

[REDACTED]

In response to your Clean Air For NSW consultative paper I would attach a previous submission made by ADEDA to the Federal Department of Environment in 2015. This position is unchanged from previous submissions made by ADEDA to Environ a copy of which is attached.

If you have any questions please let me know.

Regards,

Len Clutterbuck
President ADEDA

Len Clutterbuck
Division Sales Manager JDPS

John Deere Limited (Australia) A.C.N. 008 671 725

P.O. Box 1126, Camden, NSW, Australia, 2570

+61 2 46545501 (office)

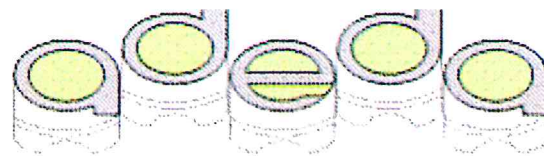
+61 418 367 482 (mobile)

+61 2 4646 1236 (fax)

ClutterbuckLen@JohnDeere.com

www.JohnDeere.com.au

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Australian Diesel Engine Distributors' Association

8th April 2015

Att: Mr Andrew McNee
Assistant Secretary
Environment Protection Branch
Environment Quality Division
Department of the Environment
GPO Box 787
Canberra, ACT 2601

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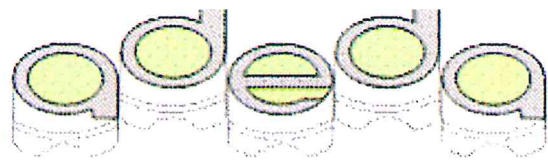
Dear Andrew

Re: AEDDA position re introduction of regulatory emission standards for non-road diesel engines

Firstly, Len, Geoff and myself would like to thank both yourself and the rest of the team for our recent meeting on Thursday 26th March 2015. We found it refreshing and positive to be able to discuss a subject which is pivotal to us all in such an open, frank and positive manner.

AEDDA has reviewed its position on this matter and can advise that our position remains unchanged from our previous detailed submissions to Environ Australia as part of the Australian Non-road Regulatory Development. In short,

1. AEDDA supports the phased introduction of the equivalent of EU Stage 3A emission standards for Non-road diesel engines sold in Australia.
2. There should be a two (2) year phase-in period to EU Stage 3A emission standards to allow effected Distributors to clear any existing non- compliant stock (Note: Most Distributors have to commit at least six (6) months in advance on all stock orders with their Principals and hence the need for a two (2) year phase in period).
3. Upon the introduction of the equivalent of EU Stage 3A emission standards, there should be a two (2) year moratorium on any changes to that standard.
4. Upon completion of the two (2) year moratorium period, the situation should be reviewed by all stake holders and if it is ultimately decided to move to another higher level of EU based non-road emission standard, then the same two (2) year phase in period should apply for exactly the same reasons as detailed in point 2.



Australian Diesel Engine Distributors' Association

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The implementation of an EU Stage 3A standard would provide Government with a positive step towards a National Clean Air Agreement and would be doing so with the full support of ADEDA. Dare we say a win/win/win scenario for government, industry and equally importantly, the Australian community at large.

The later key point being further reinforced by Attachment 1 (courtesy of Cummins Australia) which highlights the significant reductions in emissions that can be achieved by the implementation of an EU Stage 3A standard by comparison to an unregulated environment.

As specifically detailed in ADEDA's previous submissions to Environ Australia, ADEDA is totally against any mixture of USA and EU standards to formulate a unique "Australia only" emission standard for Non-road diesel engines. This is an unworkable and unrealistic situation for such a relatively small (tiny) market by world standards.

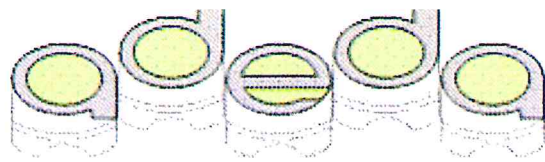
Australia's On-road standards are based on the EU model and it is ADEDA's opinion that it makes common sense to therefore do likewise for Non-road standards. This common sense approach having already been taken up in various forms by other countries such as Russia, India and China for reportedly exactly the same reasons as proposed by ADEDA.

This would also,

1. Help achieve the stated goal of "Reducing regulatory burden" as per the Working towards a National Clean Air Agreement discussion paper of March 2015.
2. And equally importantly, having both of the Australian On-road and Non-road diesel emissions standards based on the comparable EU standard complies with Australia's commitment to the 1958 Geneva Convention re "Uniform conditions of Approval" (re-ratified by the Australian Federal Government as late 2008) which directs that in order to avoid unnecessary duplicity of compliance standards, Australian Standards would be based on the corresponding EU model.

In closing, ADEDA fully supports the phased introduction of the equivalent of EU Stage 3A emission standards as per our previous more detailed submissions to Environ Australia of which we understand you have complete copies.

We trust that this advice is of assistance and would again like to thank you for our recent excellent meeting.



Australian Diesel Engine Distributors' Association

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Truly yours,

Noel Heritage
Secretary

Australian Diesel Engine Distributors' Association (ADEDA)
C/O Power Equipment Pty Ltd
10-12 commercial Drive
Lynbrook, Vic 3975

Attachment 1: Emission level comparison courtesy of Cummins Australia.

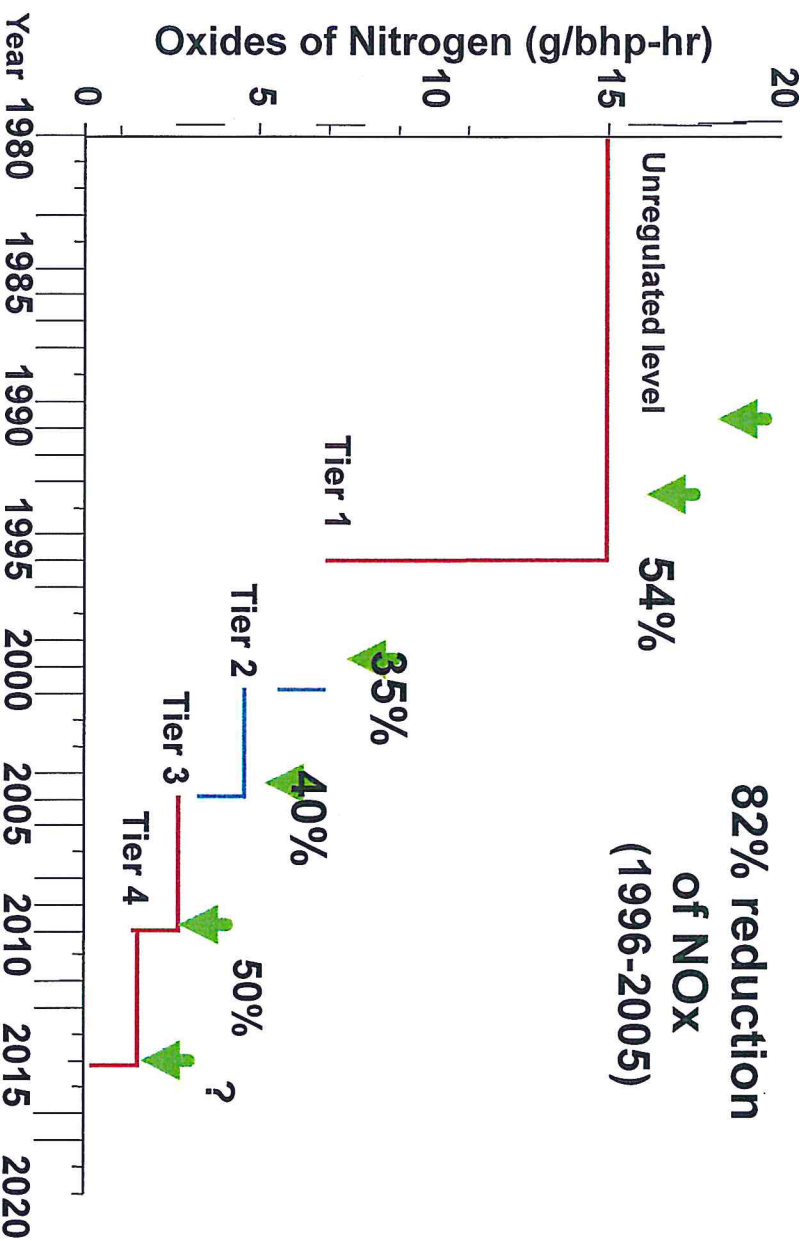
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Attachment 1

The Drive for Cleaner Engines:

Off-highway Regulation History

(Courtesy of Cummins Australia)



VIA E-MAIL: yscorgie@environcorp.com.au

Ms. Yvonne Scorgie
Senior Manager, Air Quality
ENVIRON Australia
100 Pacific Highway
P.O. Box 560
North Sydney 2060 Australia

Re: Australia NR Regulatory Development

Dear Ms. Scorgie:

ADEDA has examined the results of the "*Costs Benefit Analysis of Options to Manage Non-road Diesel Engine Emissions*" industry meeting held December 16, 2010 at the NSW Department of Environment, Climate Change and Water Offices and would like to respond in six areas.

1. Costs of implementing different tiers or stages of legislation
 2. Alignment of European legislation vs. US EPA or Japanese
 3. Marine legislation
 4. Timing of emissions stage
 5. Implementation from gazettal and method of enforcement.
 6. 2nd hand equipment
-
1. The ADEDA working group has examined the cost to our customers of implementing different tier or stage emissions and expects the cost of Tier 4 final / Stage 4 to be significantly higher than Tier 2/3. The actual increase is dependent on the manufacturer's design and production volume. Stage 4 /Tier 4 Final will add significantly more product complexity which will increase product unreliability and maintenance. The Stage 4 engines will have worst fuel economy which increases their carbon footprint.
 - European example, the cost of Tier 4 final / Stage 4 to be 1.6 times that of Tier 2/3, in the 100 – 200kW range.
 - USA example, Tier 4 interim is 1.5 times that of Tier 3. Will be higher again for Tier 4 final.
 - T2 to T3 = 1.05 to 1.1 depending upon engine model.
 2. ADEDA would propose alignment with the European off road legislation vs. the US EPA legislation.

Firstly, Australia is a signatory to the 1958 agreement aligning with EU.

“Agreement Concerning the Adoption of Uniform Conditions of Approval and Reciprocal Recognition of Approval for Motor Vehicle Equipment and Parts, done at Geneva on 20 March 1958”, last updated in 2008.

<http://www.info.dfat.gov.au/Info/Treaties/treaties.nsf/AllDocIDs/D6CE88EC4BD52B7FCA256BB A001668DB>

Secondly, In line with the automotive approach that Australia has adopted, ADEDA proposes that we do not engage in any ABT (Average Banking and Trading) schemes for Australia. Hence the USA model is not most appropriate for our market.

Thirdly, from a power generation perspective, Europe is 50Hz, USA is 60Hz, hence alignment to European legislation is appropriate for product sourcing.

In line with the automotive approach, ADEDA proposes that European is the primary legislation with acceptable other equivalent standards (eg USA / Japan). Eg Tier 3 is acceptable to stage 3A, Tier 4 final is equivalent to stage 4.

3. The marine proposal appears to have gaps that ADEDA seeks to clarify.

The draft document indicates that for pleasure boats above 37kW a separate standard applies. ADEDA is unclear what this standard is and seeks clarity. ADEDA believes that pleasure boat engines need to be covered.

IMO (of which Australia is a signatory), regulates commercial vessels >130kW.

ADEDA recommends that all marine is required to comply with EU legislation as per industrial engines, but IMO should stand where IMO applies.

IMO legislation does not apply effectively to all Australian States and thus needs tighter legislation or enforcement to ensure the effectiveness of this emission standard.

4. ADEDA proposes the following phased introduction of European Stage Emissions.

Industrial (Ag / Construction / Mining)									
	Engine Power	2013	2014	2015	2016	2017	2018	2019	2020
	< 18 kW		nil						nil
	18 · kW .36		Stage 3a						Stage 3b
	37 · kW .55		Stage 3a						Stage 3b
	56 · kW . 74		Stage 3a						Stage 4
	75 · kW . 129		Stage 3a						Stage 4
	130 · kW · 560		Stage 3a						Stage 4
	>560kW		nil						nil
Marine									
	Engine Power	2013	2014	2015	2016	2017	2018	2019	2020
	Complete per EU requirments (non inland waterways)								
	< 37 kW		Stage 3a						Stage 3b/4
	37 · kW . 130		Stage 3a						Stage 3b/4
	>130kW (Commercial)		IMO						IMO
	>130kW (other)		Stage 3a						Stage 4
Powergen									
	Engine Power	2013	2014	2015	2016	2017	2018	2019	2020
	Complete per EU requirments								
	< 18 kW		nil						nil
	18 · kW .36		Stage 3a						Stage 3b
	37 · kW .55		Stage 3a						Stage 3b
	56 · kW . 74		Stage 3a						Stage 4
	75 · kW . 129		Stage 3a						Stage 4
	130 · kW · 560		Stage 3a						Stage 4
	>560kW		nil						nil

The introduction of stage 4 emissions and associated legislation should be reviewed in 2016/7. This would allow for the learnings of both USA and Europe to be reviewed, after their respective introductions. The costs and technology could change after introduction. Hence the best balance of cost and complexity and its effect on the environment can then be determined.

In the interests of importers and manufacturers, ADEDA proposes to skip Stage 3b for the higher kw range, as this technology will be phased out with the introduction of Stage 3b. It is likely that stage 3a / Tier 3 will be the product for un regulated countries and remain in company product plans.

5. Introduction timing from gazettal and method of enforcement.

To ensure the local manufacturers transition in an orderly manner and inventory is sold, ADEDA proposes that 3 years is allowed from gazettal of legislation to the implementation date.

Consistent with the spark ignited industrial approach, the most appropriate method of enforcement is through Customs.

6. 2nd hand equipment.

ADEDA believes that imported 2nd hand engines or equipment comply with the current Australian standard, as implemented via this process.

Yours faithfully,

ADEDA.