February 14, 2017

Dear Sir/Madam,

Thank you for the opportunity to make a submission to the Clean Air for NSW Consultation Paper (consultation paper). Areas in the consultation paper that are of interest to Viva Energy focus on ‘reducing industry emissions and reducing transport, engine and fuel emissions’.

About Viva Energy
Viva Energy Australia Pty Ltd (“Viva Energy”) supplies approximately a quarter of Australia’s liquid petroleum requirements. In NSW, our operations form a critical part and add diversity to the liquid fuel supply chain, supplying up to 40 percent of NSW’s fuel needs. We have an important role in supplying fuel to many segments across NSW, for example, we supply half of Sydney Airport’s jet fuel requirements and a significant portion of Sydney Harbour’s marine fuel requirements.

Our operations in NSW comprise of our Gore Bay Port Facility in Greenwich (approximately seven kilometers north-west from the Sydney CBD) and our Clyde and Parramatta storage and distribution facilities in Western Sydney. Viva Energy is the exclusive distributor of Shell branded fuels and lubricants in Australia. There are approximately 250 Shell branded service stations across NSW. Viva Energy’s operations also comprise of a bitumen import facility in Port Botany and diesel storage at the Stolthaven Terminal in Newcastle.

1. Review of the load based licensing scheme
Viva Energy reports emissions from its Terminals in NSW as part of National Pollution Inventory (NPI) reporting and as part of the NSW EPA’s Load-Based Licensing Scheme (LBL) and Annual Returns (as required under Environment Protection Licenses issued by the NSW EPA).

Given load based licensing represents a significant cost to our business we look forward to the proposal paper planned for release in mid-2017 as part of the NSW EPA’s review of the current LBL. At that time we will be able to assess any impact from any proposed changes in the LBL scheme on
our operations and we would welcome an opportunity to be part of any stakeholder consultation at that time.

We note however that the representation of SO₂ emissions in the consultation paper is not representative of current conditions as the Shell Clyde Refinery was closed in late 2012 and Caltex’s Kurnell Refinery closed in 2014 so liquid fuels are no longer manufactured in NSW which would have significantly reduced these emissions.

2. Petrol vapour recovery requirements in regional centres.
Given our retail presence in NSW any proposed changes or expansion of the vapour recovery (VRII) requirements will have an impact on our business.

Viva Energy believes that an assessment to analyse the known costs and benefits of extending requirements to install vapour recovery equipment at new or upgraded petrol stations in regional centres should be completed prior to considering regulatory or planning mechanisms that may be adopted. Given the significant cost of installation, any recommendation to expand VRII requirements should be supported by sound scientific and rigorous economic analysis and show the net benefit that would result to communities within the air sheds examined.

The detailed assessment should also focus on other emission sources and an understanding whether installation of vapour recovery equipment, in particular for Stage 2 vapour recovery, is the most effective form of emission abatement to reduce smog formation.

We request the opportunity to be included in the upcoming Clean Air Summit and be part of further stakeholder consultations and discussions on these matters. Should you have any questions in relation to this submission, or require additional information from Viva Energy, please contact me on Edwina.pribyl@vivaenergy.com.au or (03) 8823 4148 in the first instance.

Yours sincerely,

Edwina Pribyl
External Communications Manager