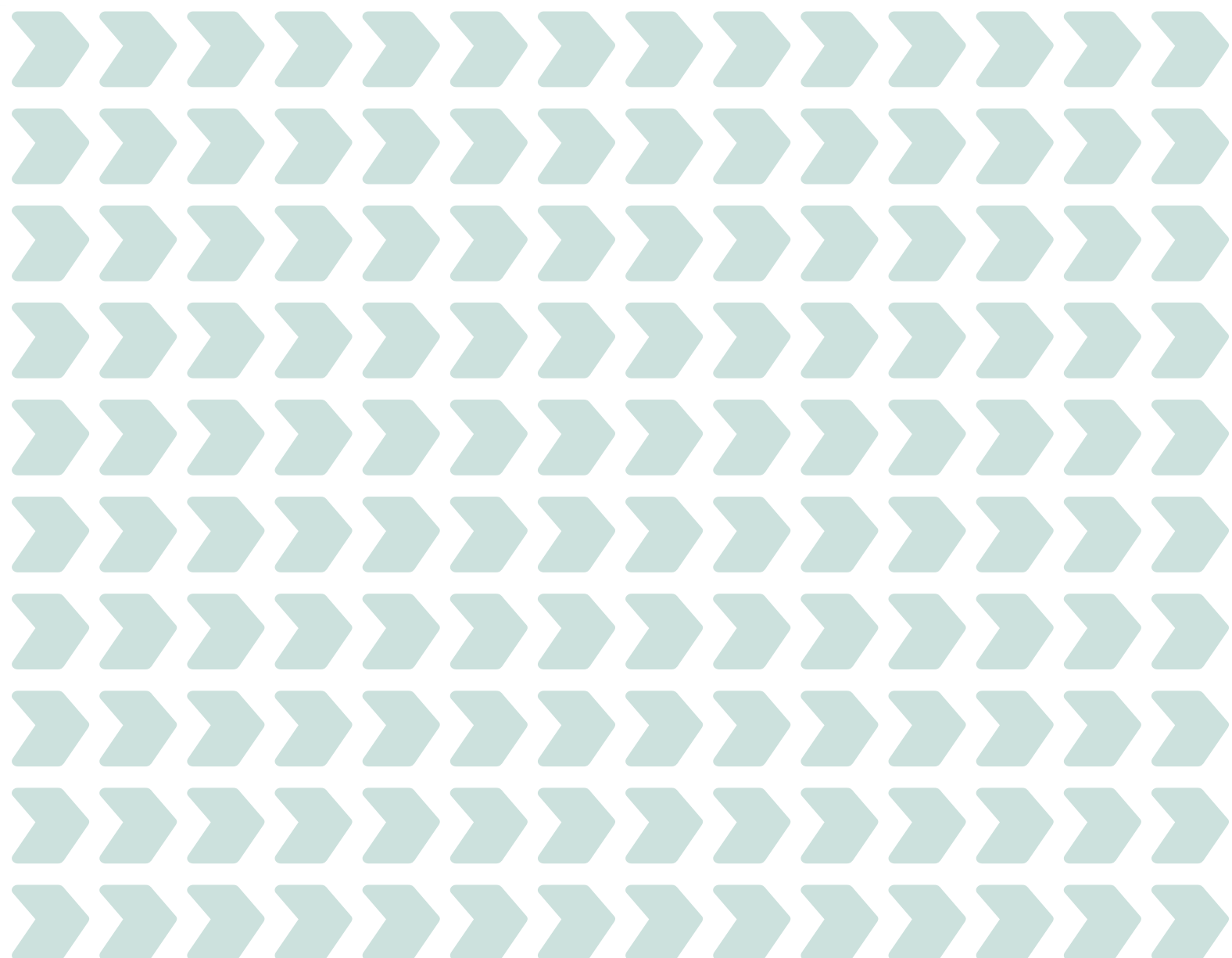




Department  
for Transport

# Introducing E10 Petrol: consultation

## Annex D: Response form



# 1. Introduction and data protection

The consultation period begins on 4 March 2020 and will run until 23:45 on 19 April 2020. Please ensure that your response reaches us at the following email or postal address **on or before** the closing date.

Please send consultation responses by, ideally by email, to:

[LowCarbonFuel.Consultation@dft.gov.uk](mailto:LowCarbonFuel.Consultation@dft.gov.uk)

Name: Tim Simon  
Address: Department for Transport  
Great Minster House  
33 Horseferry Road  
London  
SW1P 4DR.

If you would like further copies of this consultation document you can contact Tim Simon - details above - who can also help if you need alternative formats (Braille, audio, CD):

When responding, please state whether you are responding as an individual or representing the views of an organisation. If responding on behalf of a larger organisation, please make it clear who the organisation represents and, where applicable, how the views of members were assembled. If you have any suggestions of others who may wish to be involved in this process please contact us or forward the document to them.

The responses to this consultation are likely to be discussed with representatives of the sector, as well as within the Department. Therefore the points you raise may be shared. If you are not content for this to happen please let us know. Subject to the outcome of the consultation the amendments to the legislation will be introduced as soon as practicable.

## Confidentiality and data protection

The Department for Transport (DfT) is carrying out this consultation to gather views on E10 policy. This consultation and the processing of personal data that it entails is necessary for the exercise of our functions as a government department. If your answers contain any information that allows you to be identified, DfT will, under data protection law, be the Controller for this information.

As part of this consultation we're asking for your name and email address. This is in case we need to ask you follow-up questions about any of your responses. You do not have to give us this personal information. If you do provide it, we will use it only for the purpose of asking follow-up questions.

[DfT's privacy policy](#) has more information about your rights in relation to your personal data, how to complain and how to contact the Data Protection Officer.

Your information will be kept securely and destroyed within 12 months after the consultation has been completed.

## 2. Responding

**1. Your name and email address. We will only use this if we need to contact you to ask about any of your responses and to update you when we publish our response.**

Name	Gaynor Hartnell
Email	ghartnell@r-e-a.net

**2. Are you responding: \***

<input type="checkbox"/>	On behalf of an organisation? <b>Go to question 3</b>
<input type="checkbox"/>	As an individual? <b>Begin consultation response (section 2)</b>

**3. Organisation details: \***

Company/Organisation Name	REA
Address	Brettenham House, 2-19 Lancaster Place, London
Postcode	WC2E 7EN
Email	ghartnell@r-e-a.net
Your Role / Position	Head of Renewable Fuels
Please tick one box below that best describes your company or organisation.	
<input type="checkbox"/>	Micro business (0-9 employees)
<input type="checkbox"/>	Small business (10-49 employees)
<input type="checkbox"/>	Medium business (50-249 employees)
<input type="checkbox"/>	Large Company (250+ employees)
<input type="checkbox"/>	Representative Organisation
<input type="checkbox"/>	Trade Union
<input type="checkbox"/>	Interest Group
<input type="checkbox"/>	Local Government
<input type="checkbox"/>	Central Government
<input checked="" type="checkbox"/> Trade Association	Other (please describe):
<p>If you are responding on behalf of an organisation or interest group how many members do you have and how did you obtain the views of your members:</p> <p>The REA has around 500 corporate members.</p> <p>This response was discussed directly with the limited number of ethanol producers and</p>	

the wider REA membership interested in transport fuels (i.e. the REA's Renewable Transport Fuels Group) was consulted electronically.

### 3. Consultation questions

The questions below may not apply to all respondents. Please answer as many as are applicable to you or your business. In each case please set out the reasons for your answer and if applicable, alternative proposals.

#### Consultation proposals - Introducing E10 and keeping E5 available

**Q 1 - Do you agree that the best way to introduce E10 petrol is as a direct replacement for the current 95 E5 premium grade? If not, please provide further information.**

Yes

**Additional information:**

This has been clearly established via responses to the previous consultation (from a range of organisations). Based on the E10 introduction experience of those EU Member States that have made the transition, a direct replacement approach is the most effective approach and the one least likely to result in consumer confusion.

**Q 2 - Do you agree that introducing a minimum ethanol content of 5.5% in the 95 grade is the best way to ensure E10 is introduced across the UK? If not, what alternative would you propose?**

Yes

**Additional information:**

Requiring a percentage of ethanol above 5% will require the fuel to be labelled as E10, and we are reasonably confident that the operation of the market should lead to blenders voluntarily blending in significantly higher amounts. It gives them flexibility to meet the Obligation at the lowest cost, and therefore pass on the lowest cost to consumer. A 5.5% requirement should therefore be sufficient, and at least guarantees that it is genuinely greener than E5.

Simply requiring the fuel to be labelled as E10 would be confusing to consumers, as retailers could continue to promote the fuel as E5.

In addition, it is useful to have a minimum blend requirement for

ethanol – something which is absent from the EN 228 specification. There is potential for phase separation when ethanol is present at lower than 5% levels, and the 5.5% minimum blend level should avoid that occurrence.

**Q 3 - Do you agree that the minimum ethanol content requirements should apply to filling stations that sell more than one million litres of fuel per year and that this would only allow certain specialist retailers to continue to sell 95 E5? If not, please provide further information and alternative suggestions.**

Yes

**Additional information:**

There were 8390 UK forecourts at the end of 2019, of which 7111 (i.e. 85%) supply more than 1 million litres of fuel per year.

Although the data we have access to (from Experian) does not enable a precise calculation of the volumes sold from sites with sales of over 1 million litres per year, sales from sites whose average site size exceeds 1 million account for 99.6% of the volume.

**Q 4 - Do you agree that there should be an exemption for filling stations supplied from fuel terminals that are in turn supplied by ship? Is this definition suitable? Should other terminals be included or should a different or no exemption be applied?**

Yes

The wording of the question above is not entirely clear, but we confirm that we support a derogation for filling stations on supply chains where there is no ability to blend bioethanol. An alternative way of looking at this, could be that those filling stations that have not blended ethanol to date, due to lack of infrastructure, would have the derogation.

**Q 5 - Do you agree that introducing E10 in 2021 and providing industry and motorists with at least six months' notice and a two months' implementation period is sufficient to prepare for the change in fuel grades? If not, what alternative timelines would you suggest and why?**

Yes

**Additional information:**

We support the shortest notice and implementation period compatible with a smooth and co-ordinated transition to E10.

6 months is ample time for achieving the most important element of an information campaign, which is communicating that E10 is the right fuel for the vast majority of motorists whose cars are warrantied to run on it. The key to a successful E10 implementation, is these motorists being informed in advance of the switch and being comfortable with it. There is more than enough time to develop a tool, which will give a positive answer to owners of compatible cars, in response to them entering their registration number. Such a tool would be the cheapest and most effective way of getting the information over to people. The fact that the warranty status of some vehicles is not clear, should not be a reason not to develop it.

The 2 month implementation period would certainly provide enough time for filling stations with 1million litre/year to have had three tanker load replenishments. (The seasonal annex of the EN228 standard, stipulates filling stations are expected to be compliant after a maximum of three tanker load replenishments).

**Q 6 - Do you agree that the protection grade should apply to the 97+ octane super petrol grade at filling stations that supply at least one million litres of fuel in the last calendar year and supply at least two grades of petrol? If not, please explain why and provide any alternative suggestions.**

Yes

**Additional information:**

For all the reasons we put forward in our last response.

**Q 7 - Do you agree that the protection grade should apply for the maximum period of five years after the introduction of E10 before being reviewed for any further extension? If not, please explain why and provide any alternative suggestions.**

Yes

**Additional information:**

Five years, with an option to extend is a pragmatic proposal. The first time a protection grade requirement was effective from 1<sup>st</sup> January 2010 and was for a 3 year period. It was subsequently extended for a further 3 years.



It may be worth considering, however, that should a retailer wish to supply a superior fuel with respect to GHG savings it would be regrettable if the protection grade requirement were to prevent that. Perhaps there should be a derogation for this, in such circumstances. However, we would not want this suggestion to trigger any delay in the implementation of E10.

**Q 8 - Do you agree that short term derogations are required to ensure fuel supply resilience can be maintained. If you do not agree, please set out the reasons why?**

Yes

**Additional information:**

It is possible to envisage scenarios where the supply of ethanol may be compromised, and it would not be desirable to prevent the sale of E10 with insufficient ethanol content.

**Q 9 - What are likely scenarios in which a derogation may be required?**

Possible scenarios would be loss of blending capability at a fuel terminal, or temporary ethanol supply problems. Derogations should not be allowed for economic reasons, e.g. because the price of ethanol was high or the blender was seeking to maximise incorporation of an alternative oxygenate component.

**Q 10 - Are the duration, process and reporting elements of the derogations appropriate, and if not, what changes would you like to see and why?**

Yes

**Additional information:**

The requirement to provide an explanation of the issues affecting the supply of compliant fuel along with remedial steps taken to rectify the issues, plus the ability to claim no more than three derogations per year should be sufficient to prevent abuse of the system. However, if there is evidence of abuse (such as each fuel supplier always submitting 3 derogations per year) then this should be investigated with the potential to revise the derogation rules.

**Q 11 - Is the classification of a fuel supplier appropriate for the application of derogations and if not, what would you suggest?**

Yes

**Additional information:**

**Q 12 - Do you agree with the proposed wording for the E10 labelling? If not, why not and what alternative would you suggest?**

Yes

**Additional information:**

*“Suitable for most petrol vehicles: check before use”* probably strikes the right balance between brevity, reassurance and information provision. However, it is essential that motorists have an easy means of checking, such as an online tool that enables them to get compatibility information on submitting their number plate. Providing information which requires all customers to read an explanation and come to their own conclusions is not acceptable.

The obvious place for this information is on the DVLA database, and ideally this should have been done in advance as UKPIA has been advising for some time. Nevertheless, through this database all cars' year of manufacture is known, as well as the year of registration.

The compatibility status for the vast majority of cars is known, and for all those cars a registration number-based compatibility tool could give a straightforward yes / no answer. The Netherlands has such a tool, which can be seen on <https://www.e10check.nl/>

We recognise that there are instances where the manufacturers themselves have not provided the information, or the compatibility status of the vehicles manufactured changed during the course of a year. For this minority it would be acceptable for the motorist to be referred to the ACEA information source. It would be very likely that a high proportion of these motorists purchase protection grade out of caution. A poor tool, that puts all motorists in this position, would be extremely counterproductive and risk a chaotic transition to E10 as well not optimising on the carbon savings available.

**Q 13 - Do you have further comments or suggestions for communicating the E10 compatibility message?**

**Additional information:**

Effective and timely communication on compatibility is essential for an orderly transition to E10. The DfT should ensure that an online tool, as described above, through which motorists can submit their number plate and receive confirmation that their car is (or is not) compatible, be made available proactively, in good time prior to the introduction of E10. The idea should be that all motorists be aware of their own cars' compatibility before the introduction, but literature referring to the tool should be available to be handed out to motorists who arrive at a filling station unaware of their vehicles' compatibility. Such an online tool was available to Belgian and Dutch motorists prior to the introduction of E10 in Belgium and the Netherlands, and was an important ingredient in the success of these countries' introduction of E10.

## **Call for Evidence - Implications of an E10 introduction for other policy mechanisms**

**Q 14 - Would an increase in RTFO targets, alongside or subsequent to an introduction of E10, deliver additional GHG savings from the scheme?**

Yes

**Reasoning/ supporting evidence:**

An increase in the RTFO targets would certainly deliver additional GHG savings from the scheme.

**Q 15 - Would you be supportive of such a change?**

You may wish to consider the level of any increase and the timing of it within your answers. Please provide any evidence you may have to support your response.

Yes

**Additional information:**

The REA is extremely keen to see an increase in the RTFO targets and has been calling for this for some time.

A small delegation of REA members met with DfT to talk about the need for an increase to the level of the basic RTFO in December last year. Our modelling (which we shared at the request of the DfT) showed that if the expected trends listed below materialise, the absolute amount of

sustainable biodiesel used in the UK would fall from 2 billion litres to around 0.8 billion litres by 2032. (The trends being; the electrification of cars (we'd assumed a 9% share of road transport market by 3032); the introduction of E10 in 2021 and the growth in biomethane for Heavy Goods Vehicles).

The target should be increased as soon as possible.

**Q 16 - Do you expect any other risks or potential impacts of such a change other than the ones listed in this call for evidence?**

No

**Additional information:**

**Q 17 - Please provide any evidence you have on the potential impacts of continuing the GHG saving obligation beyond 2020. We are interested in evidence relating to costs and GHG savings as well as wider impacts on the industry.**

**If the targets were to continue, do you have any views on:**

- a. Which measures should be rewarded with GHG credits? For example, should UERs continue to be included?
- b. The level of the obligation, i.e. should it remain at 6%?
- c. Any other changes to the system you would like to propose.

**Summary response:**

We have been arguing that the GHG obligation should be maintained, as it must be in the EU (as confirmed recently by the Commission).

Most importantly every effort should be made to maintain continuity so that the scheme continues beyond 2020. Our understanding is that the best chance of this happening, is that if the scheme is carried over, unchanged. Any refinements should follow afterwards, following a consultation.

The Obligation had begun to influence behaviour to deliver additional GHG savings above the minimal thresholds, although it had hardly been as effective as it could have been, as the expectation was that it would only be in place for 2 years.

**Point a –**

We suggest this question should form part of a consultation, which should take place after the GHG reporting regulations legislation is changed to remove the end date of 2020. A question on the eligibility of UERs should definitely be included. Every effort must be made to

**avoid a hiatus.**

**Point b –**

**As above**

**Point c –**

**As above**

**Q 18 – Please use this space to add any additional comments, including questions raised in the Impact Assessment.**

**Additional comments:**

**We do have concerns about the impact assessment, as we believe the assessment of the GHG savings achieved by UK-produced bioethanol is extremely conservative. We also question the use of ILUC factors, without consideration of other potential indirect effects. We would be happy to discuss our concerns with DfT at some point in the future.**