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## **Never Waste a Crisis**

The geopolitical events of March and April this year have again focused the spotlight on the fragility of our fuel supply chain and Australia's lack of in-country fuel storage, domestic refining capability and our reliance on imported liquid fuels. The numbers look like this, Australia consumes over 56 billion litres of liquid fossil fuels each year across 11 major sectors of the economy, including heavy vehicle road freight. The heavy vehicle transport sector accounts for approximately 8.2 MtCO<sub>2</sub> of this.

Over the past few of years in this column, I have discussed the difficulties of decarbonising the heavy vehicle road freight sector and in turn reducing, or eliminating our dependence on imported liquid fuels. I have also detailed that the Truck Industry Council (TIC) remains open to all forms of decarbonisation in the road freight sector, including new more fuel efficient trucks, hybrids, battery electric vehicles, freight productivity (moving more freight with fewer trucks), eTrailers, modal shift, hydrogen and any other decarbonising solution that may eventuate over the coming years.

Low carbon liquid fuels are proven technologies that are already being produced and adopted globally. These products are immediately compatible with existing infrastructure and the Australian truck fleet. They can serve as drop-in replacements for current mineral diesel. With increasing demand for these products both domestically and internationally and with sustainable fuel projects under discussion in Australia, these low carbon fuels will be key contributors to Australia's fuel security and decarbonisation pathway. Given the widespread recognition of the readiness, availability, and feasibility of sustainable fuels, the missing piece is a large scale domestic low carbon liquid production industry. Currently Australia exports approximately 60% of its canola crop to Europe and Asia for sustainable fuel production, whilst the majority of our used cooking oil is exported to the USA for their sustainable fuel manufacturing. Were Australia to keep and process those feedstocks here, we would be on the pathway to domestic fuel security.

There is probably little doubt that the end game for decarbonising road transport, both light and heavy vehicles, will be electrification of some form, battery electric, hydrogen fuel cell, etc. This would in turn ensure national energy sovereignty for our Australian vehicle fleet. However, there are technology, economic and practical barriers, limiting the take up currently of electric trucks. These barriers will lessen with time, however a transition strategy is required for our truck fleet, with low carbon liquid fuels detailed above, being part of the strategy, along with hybrid trucks and increases in productivity, detailed below. Government needs to take a more active role in the deployment of Battery Electric Heavy Vehicles (BEHVs). Specific public BEHV charging infrastructure is almost non-existent in

Australia. Truck operators are not required to provide diesel refuelling infrastructure and yet charging infrastructure is exactly what it seems the government expects the trucking industry to provide for their electric trucks. BEHV charging infrastructure needs to be facilitated by governments, at this point in time.

The federal government needs to strike a deal with the states and territories, to harmonise mass and dimension regulations across jurisdictions. Right now, a truck that is permitted in New South Wales may be illegal in Victoria, or Queensland. These inconsistencies are a productivity killer. Worse still, current regulations are biased toward protecting road assets and access for non-prescriptive heavy vehicles requires Local Government Areas (LGAs) to provide consent to allow a vehicle to operate on LGA roads, this hinders performance-based vehicle design. The outcome, restricted access for these more productive, safer, cleaner, more efficient truck and truck-trailer combinations. Further, night time noise curfews prevent heavy vehicle access, irrespective of the noise emitted by the truck. Hence quiet, almost “silent”, electric trucks are blocked from night deliveries due to inflexible curfews.

Let us heed the current wake up call. We need our governments to put in place low carbon liquid fuel mandates, supported by government financial incentives to build a local renewable fuel production industry. We need strong leadership that will ensure that specific public heavy vehicle battery electric charging and hydrogen refuelling infrastructure is built to unlock the potential of these energy sources for the trucking industry. We need to wind back, or eliminate, night time curfews for “silent” heavy vehicles and streamline the approval process for heavy vehicle access, to enable the use of more higher productivity trucks and combinations. Let us not waste this crisis.

Tony McMullan

CEO, Truck Industry Council