AADA
AUSTRALIAN AUTOMOTIVE DEALER ASSOCIATION

RESPONSE TO HEPA GUIDELINES FOR SAFE MANAGEMENT OF END OF LIFE LITHIUM-ION BATTERIES

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FOREWORD

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The Australian Automotive Dealer Association (AADA) welcomes the opportunity to submit our feedback in response to the release of the exposure draft of the HEPA National Guidelines for the safe management of end of life lithium-ion batteries. Our comments are made about EV batteries noting that they are significantly different to other batteries in their design, size, use, and complexity of integration into an electric vehicle.

The AADA is the peak industry advocacy body exclusively representing franchised new car and truck dealers in Australia. There are over 3,900 car and truck dealerships, ranging from family-owned small businesses to larger and publicly owned businesses operating in regional areas and capital cities across the country.

The new vehicle retailing sector employs more than 64,000 people including approximately 7,500 apprentices, contributes over $21.5 billion to the national economy, has a total turnover/sale of $91.3 billion and generates in excess of $8.2 billion in tax/duty revenue.

AADA understands the concerns of HEPA and its participants regarding the safe disposal of lithium-ion batteries dropped off to be recycled. Lithium-ion batteries are supplied for a great variety of uses in commonplace household appliances and handheld devices. There is a well-established end of life collection of e-waste including electronic devices and batteries that can reduce the risks of inappropriate disposal via kerbside collections that terminate in landfill.

Awareness campaigns like the NSW EPA Never Bin a Battery[1] for small batteries should be preferred and promoted. We also note that the NSW Government legislation to implement product lifecycle recycling of small LI batteries up to 5 kgs in weight is due to commence in October this year.[2]

However, collection point arrangements for small lithium batteries and electrical goods are very different to the measures that must be taken to safely manage end of life vehicles (ELVs) and automotive lithium-ion batteries used in battery electric vehicles, hybrid and plug-in hybrid vehicles. In this submission AADA sets out to distinguish e-waste disposal from EV battery disposal at end of life and management of EV batteries at motor vehicle dealerships.

ELECTRIC VEHICLE BATTERIES ARE A DIFFERENT PROPOSITION

SECTION 2

ELECTRIC VEHICLE BATTERIES ARE A DIFFERENT PROPOSITION

EV batteries are almost always serviced, repaired or prepared for recycling in dealerships by automotive professionals. Where recycling is required, dealers familiar with the manufacturer's instructions arrange transfer to dedicated battery recycling facilities.

The percentage of battery electric vehicles registered is growing but remains at a low single figure percentage of the total registered vehicle population.

EV batteries vary significantly from smaller lithium-ion batteries in how they are designed, managed, recharged and used. Dealers have a strong understanding of their environmental, workplace health and safety, and transport obligations under the laws, regulations, and standards that govern EVs and EV batteries.

AADA observes the significant difference between a battery that powers a handheld device, a laptop computer, or an e-bike, and a traction battery that powers an electric or hybrid motor vehicle.

In our view the draft HEPA guidelines, should be simplified as advisory, not at all mandatory, and divided to separate out EV batteries from all other lithium-ion batteries.

There is much to say about the management of EVs and batteries which is not included in the draft. So much that the document could not cover regarding safe operation, safe work, charging, discharging, reinitialising, packing, and transport.

In dollar terms EV batteries are a valuable resource that should be properly recycled. EV batteries are manufactured for the purpose of operating the complex machine that is the modern motor vehicle and must be durable and safe. It is important that the vehicle and battery are not separated before appropriate recycling treatment. There are risks associated with poor practice in the recycling of electric vehicles.

Guidance for the use, servicing, storage, and management of electric vehicle batteries is found in the training provided to dealership staff via vehicle manufacturer supplied training and TAFE courses. WorkSafe authorities also produce EV safety publications. The Australian Standard AS 5237 - 2022[3] applies to workshop servicing and repairing EVs.

Vehicle manufacturers provide detailed EV technical information to dealers under the arrangements of the franchise and more broadly to the repair industry under the Competition and Consumer Amendment (Motor Vehicle Service and Repair Information Sharing Scheme) Act 2021. For example via automotive repairer registration with the Australian Automotive Service and Repair Authority: AASRA[4].

SEPARATE CONSIDERATION OF EV BATTERY RECYCLING IN END OF LIFE VEHICLE POLICY

SECTION 3

RECYCLING OF EV BATTERIES SHOULD BE SEPARATELY DISCUSSED IN THE CONTEXT OF A NATIONAL END OF LIFE VEHICLE POLICY

Recycling of end-of-life vehicles including end-of-life lithium-ion batteries is a large and complex subject that warrants further consideration through the development of a national end-of-life vehicle policy.

The information in the exposure draft commencing at item 2.21, and in appendix B at table 10, highlights that all Australian jurisdictions regulate safe use, storage, disposal and transportation of EV batteries. Additionally, the HEPA consultation refers to standards, legislation and regulations that maybe relevant internationally but have not been adopted in Australia.

The intersection of environmental, workplace laws, OH&S standards, regulations, and training applicable to EV batteries is complex. The AADA recommends that the content pertaining to EV batteries be simplified and published in a separate document tailored to the automotive industry rather than being included within broader guidance for lithium-ion batteries. Currently, guidance specific to EV batteries is dispersed throughout the whole document.

Another key concern is that users of the guidelines within regulatory authorities may refer to the HEPA National Guidelines without prior understanding of how automotive workshop in dealerships manage battery safety.

In the preparation of a separate guideline for EV batteries, researchers should become familiar with dealer workshop procedures and safety measures. A visit to inspect EV dealership workshops would be the ideal method of familiarisation. The AADA can assist with arranging inspections.

EV Battery Fire Risks

Australian research undertaken by EV FireSafe[5] reports that EV battery fires are rare. There have been eight reported EV battery fires in Australia since 2021. There is a relatively low risk of fire involving an in-service electric vehicle battery.

Cost and Feasibility of Storing EVs and Batteries

The exposure draft of the guideline does not comment on matters of cost or feasibility of the recommended actions to manage EV lithium-ion batteries. At item 8.3 for example, in measures to manage storage of damaged vehicles, the guideline establishes a 15 meter clear zone (360 square metres including the car) for storing a damaged EV and fire containment measures. Dealer facilities and workshops do not have large areas of unused available space where they can quarantine EVs. Space is limited, therefore storing a damaged EV or battery onsite with a specific and prescriptive 15 metre all around exclusion zone is impractical from a perspective of feasibility and cost. It does not appear that during development of the HEPA guideline the calculation of cost to industry has been a consideration.

Available Space

The exposure draft also recommends concrete walls, built in fire mitigation measures, and containers for end of life lithium-ion batteries that are not found in automotive businesses. These clauses are a concern and unlikely to be considered as either practical or cost effective for an automotive workshop.

In our view movement and storage of damaged or ELV EVs and batteries away from dealership locations will become the only way to safely manage a damaged or faulty vehicle. The guidelines do not appear to have analysed cost to industry.

Dealers are Not Collection Points for End of Life Lithium-ion Batteries

It should not be assumed, as it is at item 6.4.1 on page 39, that "Authorised dealers are also often collection points for end of life Lithium-ion batteries". That is not the case, dealers in the operation of their businesses sell, service and repair EVs under a vehicle manufacturers franchise. Working on EVs may lead to a battery recycling event but the term collection point for end-of-life lithium-ion batteriess is an inappropriate description.

End of Life Vehicle Policies

A logical connection to an Australian end of life vehicle (ELV) product stewardship system is not made in the guidance. AADA supports development of an ELV arrangement that includes appropriate processes to manage end of life EVs and their built-in lithium-ion batteries. An ELV proposal developed by FCAI and MTAA[6] deserves support.

AADA expects that HEPA participants would be supporters of development of an Australian ELV product stewardship arrangement.

End of life EVs and batteries are collected and stored in different arrangements often prescribed by the manufacturer of the vehicle. For example; BMW has a contract with recycler Ecobatt[7] and BMW dealers engage with Ecobatt to arrange collection of end of life BMW batteries. Eco-Batt store and recycle.

STATUS OF A HEPA GUIDE

SECTION 4

STATUS OF A HEPA GUIDE

It concerns AADA that the HEPA may be interpretated as a mandated government document rather than guidance. The detail contained in the exposure draft is a concern because it has not been tested by a regulatory impact statement analysis.

Other Guidelines are Also Being Developed

The AADA is aware that another guide is also being developed by Australian Standards[8] in conjunction with an industry committee. That guide is intended to be distributed free of charge and will cover packaging and transport of lithium-ion batteries for recycling. Such duplication may become confusing for industry with more guidance and once again not specific to electric vehicles but applicable to all small and large lithium-ion batteries.

CONCLUSION

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Electric vehicles and EV batteries are a different and distinct class of products in design, construction, and use when compared to small handheld and household item lithium-ion battery driven appliances and devices.

Guidance on both small lithium-ion batteries below 5 kgs in weight and much larger EV batteries should not be mixed in the one document but rather end of life EVs and their lithium-ion batteries should be subject to further research and recommendations for a separate communication by HEPA.

Franchisee or agency automotive dealers are not collection points for recycling of batteries.

HEPA is developing guidelines at the same time as a new Australian Standard drafted document on EV battery packaging and transport is also being written. An overlap between the two should not be allowed to lead to confusion among dealers.

HEPA guidance should be issued as guidance only and avoid reading like another set of government regulations or a further government contribution to the regulation of automotive businesses.

A simplified and shorter communication dedicated to recycling arrangements for end of life EV batteries only would be preferred.

AADA recommends that the content relating to EV batteries be simplified for publication in a separate EV battery recycling document aimed at the automotive industry rather than included with smaller and different lithium-ion batteries.

AADA feedback is provided with an open invitation to continue discussions at a meeting arranged to answer questions regarding this feedback or further develop our AADA recommendations.

REFERENCES

1. Never Bin a Battery, NSW EPA, https://www.epa.nsw.gov.au/Your-environment/Recycling-and-reuse/never-bin-a-battery
2. NSW Product Lifecycle Regulations 2026, https://legislation.nsw.gov.au/view/html/inforce/current/sl-2026-0047#sec.2
3. AS 572- 2022 Electric vehicle operations, https://www.standards.org.au/standards-catalogue/standard-details?designation=as-5732-202
4. AASRA, https://aasra.com.au/
5. EV FireSafe, https://www.evfiresafe.com/_files/ugd/8b9ad1_a7393a755dea4608a272561393fa7056.pdf
6. FCAI &MTAA, https://mtaa.webflow.io/news/driving-change-in-automotive-recycling-fcai-and-mtaa-unveil-plan-to-progress-end-of-life-vehicle-management
7. BMW, https://www.carexpert.com.au/car-news/bmw-australia-launches-ev-battery-recycling-program
8. Standards Australia, https://www.standards.org.au/news/new-standards-australia-initiative-to-support-safer-packaging-and-transport-of-used-lithium-ion-batteries

Other Resources

1. https://www.worksafe.vic.gov.au/safety-alerts/lithium-ion-battery-fires
2. https://abia.org.au/wp-content/uploads/2025/02/Lead-Acid-and-Lithium-Battery-Guidelines-Final.pdf
3. https://www.safework.nsw.gov.au/hazards-a-z/lithium-ion-batteries

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