



## Queensland Historic Motoring Council (Inc.)

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Project Manager – Queensland biofuel mandate  
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Dear Sir / Madam

Thank you for allowing the Queensland Historic Motoring Council Inc. (QHMC) the opportunity to comment on the introduction of an ethanol mandate to Queensland.

QHMC is Queensland's peak historic motoring body, representing 121 historic motoring clubs, spread throughout much of Queensland. These clubs represent the interests of approximately 20,000 Queenslanders who collectively own and operate approximately 100,000 historic vehicles

This is a significant proportion of the estimated 15 percent of Queensland vehicles that are currently believed to be unsuitable for use with ethanol blended fuels.

All of these vehicles will be at least 30 years old and some will be more than 100 years old. The vast majority will be unsuitable for use with ethanol blended fuels, due either to compatibility issues with the materials used in their fuel systems or hot fuel handling (running) problems. It is therefore important to us and other users of ethanol incompatible vehicles that the fuel needs of this group be protected in any legislation that is enacted. We would strongly oppose any moves to remove unleaded petrol from sale, as has been the case in other markets, as this would necessitate the purchase of higher priced premium fuels, which will provide limited, if any, benefit to these vehicles.

Experience in markets where this has occurred suggests that many motorists, for whatever reason, simply switch to premium fuels to avoid those containing ethanol. Clearly this is of no benefit to the biofuels industry and only serves to inflate vehicle operating costs for those motorists. As Queensland is already one of the most expensive states in which to operate a vehicle our motorists don't need further cost imposts.

While QHMC supports moves to encourage the use of biofuels, we would be very concerned if moves to mandate access to ethanol blended fuels eventually became a mechanism to force motorists to use it by removing their ability to opt for a non-ethanol fuel. Such a move would be contrary to the premise of maintaining consumer choice that is outlined in the discussion paper and which we consider to be a fundamental consumer right.

Our view is that biofuels need to be shown as a viable, no risk alternative to traditional fuels. The government and industry must demonstrate to consumers that there are no downsides to their use in

order to build consumer confidence in the product, that biofuel production and use is environmentally beneficial, sustainable and financially viable and that they can be produced at a price that is competitive with traditional fuels.

QHMC considers it likely that a two percent ethanol mandate will provide reasonable access to unblended fuels in most areas however we are concerned that consumer buying behaviour by itself may not be enough to ensure its continued availability in all areas.

Given that many fuel retailers will have tank space limitations that would restrict the range of fuels that can be provided, it would seem reasonable to suggest that there are grounds for excluding outlets from the legislative requirements if it could be demonstrated that their inclusion would result in reduced access to unblended product in the area.

We also consider it important that any supporting legislation be flexible enough to allow for natural variations in both the supply chain and ethanol prices, and that there is a facility in place to reduce the amount of ethanol added to fuel, or to even temporarily suspend the requirement, in the event that its continued use would unreasonably impact the retail price of petrol. Our view is, the retail price of a litre of ethanol should be at least 3 percent lower than a litre of petrol in order to off-set the documented increase in fuel consumption E10 produces, and that if this cannot be achieved ethanol inclusion should be suspended. In the event that the ethanol content is increased beyond 10 percent, there must be a corresponding shift in the retail cost of the ethanol in order to maintain parity with petrol.

We also take this opportunity to comment on the public forum held in Brisbane on June 25 2015.

This event was promoted as allowing *“all stakeholders the opportunity to comment on the discussion paper and raise any concerns they may have”* and to *“allow people to ask questions and raise issues and concerns”*.

We found that the forum was predominantly attended by industry representatives, feedstock producers and other assorted supporters who were all openly and strongly pro- biofuels. The make-up of the group and the atmosphere on the night effectively discouraged any proper discussion of issues that were even remotely critical of the proposed mandate. We were particularly disappointed at the treatment received by one participant who attempted to voice his concerns about the effect any increase in feedstock prices would have on the viability of his farming business. As a result our representatives, and likely others in the room, chose not to engage.

We believe the forum did not achieve its stated objective and unfortunately the views of the broader community are now missing from the discussion.

Yours sincerely



Christine Stevens

President – Queensland Historic Motoring Council Inc.