

National Biofuels Group Pty Ltd
P.O. Box 524, Pymble NSW 2073
Tel: +61 (0)2 9499 8291/2/3/4
Fax: +61 (0)2 9499 8295



30 January, 2007

Diesel/Biodiesel Blends – Discussion Paper
Fuel and Used Oil Policy Section
Department of the Environment and Heritage
GPO Box 787
CANBERRA ACT 2601

Submission in Response to the Diesel/Biodiesel Blends Discussion Paper

Our Company

The National Biofuels Group (NBG) is a privately owned Australian company that incorporates National Biodiesel Pty Ltd in Australia, Rainbow Nation Renewable Fuels Ltd in South Africa and National Biofuels Group Operations in Argentina.

The Group's core business is the manufacture and distribution of biodiesel, glycerine and soybean meal for Australian, South African and other international markets. Through its involvement in the fuel industry in Australia and abroad it is well placed to provide an informed submission in response to the Discussion paper.

Our Position on the Diesel/Biodiesel Blends Discussion Paper

NBG supports the submission made on behalf of the Biodiesel Association of Australia and Renewable Fuels Australia.

NBG has additional comments relating to certain options raised. These comments do not aim to negate in anyway support for the above mentioned submission.

Additional Comments:

Options 3 and 4

NBG is strongly opposed to any policy that would set a limit on the amount of biodiesel that could be used in automotive fuel or other fuel types. Therefore it opposes Options 3 and 4 that would see limits of up to 20% by volume biodiesel in a diesel/biodiesel blend (i.e. B6 – B20).

The reasons being:

- There is no corroborated evidence that supports a need to limit the amount of biodiesel in a biodiesel/diesel fuel blend.
- There is overwhelming evidence to suggest that biodiesel meeting quality specifications can be used at high blends or neat and result in a range of benefits including reduced emissions and improved engine performance¹.
- A limit on the biodiesel component in blends would unfairly and unjustifiably restrict the freedom of fuel consumers to choose their preferred biodiesel/diesel blend.

¹ See www.biodiesel.org.au, www.nbb.org or www.ebb-eu.org for information demonstrating the benefits of using high blends of biodiesel.

- Such regulation would be a costly and unnecessary regulatory burden that would be impractical to enforce.
- There is a demonstrated demand from many consumers for a B100 or high blend of biodiesel on grounds such as the superior safety and environmental factors. Some of the fuel users demanding B100 or high biodiesel blends include:

Fuel User	Biodiesel Blend	Use	Country
US Defense Force	Up to B100	Defense equipment	USA
National Oceanic and Atmospheric Administration	B100	Marine National Park	USA
Yellowstone National Park	B100	National Park	USA
SouthWest Ohio Regional Transit Authority	B75	Bus/Civil	USA
Portland Water Bureau	B99	Government	USA
Knox Area Transit	B95	Bus/Civil	USA
Contra Costa County	B100	Bus/Civil	USA
Channel Islands National Park	B100	Marine National Park	USA
Central Ohio Transit Authority	B50-B100	Bus/Civil	USA
City of Graz	B100	Bus	Austria
City of Graz	B100	Taxi Service	Austria
Tesco Fleet	B50	Freight Services	England
Earthrace Boat (Global Challenge)	B100	Marine	New Zealand

For further information regarding this submission please call Mr Bradley Wheaton on 0404 210 293 or 02 9499 8292.

Best regards,



Edward Dutton

Chairman
National Biofuels Group