scientific data.

A copy of the report on non-automotive engines is available at www.deh.gov.au/atmosphere/transport/fuel/ethanol-results.html

BIOFUELS MARKET BARRIERS STUDY

The report on the Biofuels Market Barriers Study was completed in December 2002. The findings of the report have now been referred to the Prime Minister's Energy Task Force, along with all key policy issues relating to biofuels. Developing a biofuels policy as part of a wider framework for Australian energy policy is expected to result in a more coherent and integrated policy that will provide greater investment certainty for the industry.

The Biofuels Market Barriers report is currently being considered by government and has not been publicly released.

FUEL STANDARDS CONSULTATIVE COMMITTEE

Since its last meeting in August 2002, the Fuel Standards Consultative Committee (the Committee) has undertaken a great deal of out-of-session work in relation to the consideration of applications for approvals under section 13 of the *Fuel Quality Standards Act 2000*. Approvals that have been granted since advised in the previous Bulletin are discussed below under

‘Approvals granted under the Act’. The Committee held its fifth meeting in Canberra on 19 February 2003 and the following issues were discussed:

- Consideration of approval applications from:
 - BP Refinery (Bulwer Island) regarding low density diesel; and
 - Caltex Australia, The Shell Company of Australia, BP Australia and Mobil Oil Australia regarding the supply of wintermix diesel.
- Consideration of information from Environmental Oil concerning its product Enviro-dZel.

APPROVALS GRANTED UNDER THE ACT

Since the previous *Clean Fuels Bulletin* and after consultation with the Fuel Standards Consultative Committee, the Minister has granted seven approvals under section 13 of the *Fuel Quality Standards Act 2000*. These are listed in the table below.

NAME OF APPROVAL HOLDER	Period of Operation	Approved Variation of Fuel Standard	Amendment
Assistant Secretary, Health and Community Strategies Branch, Office of Aboriginal and Torres Strait Islander Health, Commonwealth Department of Health and Ageing	16 January 2003 – 16 January 2004	Variation of <i>Fuel Standard (Petrol Determination 2001)</i> to permit the supply of avgas under the 'Comgas scheme'.	
IOR Energy Pty Ltd	31 December 2003 – 31 December 2005	Variation of <i>Fuel Standard (Diesel Determination 2001)</i> so that diesel produced at Eromanga and Cuddapan refineries with a minimum density of 790 kg/m ³ complies with the Determination.	
Moama Refinery Pty Ltd	31 December 2003 – 31 December 2005	Variation of <i>Fuel Standard (Diesel Determination 2001)</i> to permit the supply of diesel with a minimum density of 790 kg/m ³ .	

Central Oil Refineries Pty Ltd	31 December 2003 – 31 December 2005	Variation of <i>Fuel Standard (Diesel) Determination 2001</i> to permit the supply of diesel with a minimum density of 790 kg/m ³ .	
Street Machine Services Pty Ltd	6 December 2002 – 30 June 2005	Variation of the <i>Fuel Standard (Petrol) Determination 2001</i> to permit the supply of petrol with a lead content of greater than 0.005g/L. Conditions attached.	
Bresciani Auto Repairs DPC Performance Ford Motor Company of Australia Ford Muscle Parts Gene Cook Race Engines Hercules Competition Engines Holden Ltd Keith Nankervis Nizpro Turbo Charging Pavtek Engines Stafford Tune Terry Handley	6 December 2002 – 30 June 2005	Variation of the <i>Fuel Standard (Petrol) Determination 2001</i> to permit the supply of petrol with a lead content of greater than 0.005g/L. Conditions attached.	List of regulated persons extended on 11 February 2003
Aquatic Festivals Australia Associated Dirt Circuit Clubs of South Australia Australian Barefoot Racers Club Australian Formula Jet Sprint Association Inc Australian Historic Motoring Federation Inc Australian National Drag Racing Association Inc Australian Personal Watercraft Association Australian Power Boat Association	6 December 2002 – 30 June 2005	Variation of the <i>Fuel Standard (Petrol) Determination 2001</i> to permit the supply of petrol with a lead content of greater than 0.005g/L. Conditions attached.	List of approval holders extended on 11 February 2003 to include the following: <ul style="list-style-type: none"> • Australian National Drag Racing Association Inc • Australian Personal Watercraft Association • Australian Tractor Pullers Association • Confederation of Australian Motorsport Ltd

Australian Saloon Car Federation Inc Australian Tractor Pullers Association Inc Circuit Ski Club Confederation of Australian Motor Sport Ltd Motorcycling Australia National Association of Speedway Racing Perth Tractor Pull Association Inc Queensland Ski Racing Association – Central Region Inc Ski Racing Australia South Australian Hot Rod Association Inc Street Machine Association South Australia Victorian Speedway Council Western Australia Superkart Club Inc West Coast Jet Sprint Club Inc			Motorsport Ltd <ul style="list-style-type: none"> • National Association of Speedway Racing List of regulated persons extended on 11 February 2003
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The supply of leaded racing fuel

Under national fuel standards the supply of leaded petrol (i.e. containing more than 0.005 grams per litre of lead in any grade) has been prohibited nationally since 1 January 2002 (except for aviation use). On 6 December 2002, the Minister granted an approval to a number of motor and water sport organisations to allow the supply of leaded racing fuels (such as avgas) to their eligible members. Another approval was granted to 12 race engine builders/tuners. Fuel suppliers that have been listed as a regulated person in the approval are permitted to supply leaded racing fuel to an individual that has been issued with a Leaded Fuel Passbook.

The motor and water sport organisations that have been granted approval have been provided with Leaded Fuel Passbooks to issue to their eligible members – an eligible member is one that can demonstrate a technical need for their vehicle to continue to run on leaded fuel.

The Leaded Fuel Passbooks are produced by Environment Australia (EA) and supplied, at no cost, to the approved motor and water sport organisations. They are individually numbered and contain conditions of use. The approved organisations have entered into Co-management

Agreements with EA that set out responsibilities relating to the issue and good governance of the Leaded Fuel Passbooks.

Race engine builders / tuners may apply directly to EA to be issued with a Leaded Fuel Passbook.

The approvals permitting this arrangement and the Leaded Fuel Passbooks are valid until 30 June 2005, after which time the supply of leaded racing fuels will effectively be prohibited.

For further information concerning the Leaded Fuel Passbooks, please email fuel.quality@deh.gov.au or telephone (02) 6274 1903.

LOWER DENSITY DIESEL TRIAL

Environment Australia is to conduct a vehicle trial to assess the impact lower density diesel will have on certain tailpipe emissions and on the fuel economy of vehicles using lower density diesel. More details in the next Bulletin.

CONTACT DETAILS

For more information about any of the information in this Bulletin, please contact:

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fuel.quality@ea.gov.au
www.ea.gov.au/fuel

Or the Community Information Unit 1800 803 772

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