



Australian Government

Department of the Environment and Heritage



Fuel Quality Standards Act 2000

CLEAN FUELS BULLETIN

January 2006

Ethanol Fuel Quality Information Standard

The *Fuel Quality Information Standard (Ethanol) Determination 2003*, has been amended.

The amendment implements the Prime Minister's announcement of 22 September 2005 to simplify the labelling requirements for ethanol blend petrol.

Suppliers now have two options for complying with the standard. Pumps dispensing ethanol blend petrol must clearly display either the exact percentage of ethanol in the blend or that the fuel contains "up to" a percentage of ethanol.

Both options allow companies to use their own corporate livery and include additional information if desired.

Likewise, for ethanol blends supplied for retail sale from bulk suppliers and distributors, buyers must be either provided with a document stating the exact percentage of ethanol in the blend or that the fuel contains "up to" a percentage of ethanol, or these words should appear on each container of ethanol blend petrol.

The maximum permitted ethanol content in petrol remains capped at 10 percent under the *Fuel Standard (Petrol) Determination 2001*. Supplying ethanol blends of up to 10% without any consumer labelling to that effect is an offence under the *Fuel Quality Standards Act 2000*.

More information on ethanol labelling requirements is available at:

<http://www.deh.gov.au/atmosphere/fuelquality/standards/ethanol/labelling.html>

Testing program to assess the operation of vehicles in the Australian fleet on ethanol blend fuels

The Department of the Environment and Heritage invites tenders for assessment of the suitability of petrol vehicles in the current Australian fleet to operate on 5% and 10% ethanol blends (E5 and E10).

The experimental study must test an appropriate sample of vehicles, assessing the vehicles' performance and durability and the materials compatibility of fuel system components on E5 and E10. The project is expected to run from April to October 2006.

Tender documentation is available from the AusTender web site at <http://www.tenders.gov.au>.

All tenders must be lodged by **2pm EDST on 14 February 2006**. Late submission of tenders, or tenders submitted by fax or email, will NOT be accepted.

Caltex seeks more time to supply petrol and diesel compliant with new standards

In October 2005, Caltex Australia received an approval from the Minister for the Environment and Heritage under Section 13 of the *Fuel Quality Standards Act 2000*. The approval covers the period 1 January 2006 to 1 March 2006 and allows Caltex to supply non-standard fuels from its Kurnell (Sydney) and Lytton (Brisbane) refineries. Under the approval, diesel can be supplied with a sulfur content greater than the new standard of 50 parts per million (ppm) and petrol can have a benzene content greater than the new standard of 1% by volume.

On 13 December 2005, Caltex subsequently advised that they had suffered further delays in its upgrading work at both refineries and it appeared the company may still be unable to comply with the standard after the expiration of the current approval on 1 March 2006. On that basis Caltex has applied for an extension of the original approval. This extension is currently under consideration by the statutory body set up to advise the Minister on such matters.

There are **no** adverse vehicle operability effects associated with using petrol that may have a slightly higher benzene content. There are **no** adverse operability effects from using diesel that may have a sulfur content higher than 50 ppm if your vehicle is a 2005 or earlier model. A small number of 2006 diesel vehicles may be effected.

If you purchase a **2006** model diesel vehicle, **fitted with a diesel particulate filter (DPF)**, you should ensure that you use only 50 ppm sulfur diesel wherever possible. Many popular diesel models do **not** have a DPF fitted, check with your dealer. The DEH website will shortly list service stations in NSW and Queensland where this 50 ppm sulfur diesel will be available.

A full discussion of the process to approve changes to fuel standards is at:

<http://www.deh.gov.au/atmosphere/fuelquality/standards/variations/index.html>

Sulfur in Biodiesel

DEH has received several informal submissions concerning the sulfur limit for 100% biodiesel (B100). From 1 February 2006, the sulphur limit for B100 decreases from 50 mg/kg (also referred to as 50 parts per million (ppm)) to 10 mg/kg (or 10 ppm).

At the time the Biodiesel standard was set, there was strong support for adopting the European limit of 10 ppm. This level was not seen as posing any issues, based on both European and North American experience. However, we are now informed that waste cooking oil (WCO) may pick up sufficient sulfur in the course of cooking to exceed the 10 ppm limit. A similar issue may

also arise from the use of tallow as a biodiesel feedstock, where hair and protein may give rise to elevated sulfur levels.

Options to manage this situation include further treatment or blending by biodiesel producers to limit sulfur levels to 10 ppm or, to increase the legislated sulfur limit for biodiesel above the European standard.

Another consideration is the sulfur level in petroleum or automotive diesel. The sulfur limit for petroleum diesel is currently 50 ppm, decreasing to 10 ppm on 1 January 2009. Higher sulfur levels may impact on the ability of biodiesel to be absorbed by the market for blending as it moves towards the 10 ppm standard.

DEH invites written comment from interested parties on whether the current limit of 10 ppm is the appropriate level for sulfur in B100.

Unless marked as "Confidential", all submissions will be treated as public documents and posted on the Department of the Environment and Heritage website and may be provided to the Fuel Standards Consultative Committee.

Written comments are requested by 24 February 2006 and may be forwarded by email to michael.ward@deh.gov.au or by post to:

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