



ECOTECH
BIODIESEL



Just Biodiesel

Australian Biodiesel Producers – Position Statement (June 2024)

Complementary Geographic Site Coverage

1. Ecotech Biodiesel (2006), Brisbane, Queensland: capacity 30 m. litres p.a.
2. Biodiesel Industries Australia (2003), Newcastle, NSW: capacity 20 m. litres p.a.
3. Just Biodiesel (2008), Barnawatha, Victoria: capacity 60 m. litres p.a.

The 3 east coast biodiesel plants are each capable of processing a range of renewable feedstocks, including tallow, used cooking oil and canola oil. In addition, each processor has a history of Biodiesel product compliance with the Australian Fuel Standard. Current utilization of their combined capacity of 110 million litres is only 10-20%, largely due to price of Biodiesel being higher than mineral diesel.

Mineral diesel TGP 173cpl (June 2024) = 157cpl (excl. GST but including 49cpl excise).
Biodiesel ex-works range = 180-200cpl (excl. GST, including 13cpl excise).
i.e. Biodiesel premium is 40cpl (note - dependent on different users excise stripping status).

Australia Low Carbon Liquid Fuel opportunity (LCLF), statement released 13 June 2024
Biodiesel remains the majority LCLF product in both the EU & US markets. Biodiesel use is proven in the marine, mining, electricity generation, road transport, and rail end-uses, and mostly via a blend with mineral diesel. The newer hydrogenated vegetable oil production process (HVO) produces sustainable aviation fuel (SAF) and renewable diesel. This HVO process is more expensive than the biodiesel process, and the HVO product commands a significant price premium. For the LCLF industry to grow there needs to be an Australian support mechanism to counter the established programs of the EU & USA (and other countries). There is an immediate opportunity to utilise the existing Biodiesel capacity in the Australian market i.e. 100 m. litres p.a., using Australian feedstocks. In addition, the evolving support mechanism will provide incentive for new investment in feedstock capability, and HVO / Biodiesel plant capacity.

Biodiesel Transition Grant Proposal for ARENA

In the interim, we see an opportunity to accelerate usage of Biodiesel in the Australian market by way of a 3-year price subsidy of 40cpl capped at 10 million litres p.a. (equates to a 10% increase in Biodiesel capacity utilisation). We envisage an individual customer usage cap of 1 million litres p.a. to encourage penetration across a range of sectors. We have conducted numerous Biodiesel trials with customers across the different sectors. The sole reason they have not progressed is the price differential with mineral diesel. We each have multiple fuel distribution partners, each who have existing storage & blending capability. The cost of such an initiative would be \$4 million p.a. It would be simple to administer the program via direct payment of the fuel incentive to the end-use customer on a quarterly usage basis, in arrears. Publicity associated with the program would be shared and provide an incentive for new participants, and further expansion of the program.

Peter Chomley, Director Just Biodiesel 

