

Adjournment Speech: Biodiesel Fuel
Ian Cohen MLC:

Petrol prices have risen 20% in the last year and are on the way up. Many service stations in Sydney are charging well over a dollar and people in country NSW are paying even more. It is time to look at other ways of fuelling vehicles to the traditional petroleum products.

Once such way is to convert engines for less than \$100 each so they can use “bio fuel”. This is a “grown” fuel oil which can be extracted from hundreds of different plants or can be made using waste fats or cooking oils. It is made by combining 30 per cent ethanol – an alcohol – with 0.35 to 0.75 per cent sodium hydroxide – also known as caustic soda or lye, with 80-90% vegetable oil.

Biodiesel can be used in diesel fuelled cars, trucks, generators, boats, buses, trams, planes, pumping stations, tractors and agricultural equipment, under warranty from 20 different engine manufacturers. It is a proven fuel with over 30 million successful US road miles and over 20 years use in Europe.

Biodiesel is an important fuel alternative, which is being taken seriously in many areas of the world. The study “Review on Commercial Biodiesel Production Worldwide” was commissioned by the International Energy Agency and completed by the Austrian Biofuels Institute in 1998. It identified 21 countries around the world in which Biodiesel projects with a commercial objective had been implemented.

European nations such as France, Italy, Germany and particularly Austria are particularly advanced with this. Austria has the Austrian Biofuels Institute in Vienna and Germany has over 1000 filling stations stocking Biodiesel. Production has increased in recent times in the USA since it was approved by congress in june, with a modern MFS-biodiesel plant of Griffith Industries in Kentucky.

I am pleased to see that there are also positive moves towards biodiesel in Australia.

The Biodiesel Association is in contact with 11 private companies who are ready and willing to start production of biodiesel in Australia. The issue of excise and state taxes being the last hurdle for this promising industry.

I have also received unconfirmed reports that the western Australian Government has given a grant for a biodiesel production trial.

Paul Martin of the Australian Biodiesel Association advises that he has received widespread support for the expanded use of biodiesel in Australia, including support by national party senators for assisting tobacco and dairy farmers in northern Queensland to convert to oil crops for biodiesel.

The benefits of using biodiesel are enormous.

One key reason is, of course, the cost, which is particularly competitive with normal fuel sources. By utilising existing waste oil sources for biodiesel, there are also possibilities for companies to sell their waste oil while creating eco-efficiencies in

their production processes. McDonalds, for example, is already involved in supplying its waste oil for biodiesel production in Austria.

Secondly, biodiesel is the only alternative fuel that runs in any conventional, unmodified diesel engines. It can be used alone or mixed in any ratio with petroleum diesel fuel. The use of biodiesel can extend the life of diesel engines because it is more lubricating than petroleum diesel fuel.

Thirdly, the production and use of biodiesel produces approximately 80% less carbon dioxide emissions, and almost 100% less sulfur dioxide. Carbon monoxide, hydrocarbons, and particulate levels are similarly reduced. The low emissions of biodiesel make it an ideal fuel for use in marine areas, national parks, forests and heavily polluted cities. When burnt in a diesel engine, biodiesel replaces the exhaust odour of petroleum diesel with the pleasant smell of popcorn or French fries.

Fourth, biodiesel is safe to handle and transport because it is as biodegradable as sugar, 10 times less toxic than table salt and has a flashpoint of 300 Fahrenheit compared to petroleum diesel fuel which has a flash point of 125 Fahrenheit.

Finally, biodiesel can be made from domestically produced, renewable oilseed crops such as soybeans. Producing biodiesel from domestic crops reduces Australia's dependence on foreign petroleum, increases agricultural revenue and creates jobs. National spending to import petroleum sends significant amounts of money out of our domestic economy each year, considering we import 100% of our diesel fuel. Biodiesel from either waste oil or domestic crops offers the potential to shift this spending from foreign imports to domestically produced energy.

The Greens would like to see biodiesel promoted as a safe, cost effective petroleum alternative. Governments in other countries have identified the multiple benefits of biodiesel and are reaping the benefits. I encourage government commitment and investment to this end in NSW.