

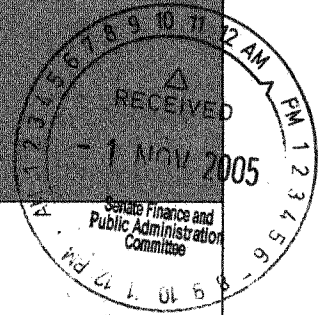


Australian Government

Department of Finance and Administration

# FMB ADVICE

Issue 05/05



## FLEET MONITORING BODY

John Gorton Building  
King Edward Terrace  
PARKES ACT 2600

31 October 2005

### Use of Ethanol Blended Fuel in the Government Fleet

Colleagues,

Further to my advice of 23 September 2005 (Ref FMB Advice 04/05), I am writing to provide additional information about the procurement of E10 by drivers of Commonwealth vehicles.

By way of background, on 22 September 2005, the Prime Minister released the report of the Biofuels Taskforce. Mr Howard also announced a package of measures to help address market barriers and restore consumer confidence in the biofuels industry. Notably, the Prime Minister stated *"The Government will...demonstrate its confidence in ethanol blended fuel by encouraging users of Commonwealth vehicles to purchase E10 where possible."*

E10 is a blended fuel consisting of 10 per cent ethanol and 90 per cent unleaded petrol.

The Fleet Monitoring Body (FMB) has been working with fuel suppliers and LeasePlan Australia Ltd to put in place arrangements that will enable departments and agencies to implement the Government's policy in respect of the use of E10 in the fleet across Australia (to the extent possible).

Vehicle manufacturers have advised that E10 is suitable for use in the vast majority of petrol-fuelled vehicles in the Government's fleet. Furthermore, please note that there are no problems in mixing E10 and unleaded petrol from re-fill to re-fill. However, E10 is not suitable for use in diesel-fuelled vehicles.

I have provided a link to the website of the Federal Chamber of Automotive Industries (FCAI) which provides consolidated information about the suitability of E10 in vehicles available in Australia - <http://www.fcai.com.au/ethanol.php/2004/03/00000001.html>

At this early stage of the Government's policy, the supply of E10 across Australia is patchy – but improving.

The FMB, however, has concluded discussions with United Petroleum Pty Ltd (United) which supplies E10 to 51 locations in Victoria, 9 locations in South Australia, 3 locations in the Australian Capital Territory, 6 locations in New South Wales, and 3 locations in Queensland. United's E10 supply network is continually expanding. Agencies electing to purchase E10

from United should contact the LeasePlan Government Support Team (on 1300 360 443) or their LeasePlan Account Development Manager. LeasePlan will be able to obtain a United Card for the required vehicles and to discuss the associated fee structure. Please note that United sells E10 at a discount of \$0.04 per litre beneath its unleaded petrol price. Further information about United E10 and its availability can be found at <http://www.unitedpetroleum.com.au/>

BP Australia has 30 E10 outlets in Queensland and has recently announced 3 E10 outlets in Canberra. Those of you with BP Cards can commence buying E10 from these outlets immediately. Those who would like to organise a BP Card simply need to contact the LeasePlan Government Support Team (on 1300 360 443) or their LeasePlan Account Development Manager. Further information about BP E10 and its availability can be found at <http://www.bp.com.au/products/fuels/e10/e10.asp>

Caltex Ampol has 24 E10 outlets in Queensland. LeasePlan's Caltex Travel Card can be used at these outlets. Further information about Caltex E10 and its availability can be found at [http://www.caltex.com.au/about\\_news\\_detail.asp?id=309](http://www.caltex.com.au/about_news_detail.asp?id=309)

Details of the above-mentioned E10 outlets are provided at **Attachment A**. Please note that this list is essentially a snap shot and is changing from week to week.

I will continue to provide information on this matter as it comes to hand. If you have any questions please contact me on 02 6215 2745.

Regards

*Peter McGuinness  
Director  
Fleet Monitoring Body*