From: Chair | Productivity Commission
To: Climate Change And Energy Stream
Subject: FW: GreenTECH Fuel - Reducing Transport Emissions
Date: Tuesday, 18 November 2025 4:49:00 PM
Attachments: image001.png
image002.png
20251112_GreenTECH_Productivity_Commission_Ms_Wood.pdf
GREENTECH FUEL - EXCISE SUBMISSION TO GOVERNMENT - OCTOBER 31 2025.pdf
20251031_GreenTECH_Minister_Chris_Bowen.pdf

Hi All
Dani has suggested I forward this on to the Pillar 5 team for your info and response (if deemed necessary). In the meantime, I will acknowledge Mr Wilkinson's corro.

Many thanks
s 22

s 22 [redacted] | Executive Assistant to Chair & Deputy Chair | Admin Team | p [redacted]

From: Steve Wilkinson [redacted]@greentechfuel.com.au>
Sent: Wednesday, 12 November 2025 2:52 PM
To: Chair | Productivity Commission <chair@pc.gov.au>
Subject: GreenTECH Fuel - Reducing Transport Emissions

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Dear Ms Wood,

Please see our correspondence attached.

Regards
Steve

Stephen Wilkinson | Managing Director

GreenTECH

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REDUCING TRANSPORT EMISSIONS IMMEDIATELY WHILE DEVELOPING A MARKET FOR BIODIESEL.

ENABLING THE TRANSPORT INDUSTRY TO EMBRACE RENEWABLE DIESEL.

October 31, 2025

CONTEXT

The transport industry faces significant challenges in decarbonisation, with electric trucks still several years away from meeting heavy-duty operational requirements and hydrogen fuel cell solutions most likely a decade from large-scale commercial viability. In this context, transport operators cannot afford to wait for next-generation technologies to mature. Instead, the industry needs emissions reduction strategies that are practical, effective, and can be implemented immediately—without prohibitive costs or operational disruption.

Feasible options available today include optimizing fleet operations through advanced telematics, adopting available alternative drop-in fuels such as renewable diesel, investing in hybrid retrofits, and electrifying auxiliary systems.

By leveraging available technologies, best practices, and government funding programs, transport businesses can take meaningful steps toward emissions reduction—improving sustainability performance and future-proofing operations ahead of deeper emissions cuts in a hard to abate industry. While the ultimate transition to zero-emission vehicles is on the horizon, immediate action is both possible and essential for the industry today.

HVO100 (Hydrotreated Vegetable Oil) represents a practical solution that can be deployed immediately to reduce emissions in the transport sector, which currently accounts for 22% of Australia's total greenhouse gas emissions. However, the primary barrier to widespread adoption of HVO100 is its cost—HVO100 can be more than twice as expensive as conventional mineral diesel.
A significant factor contributing to this price disparity is the federal excise of 51.6 cents per litre currently applied to HVO100, the same rate as mineral diesel. Temporarily removing this excise is critical to fostering demand for renewable diesel and supporting the development of a domestic renewable diesel industry in Australia.

The federal government has committed $1.1 billion to the development of a sustainable biodiesel sector, but establishing a robust industry is expected to take 5 to 10 years. In the interim, extending existing excise tax breaks available for biodiesel to cover renewable diesel (such as HVO100) would encourage consumers to transition from mineral diesel to cleaner alternatives. This policy adjustment would provide immediate, measurable emissions reductions while supporting the long-term growth of Australia's renewable fuels sector.

THE PROBLEM

Australia has committed to reducing carbon emissions by at least 62% and ideally 70% plus by 2035. This will require a halving of Australia's current emissions. Contributing 22% of Australia's carbon emissions, transport is Australia's third biggest sector for emissions and requires immediate and

sustained attention - before it becomes Australia's largest emissions sector. The strategy for realizing emissions reduction targets in the transport sector are now being finalized.

This paper represents a contribution to discussions relating to the best strategies to reduce transport emissions in Australia.

THE POTENTIAL

With a view to facilitating the potential of biodiesel as part of the strategy to reduce carbon emissions in transport and other industries is substantial. Australia currently imports some 30+ billion litres (30,661,000,000 Jan to Dec 2024) of mineral diesel each year. Replacing just 20% of this mineral diesel with biodiesel or similar will reduce carbon emissions by some 16,000,000+ tonnes, immediately.

Recognising this potential, the Federal Government has allocated $1.1 billion in grant support. This also supports the Government's 'made in Australia' program.

THE PROVISOS

Establishing a biodiesel in Australia is a fantastic idea both from a sovereign capacity and emissions reduction initiative. There are however two provisos to this:

- The industry will take 5 to 10 years to establish
- The Australian mindset is not yet optimum in terms of using alternative fuels.

There is a real need in Australia to develop a mindset that will maximise the return on investment on the Federal Governments $1.1 billion investment.

THE PATHWAY

The pathway to delivering immediate results in terms of reducing emissions and helping create a market to ensure a biodiesel industry is sustainable once established needs to involve the marketing of imported products, including biodiesel and others achieving similar or even better results to biodiesel for at least 5 years. Those products might include:

- Imported biodiesel
- Imported renewable diesel.

We detail here the rationale for prioritising renewable diesel while not ignoring the potential of biodiesel.

THE PRODUCTS

While biodiesel and renewable diesel - like HVO100, are produced from the same feedstock, and reduce emissions, they are not the same.

Biodiesel is a fatty acid methyl ester - FAME, produced by the transesterification, where vegetable oils or animal fats react with methanol (or ethanol) in the presence of a catalyst to form biodiesel and glycerin.

Renewable Diesel is a hydrotreated vegetable oil (HVO), produced by hydrotreating. This process utilises hydrogen to remove oxygen from fats/oils, resulting in a diesel with a similar chemical structure to standard mineral diesel, enabling it to be used as a 100% drop-in replacement.

Biodiesel is used as a blended product with mineral diesel, most commonly in B5 or B7 (5% & 7%) formulations. However, blends of B20 (20%) or greater, such as B100 (pure biodiesel), may require the user to check with vehicle manufacturers regarding compatibility and warranty implications, or consider engine modifications, as they may not be compatible with all diesel engines.
Renewable diesel is a 'drop-in fuel' that can be used 100% in any diesel engine without modification. Fully compatible with current diesel infrastructure. Renewable diesel is much easier to use, as it can be used as a standalone fuel without needing to clean the tank after using mineral diesel.

In addition, biodiesel generally has poorer cold flow properties than diesel; it can gel at low temperatures, whereas renewable diesel performs well in cold weather, often comparable to or even better than mineral diesel.

THE PERFORMANCE

Both fuels reduce lifecycle greenhouse gas emissions compared to mineral diesel. Biodiesel reduces CO_2, particulate matter, and unburned hydrocarbons, but may slightly increase NOx. Renewable Diesel, on the other hand, offers more complete combustion, reducing CO_2, NOx, and particulates across the board. To Nox and indeed, CO_2-e, renewable Diesel is the best option.
Put simply, while biodiesel reduces emissions, renewable diesel is a superior product for these reasons:

- Renewable diesel can be used 100% neat - meaning that all emissions savings are on 100% of the fuel.
- While biodiesel may increase NOx emissions, renewable diesel reduces dangerous NOx emissions, this further reducing the emissions of CO_2-e.

While a saving on a 5% blend with biofuel - represents a small saving on just 5% to 7% on the tank of fuel. It is virtually greenwashing (and may in time be viewed as such).

GreenTECH Fuel is not suggested that renewable diesel be the only focus, it is clearly the superior product.

THE PLAN

If the Federal Government's climate targets are to be achieved and a viable biodiesel is to be established in Australia there is a need for a strategy that:

- Delivers immediate results in terms of reducing emissions
- Helps create a market to ensure a biodiesel industry is sustainable once established.

Addressing these priorities might involve:

- Maintaining the current excise exemptions on biodiesels for at least another 5 years.
- Providing an identical excise exemption for the renewable HVO100 for at least 5 years.

THE PRESIDENTS

There are at least two presidents relevant to the removal of the excise on renewable diesels including HVO100. They are

- The current arrangements for biodiesel
- The reluctance to impose a road user charge on electric vehicles

Both are designed to encourage take up and emissions reductions.

THE PROPOSITION

The Federal Governments emissions and indeed, 'Made in Australia' objectives are best served by removing or debating the excise on both biodiesel and renewable diesels (HVO100) for at least 5 years, while local biodiesel and renewable diesel

- Markets are established
- Industries are established

It might be that the excise is removed, as part of a move to introducing a road user charge or simply as a climate initiative that is either permanent or temporary.

THE PLAYERS

Several businesses have been importing biodiesel and renewable diesel into Australia. Sadly some - including majors like BP - have withdrawn from the Australian market because there is no market for renewable diesel in-particular.

A small number of businesses continue to import HVO100 into Australia, but all are struggling to establish a market given the newness of, ignorance about and price concerns regarding renewable diesel. GreenTECH is importing HVO100 as part of its relationship with French major - TotalEnergies, the world's 5th largest energy business.

THE PRIORITIES

The priorities of the Federal Government in terms of reducing emissions immediately and sustainably are best served by eliminating the excise of HVO100 for at least 5 years.
The priorities of the Federal Government in terms of establishing a sovereign capability and capacity to address its own green fuel requirements are best served by eliminating the excise of HVO100 for at least 5 years.

THE PROPOSAL

Let's talk!

GreenTECH Fuel and its partners TotalEnergies and Empire Carbon and Energy, would welcome the opportunity to present or enter into discussions regarding this proposal.

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