

15 November 2019

Deputy Secretary
EPA Tasmania
Department of Primary Industries, Parks, Water and Environment
GPO Box 1550
Hobart TAS 7001
Email: enquiries@epa.tas.gov.au

Confidential

To whom it may concern,

Re: Environmental Management and Pollution Control (Underground Petroleum Storage Systems) Regulations 2020 - Public consultation

Thank you for the opportunity to provide this submission in relation to the Tasmanian Government's Review of the Environmental Management and Pollution Control (Underground Petroleum Storage Systems) Regulations 2020 (the **draft Regulations**).

By way of background, EG Group (trading as **Euro Garages Australia**) acquired Woolworths' fuel and convenience business on 1 April 2019. Euro Garages Australia is an independent fuel and convenience operator with 14 sites located in Tasmania. For context, Euro Garages Australia holds both an exclusive fuel supply arrangement with Caltex Australia to source fuel products for its retail network, and a long-term commercial alliance with Woolworths including fuel discount redemption and loyalty.

Given the commercially sensitive nature of Euro Garages Australia's response, this submission is provided on a strictly confidential basis and is not for publication or distribution.

Below we respond to a number of the matters detailed for consultation.

Part I - Loss monitoring

(a) Leak detection threshold

Euro Garages Australia notes that whilst the Tasmanian Government's *Proposed Changes to 2010 UPSS Regulations* document outlines that a SIRA method is to be capable of detecting a leak of six (6) litres per day, this does not appear to be reflected in the draft Regulations. The definition of loss monitoring procedures, instead, appears consistent with the 2010 UPSS Regulations:

“loss-monitoring procedure means a procedure, in respect of a storage system, that is -

- (a) capable, at minimum, of detecting a leak occurring at a rate of 0.76 litres per hour with at least 95% probability of detection and a 5% or less probability of false detection...”

It is, therefore, unclear whether or not the Tasmania Government are proposing to reduce the leak detection threshold. If the proposal to reduce this threshold to six litres per day (or 0.25 litres per hour) is in fact the intended outcome, it is unclear how this decision has been formed. It is also noted that lowering the existing leak detection threshold will constitute the setting of requirements out of alignment with AS4897.

Euro Garages Australia currently contracts Leighton O’Brien as an external consultant to complete statistical analysis on all of its fuel stock holdings. Leighton O’Brien are certified of being capable of detecting a leak of 0.19 litres per hour with a probability of 99.6% and a probability of false detection of 0.4%. Therefore, should the Tasmanian Government choose to lower the leak detection threshold from the 2010 UPSS Regulations, Euro Garages Australia are not opposed to a drafting change.

(b) Notification obligations

The *Proposed Changes to 2010 UPSS Regulations* document also details an obligation on:

“loss monitoring providers... to notify the Director if a client has a site where three months of consecutive FAIL or INCONCLUSIVE results are detected.”

It is unclear where in the draft Regulations that this obligation has been set out. It is Euro Garages Australia's preference, that should an obligation exist to report on the identification of consecutive inconclusive or fail results from routine loss monitoring

procedures, then it should sit with the system operator rather than a contracted external consultant.

In closing, Euro Garages Australia requests that prior to the introduction of the proposed regulatory changes, careful consideration should be had to the potential unintended consequences on compliance costs and regulatory burden on an industry already under significant pressure.

We appreciate the opportunity to respond to this review and should there be any further questions or you would like to discuss this matter further, please contact me directly on

[REDACTED]

Yours sincerely,

[REDACTED]

Ms Cara Williams
National Fuel Manager
EG Fuelco (Australia) Limited