

Below are the comments on the Discussion Paper on Standardising Diesel/Biodiesel Blends from the Department of Environment and Conservation (NSW), forwarded on behalf of Nigel Routh, Manager Air Policy.

NSW DEC strongly supports the use of diesel/biodiesel blends for reasons of environment protection and use of renewable fuels. Setting of fuel quality standards also helps in the development of the biofuels industry by encouraging confidence for both vehicle manufacturers and consumers.

Most concerns raised in the Discussion Paper, including the report by Duncan Seddon and Associates, relate to possible adverse impacts on vehicle operability. Therefore, the advice of manufacturer and consumer organisations should be carefully considered. Again, their confidence is essential to the successful development of the biofuels industry and market.

NSW DEC recommends the adoption of standards for both a 5% biodiesel blend (B5) and a 20% biodiesel blend (B20). This would facilitate flexibility and choice amongst consumers that, in turn, would encourage the take-up of biofuels. The use of biodiesel blends such as B5 and B20 also reduces operability issues associated with complying with the B100 standard.

The Discussion Paper describes the positive impact of biofuel blends on air quality: compared to diesel, blends result in significantly lower emissions of particles and greenhouse gases, but slightly higher emissions of nitrogen oxides (NOx) – about 2% for B20. However, as the Discussion Paper states, NOx emissions may be reduced by using low density diesel (LDD) in the blend. Therefore it may be worthwhile exploring whether this issue can be addressed via density (without adversely impacting on energy content).

If the consultation process concludes that it is not practicable to set a B20 standard, mandatory labelling for that and all other blends is essential. Without labelling, consumers would not be able to make informed choices regarding vehicle operability; potentially voiding vehicle warranties and consumer protection against inappropriate retail pricing of fuel blends. Indeed, regardless of the outcome of this consultation, biodiesel blends must be properly labelled at the bowser.

In summary, NSW DEC has the following preferences regarding the options presented in the Discussion Paper:

1. Mandatory labelling. Whatever the final choice of blend options, labelling is essential for consumer information and protection.
2. Standards for B5 and B20. This would give confidence to manufacturers and consumers alike and so encourage the development of the biofuels industry and market, with resultant reductions in pollutant and greenhouse gas emissions. With regard to the B20 standard, a simplified standard may be appropriate if B5 and B100 standards are required.
3. Possible relaxation for low density. Easier manipulation of NOx emissions may be able to be achieved if low density diesel were allowed to be blended.

Regards,

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