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## BANZ MEDIA STATEMENT

### **Biofuels ready and waiting to fill the gap as \$2 threshold is reached**

**As prices at the pump pass the \$2 mark, New Zealand's biofuels producers are ready and waiting to offer Kiwi motorists an environmentally sound and now economically attractively priced fuel. New Zealand's biofuel producers are working hard to keep up with demand as the popularity of biofuels continue to grow.**

Speaking today, Mr Brian Cox, Executive Officer of the Bioenergy Association of New Zealand (BANZ) said there really is no better time to be buying biofuels. Mr Cox added, *"For many motorists the \$2 level has been a bit of a psychological threshold. With Oil Giants unilaterally all raising pump prices to over \$2 per litre for 91 octane petrol yesterday, motorists should be looking seriously at biofuels and asking why petrol prices continue to rise so steeply."*

Mr Cox went on to add, *"New Zealand's biofuels sector is flourishing with a fast growing dedicated customer base. As well as the obvious environmental point of difference that biofuels present to the motoring public, I have to say, this latest price rise also presents us with a welcome economic point of difference too."*

*"While conventional petrol companies continue to wring money from motorists' wallets, fuels containing 10 per cent bioethanol (for example Gull New Zealand) are today 4 – 5 cents per litre cheaper. Long term they are expected to run at 1 – 2 cpl below the mineral alternative. '*

*"Biofuel is supported by the Government fuel excise tax and biodiesel grants scheme and so has the potential to maintain prices at lower rates than conventional petrol. "*

*"The price gap between petrol and biofuel blends is only likely to widen as oil becomes scarcer, Governments impose a price on carbon, and New Zealand finds new sources of sustainable biofuel."*

*"Now is the time for motorists to seriously consider switching to biofuel and biofuel blends. The vast majority of vehicles can run on a blend of either bioethanol or biodiesel with no modifications. Increasingly too we are seeing new vehicles (e.g. Holden flex-fuels) arriving to market that are able to run on higher blends."*