



**NOTICE UNDER SECTION 17A OF THE *FUEL QUALITY STANDARDS ACT 2000*
CONCERNING A DECISION UNDER SECTION 13 OF THAT ACT FOR AN
APPROVAL FOR A VARIATION OF THE FUEL STANDARD (AUTOMOTIVE
DIESEL) DETERMINATION 2001**

I, Andrew McNee, Assistant Secretary, Environment Protection Branch, Department of Sustainability, Environment, Water, Population and Communities, provide the following information concerning my decision to grant an approval under section 13 of the *Fuel Quality Standards Act 2000* (the Act).

Name of approval holder

Glencore Singapore Pte Ltd.

Period of operation

The period of operation of the approval is from the date of the approval until 30 June 2014.

Details of the approval

This approval varies the fuel standard for automotive diesel set out in the Fuel Standard (Automotive Diesel) Determination 2001 (the diesel determination) so that automotive diesel containing more than five per cent volume by volume biodiesel but not more than 20 per cent volume by volume biodiesel will be taken to comply with the biodiesel parameter specified in the diesel determination.

The approval is subject to conditions set out in Annexure 2 to the approval instrument and in section 17 of the Act.

Background

Section 15 of the Act provides that I must have regard to the following when deciding whether or not to grant an approval:

- (a) the protection of the environment
- (b) the protection of occupational and public health and safety
- (c) the interests of consumers, and
- (d) the impact on economic and regional development.

I may also have regard to any other matters I consider relevant.

Section 24A of the Act provides that I must consult, and have regard to the recommendations of, the Fuel Standards Consultative Committee (the Committee) before granting an approval under section 13. Before signing the instrument granting the approval, I consulted with the Committee and had regard to the recommendations it has made.

Findings on material questions of fact

(a) The protection of the environment

Tailpipe emissions from diesel biodiesel blend use, compared to diesel, will have both positive and negative impacts on air quality as the level of biodiesel in the blend increases. In general, emissions of nitrogen oxides increase but particulate matter, hydrocarbons and carbon monoxide emissions all decrease.

(b) The protection of occupational and public health and safety

In terms of safety data, diesel with a biodiesel content of no more than 20 per cent has been shown to be similar to diesel. Its impact on occupational and public health and safety should be no greater than diesel already supplied to the market.

(c) The interests of consumers

Fuel dispensers will be clearly labelled to advise consumers that the diesel contains biodiesel and the percentage, more than five per cent volume by volume but not more than 20 per cent volume by volume. Any potential warranty issues for vehicles will, therefore, be addressed.

(d) The impact on economic and regional development

As the level of biodiesel allowed in diesel has been capped at five per cent, the industry cannot legally supply blends higher than five per cent and represent the fuel as diesel. This results in a barrier to the development of an alternative fuels market in Australia. If such approvals are not granted, the restriction of blend levels could have a negative effect on the development of the Australian biodiesel industry.

Summary of reasons for the approval

1. There is precedent in earlier decisions concerning approvals for diesel containing more than five per cent but not more than 20 per cent biodiesel.
2. There could be a detrimental effect on the development of the biodiesel industry if these types of approvals are not granted.
3. This approval only covers the variation of the biodiesel content in the diesel determination for blends of more than five per cent but not more than 20 per cent.
4. The labelling condition will provide information for consumers about the biodiesel content in the diesel on fuel dispensers.

Andrew McNee.....

**Assistant Secretary, Environment Protection Branch, Department of Sustainability,
Environment, Water, Population and Communities**

19 December 2012