

25

Our Ref: 22/9

12 March 2008

Fuel and Used Oil Policy Section
Department of the Environment, Heritage, Water and the Arts
GPO Box 787
CANBERRA ACT 2601

Dear Sir/Madam,

The Australian Automobile Association (AAA) welcomes the opportunity to provide a submission on the Australian Government's Position Paper on the "Proposed Management of Diesel/Biodiesel Blends."

The AAA supports the Government's preferred position on standardising diesel/biodiesel blends, i.e.

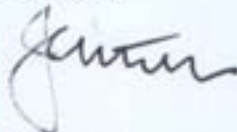
- Amending the Australian diesel fuel quality standard to allow the addition of up to 5% biodiesel (where the biodiesel content meets the FAME specification) in diesel.
- Accommodate the supply of higher blends of diesel/biodiesel via individual approvals under Section 13 of the Fuel Quality Standards Act.

However, the AAA does not support the proposal not to require a label for the 5% diesel/biodiesel blends (B5). In our submission on the Government's Discussion Paper, the AAA outlined our support for labelling of all levels of biodiesel blends. Labelling of biofuels is an important part of building consumer confidence and would allow motorists to make an informed choice.

The AAA, as the representative of more than 6 million car owners, was disappointed that our position was not included in the Position Paper along with the support for labelling for B5 from the car manufacturers and the petroleum industry.

If you have any further questions on this matter I may be contacted on 02 6247 7311 or john.metcalfe@aaa.asn.au.

Yours sincerely



John Metcalfe
DIRECTOR RESEARCH & POLICY



Constituent Members



GPO Box 1555

216 Northbourne Ave

Canberra ACT 2601

Ph: (02) 6247 7311

Fax: (02) 6257 5220

Email: aaa@aaa.asn.au

ABN 25008 526 369

Web: www.aaa.com.au