

## New WA Biodiesel Plant Opened

Western Australian Agriculture and Food Minister Kim Chance recently opened the state's latest biodiesel pilot plant, heralding a new chapter in moves toward cleaner fuels.

The BlueDiesel pilot plant in Welshpool is a locally developed process which will extract biodiesel from canola oil at a scale suitable for use in regional and remote communities.

"BlueDiesel's research efforts and persistence has resulted in a process that has faster reaction and separation than alternative systems", Chance said. A feature of the BlueDiesel process is its ability to produce large volumes of pure diesel using portable equipment.

A unit the size of a 20-foot shipping container can produce in excess of 1 MML of biodiesel annually. The BlueDiesel process generates 2.2 l of pure biodiesel in the time taken to produce one litre using conventional processes.

"It is an exciting time for alternative fuel production in WA", Chance said. "This pilot shows innovative technologies are emerging that provide practical ways of obtaining dramatically cleaner fuels at a viable cost."

To date, there has been no large-scale biofuel production in WA, although there are several biodiesel and ethanol projects at various stages of development. But Chance warned that new biofuels technologies had been placed at risk due to the Federal Government's recent amendments to the Fuel Tax Bill.

Under the new Fuel Tax Bill, assistance available under the Cleaner Fuels Grant Scheme (CFGS) will fall between 2011 and 2015. The grant will decrease from 38.1 c/l to 19.1 c/l for biodiesel and 12.5 cents c/l for ethanol by 2015.

BlueDiesel founder and Chairman Mr Andrew Warton said the Federal Government's Fuel

Tax Bill was a major blow to the positive investment environment for cleaner fuels in WA.

"A robust biodiesel industry will contribute to enhanced security of energy supply and positive economic, health, environmental and regional development outcomes in this state", Warton said at the 30th June official opening. "However, we need a tax regime that will support the development of these technologies - not reward the continued use of non-renewable fuel sources."

Chance urged the Federal Government to take time to look at the exciting work being done by BlueDiesel. "This really is an exciting project with the potential to deliver significant environmental benefits to the entire community - and enhance the economic prospects of regional and remote communities." ■