

# David G Lamb Pty Ltd

Submission to the Australian Government [Senate Inquiry into Public Transport](#)

By David G Lamb Pty Ltd

Subject: Alternative Transport Fuels

**Submission:**

When considering alternative liquid transport fuels for the existing vehicle fleet, it is likely to be suggested that biofuels should be compulsorily mixed to a set minimum proportion.

Oil refineries are seldom close to areas where biofuel feedstocks are available, so either the feedstock or the biofuel has to be transported to the place of blending with the regular (mineral) fuel. Although there is technically no reason why fuels cannot be blended close to the point of usage, in reality the oil majors are the most appropriate blenders because they control the distribution network and have proved their reliability in terms of quality consistency. Lack of quality consistency has been by far the largest cause of complaints about biofuel mixtures.

If blending is to be carried out by oil majors, mandated mix proportions would have the effect of fuels being transported over greater distances than if they were used close to the point of production. The extra transportation uses fuel and the emissions from the additional carriage can be sufficient to completely negate any environmental benefits offered by replacing mineral fuels with biofuels.

Flexible degrees of blending should be allowed so that biofuels can be used at higher blend mixes close to the point of production and users distant from the point of production should be permitted to use regular (mineral) fuels. Any regulation should have sufficient flexibility to allow the market to adjust to variable proportions of biofuel/mineral fuel availability, but be rigorous in regulating fuel quality.

Existing quality standards were designed around mineral oil. Regulators should ascertain that existing regulations do not handicap biofuels unnecessarily.