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From: [REDACTED]
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To: Statutory Review of the Biofuels Act
Subject: Review of the Biofuels Act

Submission by

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Submission Details

Are the objects of the Biofuels Act and Regulation still valid? Why or why not?

No, the objectives of the Biofuels Act are not still valid. The objectives are not being met by the Act. Specifically the objective of reducing GHG through mandatory biofuel content is not appropriate with improvements in electrification technologies. The maximum impact of the Act in reducing a contestable 30% of 10% green house gas emissions in transport fuels by reducing the emissions of 10% of the fuels by up to 30% is not an effective goal when near 100% reductions can be achieved through appropriate electrification technologies.

Goals of increasing fuel self-sufficiency, reducing urban pollution and diversifying farm incomes are appropriate transport fuel objectives and all of these objectives are better met through electrification technologies. Farm incomes can be diversified through both on farm generation income and provision of charging services without significantly impacting income streams from primary produce. Enhancing biodiversity from transport fuel supply chain should be part of the act.

The Biofuels Act is not meeting its objectives primarily because of a lack of consideration of the supply chain. Take the example of the Invincible coal mine near Cullen Bullen. A mine expansion at this location was rejected on the basis that it was damaging the national estate, particularly scenic and biodiversity values. The mine was reopened to supply low grade 'nut' coal to be used to fuel ethanol boilers at Eden. The 'nut' coal is trucked to Eden. This supply chain is carbon intensive, destructive of the natural values of the Cullen Bullen area and impacts on air quality at Eden.

The conclusion that the Act is not meeting its objectives and that the Biofuels mandate should be abandoned.

Are there any other economic, social, environmental and consumer costs and benefits associated with biofuels that Government should further consider, to ensure that the regulatory regime is effective?

The supply chain should be considered. The supply chain should meet minimum standards of greenhouse gas intensity and should be displacing fossil fuels rather than extending their use.

Impacts on air quality both in the development of biofuels and use should be included in the goals of the Act.

The current drought also brings to mind water use within the biofuels supply chain.

A positive impact on biodiversity should be an outcome of the Act.

Are there any developments, innovations or emerging trends in the broader transport or fuel industry that Government should consider in assessing the biofuels regulatory regime?

Electrification.

Are there any entities that should be included in or excluded from the Act? If so, which entities and why?

Yes. All, unless the Act is changed entirely to encompass the mandatory inclusion of all non-fossil (transport) fuel inputs. All entities should be exempt from mandatory ethanol input.

Are the definitions of volume fuel retailers and primary wholesalers adequate? If not, how could the definitions change?

Yes and no. Since we are no longer mandating biofuels input the current definitions are meet the requirements of non-standard. If the goal is to displace fossil fuels then the definition requires review.

Does the Act appropriately balance the interests of small businesses with the broader objectives of the mandate? Please provide comments.

No insight into the effect on small fuel retailers or capacity access capital to meet the requirements of an expanded scheme. I do not support expanding the scheme.

Should the prescribed mandate for ethanol and biodiesel sales remain at the current rate? If not, how should it change and why?

No. It should be zero as the goals of reduced GHG emissions, fuel independence, farm income diversity, biodiversity enhancement and raising air quality standards cannot be met through the use of biofuels.

Are the biofuel sustainability standards adequate? Please provide comments.

No. The standards don't encompass supply chain implementation and end up with dysfunctional supply chains with the Invincible coal mine an example of the negative results.

Are there emerging industry standards or developments that should be taken in to account when assessing and defining sustainability?

Stronger air quality emissions standards. Standards for biodiversity. Incorporating the supply chain into the sustainability analysis.

Is the exemption process for not meeting the minimum biofuels requirements adequate? Should the factors that the Minister must take in to account before granting an exemption change?

yes.

What is the process like to seek an exemption? Are there any changes that could be made to ensure the process is as seamless and as user-friendly as possible?

No insight.

Is the Biofuels Exemption Framework and Guidelines document easy to understand and comply with? Should any of the matters outlined in the Guidelines be included instead in the Biofuels Regulation to ensure abundant legal clarity?

No insight.

Are the current registration, return and record keeping requirements adequate? Please provide comments.

No insight.

How much time approximately does it take primary wholesales, volume fuel retailers and other operators of service stations to provide the return to NSW Fair Trading?

No insight.

What other reporting and financial regulatory requirements are primary wholesalers, volume fuel retailers and other operators of service stations required to comply with? For example, at the Commonwealth level.

No insight.

Are IPART's functions and role adequate to help achieve the objectives of the Biofuels Act? Please provide comments.

IPART's role is not broad enough to support a general GHG emissions reduction mandate or biodiversity goals. The Invincible coal mine example shows how the focus on the retailer is not a broad enough focus to ensure realised outcomes.

Are there any other functions, research or role could IPART take in the biofuels regulatory regime?

Promote electrification rather than focus on fuels. IPART would have to broaden the scope to include supply chain impacts to address glaring dysfunction.

What information and data would be useful in ensuring regulation fosters a competitive biofuels industry?

Whole of supply chain inputs. Quality assurance of the supply chain in meeting designated objectives.

Is the current compliance and enforcement approach working well? Please provide comments.

The compliance with the mandatory input is adequate from my external vantage point. Not qualified to fully assess,

Is the current approach appropriate and should any changes be made (such as to penalty amounts) to make the compliance and enforcement approach more effective?

The supply chain as a whole should be considered for any biofuels to be eligible for the proscribed mandate. The mandate should be abandoned and electrification made the focus.

Is the role and composition of the Biofuels Expert Panel still valid? Please provide comments.

The Biofuels Expert Panel should be expanded to encompass non carbon intensive transport fuels as a whole. The mandate of the panel should be expanded to address supply chain issues.

Do you have any other general comments on the biofuels regulatory regime? Please provide further detail.

The Invincible coal mine example demonstrates how mandating an ethanol composition in transport fuels is failing to produce an environmentally friendly or emissions reduced transport fuel supply chain. Electrification would produce a far better result than the contestable 1/3 of 10% reducing in emissions. Electrification done properly could also better address urban air pollution, farm income diversity and fuel security goals.

The Invincible mine glaringly illustrates weaknesses in the biofuels regulatory regime in producing positive outcomes for the state. The regime is a blunt instrument that when shown to produce such a negative result cannot be expected to produce consistently positive results with respect to other supply chain consequences such as biodiversity, water use optimisation or food security.

Electrify instead.