



Department of
Environment and Conservation

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The Manager
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Dear Sir/Madam

**RESPONSE TO THE PROPOSED MANAGEMENT OF DIESEL/BIODIESEL BLENDS
POSITION PAPER**

Thank you for the opportunity to respond to the Australian Government's proposed management of diesel/biodiesel blends. The Department of Environment and Conservation (DEC) is pleased to make the following comments on the position paper release in January 2008.

In principle DEC supports the development of the biodiesel industry. To ensure the continued growth of consumer and vehicle manufacturer confidence in diesel/biodiesel blends it is crucial to ensure only blends of the highest quality are available. DEC considers this is best achieved by the development of consistent national diesel/biodiesel standards.

On 5 January 2007 DEC responded to the Australian Government's discussion paper on Standardising Diesel/Biodiesel Blends. In that submission DEC recommended that diesel be allowed to contain up to 5% biodiesel, while still requiring the diesel standard to be met. It was thought this management action would allow certainty and confidence in lower level diesel/biodiesel blends, which may lead to subsequent acceptance of higher blends.

As the Australian Government's preferred position to manage diesel/biodiesel blend is consistent with DEC's previous response, DEC supports the proposal to:

- amend the Australian diesel standard (the *Fuel Standard (Automotive Diesel) Determination 2001*) to allow the addition of up to 5% by volume of biodiesel, with the biodiesel component required to meet the biodiesel fuel quality standard (the *Fuel Standard (Biodiesel) Determination 2003*). The resulting blend will be required to be fully compliant with the fuel quality standard for diesel (the *Fuel Standard (Automotive Diesel) Determination 2001* as amended); and
- in the short term, accommodate the supply of higher diesel/biodiesel blends (e.g. B20) through the *Fuel Quality Standards Act 2000* section 13 approvals process.

However, it is unclear whether higher diesel/biodiesel blends (e.g. B20) would require approval under section 13 of the *Fuel Quality Standards Act 2000* before being sold in Australia. It could be argued these higher diesel/biodiesel blends are not a direct substitute

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for either diesel or 100% biodiesel, for which there are fuel standard determinations. Given this ambiguity, DEC supports the future action proposed by the Australian Government to review the applicability of section 13 to manage biofuel blends and investigate alternative management approaches under the *Fuel Quality Standards Act 2000*. This need equally applies to petrol/ethanol blends as it does diesel/biodiesel blends.

DEC also supports the Australian Government's recommendation to establish a working group under the Fuel Standards Consultative Committee to monitor developments and consider issues relating to the use of higher blend levels in the current fleet, under Australian conditions.

If you have any questions or require clarification in relation to this submission, please contact Mr Karl Carrabotta from DEC's Air Quality Management Branch on (08) 9219 8727 or karl.carrabotta@dec.wa.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kim Taylor', with a long horizontal flourish extending to the right.

Kim Taylor
DEPUTY DIRECTOR GENERAL, ENVIRONMENT

29 February 2008