



19 September 2015

Dr Peter Fisk

Chief Executive and Chief Metrologist
National Measurement Institute (NMI)
36 Bradfield Road,
Lindfield, NSW 2070
Via email: alexander.winchester@measurement.gov.au

URGENT REVIEW OF AUTOMATIC DENSITY COMPENSATION IN AUTOGAS DISPENSERS

Dear Dr Fisk

I am writing to you on behalf of the members and associates of Gas Energy Australia concerning the time it has taken to review the current mandatory requirement for automatic density compensation in autogas dispensers installed post 2001 and the impact this is having on Australian manufacturing industry, service station operators and the consumer

By way of background, in November 2015, Gas Energy Australia wrote to the NMI requesting this review and outlining how the requirement imposes unnecessary additional costs on consumers, reduces dispenser reliability and, when combined with the exemption for pre-2001 dispensers, discourages the installation of new dispensers. We also outlined that autogas metrology operates effectively in pre-2001 systems without automatic density compensation and that a requirement for such compensation does not apply to:

- petrol or diesel sold in Australia;
- the determination of quantities of autogas for fuel excise purposes in Australia; or
- autogas sold in overseas jurisdictions.

Gas Energy Australia was pleased to receive correspondence from the NMI in January 2016 which acknowledged our concerns and advised further consultation would take place on the form of a discussion paper. The correspondence anticipated that the discussion paper would be released in early 2016. It is now late 2016 and the delay in addressing this issue has imposed additional costs on industry and consumers in the order of \$825,000 per annum (refer - GEA Submission on National Instrument Test Procedure Review - June 2015).

Importantly, there are over 400,000 Autogas fuelled vehicles on Australian road and over one billion litres of autogas were sold in 2015. Despite this demand, autogas retailers are choosing to refurbish pre-2001 equipment or remove equipment rather than install new dispensers. This jeopardises the future of the autogas refueling network for the motorists who drive autogas vehicles, many who do so as a result of the LPG Vehicle Scheme introduced by the Coalition Government in 2006.

Discouraging the installation of new dispensers is also jeopardising the future of Australian companies that contribute to the manufacture of autogas dispensers, particularly specialty autogas dispenser manufacturer, DJ Batchen, located in the Sydney suburb of Auburn.

In light of the harm currently being inflicted on Australian companies, I would greatly appreciate your timely advice on the prospects of the NMI resolving this matter by Christmas 2016, so that we can report to the Minister for Industry, Innovation and Science, the Hon Greg Hunt MP, and the Assistant Minister for Industry, Innovation and Science, the Hon Craig Laundry MP, whose electorate of Reid includes Auburn, that urgent action is being taken to address it.

I look forward to your response.

Yours sincerely

A handwritten signature in black ink, appearing to read "John Griffiths", with a long horizontal flourish extending to the right.

John Griffiths
Chief Executive Officer

cc. Alex Winchester Senior Policy Officer, Legal Metrology Policy, National Measurement Institute