

Comment on the proposed Standard for Fuel Parameters (Biodiesel)
Commonwealth Position - August 2003

Australian Renewable Fuels Pty Ltd

Once again, I would preface my comments by commending the government, and particularly the biodiesel standards team, for the work done in this area. We have just a few comments on the proposed standard which are generally centred on items where the proposed standard will be inferior to the European Standard. In particular the lack of standards for all glyceride species and the high acid value.

The European Standard has been developed in a cooperative process with all stakeholders – particularly the engine manufacturers. As we said in our submission, we are concerned that we may end up with a multi-level market for biodiesel if the key elements of the European Standard are not adopted, with European vehicle manufacturers requiring fuel to a higher standard than the Australian Standard – this could lead to a situation reminiscent of the recent ethanol debacle and damage the emerging biodiesel industry. My understanding is that the Europeans would consider the above two issues (glycerides and acid value) as key elements – particularly acid value, and from a producers perspective achieving the European level of 0.5 is a relatively simple process.

The other issue we would raise is that of CFPP or CP. We restate our desire that this be on an “advice to client” basis. The reason for this is that if a standard is set then this will effect the grant position of some biodiesel even though the biodiesel may be fit for purpose in many applications. This may be explained by way of example. In the case of biodiesel made from solid fats, it is unlikely that this material will be suitable for use as B100 in mobile fleet, in that its CFPP is high. It is suitable however for:

- stationary application (power generation) where fuel system heating is easily managed; and,
- blending at up to 20% blends where its impact on CFPP in the final product is not material.

In these applications, this biodiesel has the advantage of higher embodied energy than diesel, but if the Australian Standard precludes it from access to all the grant structures then it will not be commercially viable.

I trust the above helps, and keep up the good work.