

6 April 2010

Senator Matthias Cormann
Chair, Senate Select Committee on Fuel and Energy
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Senator Cormann,

RE: Inquiry into Fuel and Energy

We write to thank you for the opportunity to appear before the Senate Select Committee on Fuel and Energy to discuss our response to the Energy White Paper on the 26th February. We particularly appreciated the opportunity to discuss the important role that the mass adoption of electric vehicles will play in improving Australia's fuel and energy security and reducing our reliance on imported liquid fuels.

During the hearing the Committee expressed an interest in further information about a number of issues, which we undertook to provide.

Firstly, on the issue of Australia's increasing reliance on imported fuels, Australia currently consumes just over 38 billion litres of fuel annually for road and off-road vehicles – of which 19.3 billion litres comes from petrol, 2.3 billion litres from LPG (some of which comes from natural gas and counts as an alternative), and 17.0 billion litres from diesel.ⁱ In their latest Energy Resource Assessment, Geoscience Australia and ABARE reported that Australia's net imports of oil and oil products represented 45 per cent of consumption in 2007–08.ⁱⁱ They further project that net imports of oil and oil products will account for 76 per cent of consumption in 2029–30.ⁱⁱⁱ The Jamison Group predicted in February that our dependency on imported oil could rise to more than 80% by 2020.^{iv}

Secondly, we undertook to provide details on studies showing that it is more efficient to use biomass generation of electricity to power vehicles than to use the same crops to create biofuels to propel internal combustion engine vehicles. A study by Campbell, Lobell and Field, published in *Science*, found that bioelectricity produces an average of 81% more transportation kilometres and 108% more emissions offsets per unit area of cropland than does cellulosic ethanol.^v

Finally, please find attached a small number of minor clarifications to the transcript of our statements to the Senate Select Committee hearing. We hope that this information is useful in the Committee's deliberations. Please don't hesitate to contact us if we can provide further assistance.

Kind regards,

Alison Terry
Head of Corporate Affairs, Better Place Australia

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ⁱ Jamison Group Report for the NRMA Motoring & Services, "A Roadmap for Alternative Fuels in Australia: Ending our Dependence on Oil", July 2008.

ⁱⁱ Geoscience Australia and the Australian Bureau of Agricultural and Resource Economics, "Australian Energy Resource Assessment", March 2010

ⁱⁱⁱ Geoscience Australia and ABARE, March 2010

^{iv} Jamison Group Report for the NRMA Motoring & Services, "Fuelling Future Passenger Vehicle Use in Australia", February 2010.

^v J. E. Campbell, D. B. Lobell, C. B. Field (2009) Greater Transportation Energy and GHG Offsets from Bioelectricity Than Ethanol. Science doi:10.1126/science.1168885