



BP Australia Pty Ltd  
Level 17, 717 Bourke Street  
Docklands, Vic. 3008  
GPO Box 5222  
Melbourne, Vic. 3001  
ABN: 53 004 085 616

15 November 2019

Deputy Secretary  
EPA Tasmania  
Department of Primary Industries, Parks, Water and Environment  
GPO Box 1550  
Hobart, Tas 7001  
[Enquiries@epa.tas.gov.au](mailto:Enquiries@epa.tas.gov.au)

Dear Sir/Madam,

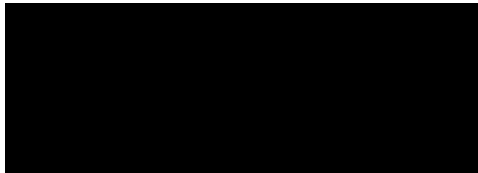
**RE: New Draft Regulations for Underground Petroleum Storage Systems**

BP Australia Pty Ltd (BP) appreciates the opportunity to participate and provide feedback into the review of the Environmental Management and Pollution Control (Underground Petroleum Storage Systems) Regulations.

We trust that our comments are of assistance.

If you have any queries regarding the comments provided, please do not hesitate to contact Bronwyn Dwyer on [REDACTED]

Yours faithfully  
BP Australia Pty Ltd,



Stefanie Givoye  
Facilities & Risk Manager  
BP Australia Sales & Marketing

cc Mark Murrie  
BP Remediation Management Operations Manager Asia Pacific



Issue	Discussion Matters	BP Suggestions
<p>Regulation 3 - Interpretation: "equipment integrity test" (a)</p>	<p>The definition of 'equipment integrity test' under Part 1, Regulation 3 has been changed to include the requirement to show that the UPSS or UPSS component is 'providing full and continuous containment'. It's unclear what precisely 'full and continuous' means in this context. But it does potentially imply that where a monitoring system (SIRA or ATG) is inactive for any reason such as maintenance or repair, then that would not allow for 'continuity'. For example, would a period of inactivity for undertaking of system upgrades or repairs constitute 'discontinuity' and thus a contravention?</p>	<p>Provide clarity regarding the interpretation of "full and continuous containment".</p> <p>Confirm that inactivity for upgrades or repairs will not constitute discontinuity.</p>
<p>Regulation 3 - Interpretation: "equipment integrity test" (e)</p>	<p>A consistent approach to integrity test reporting is important for companies that operate in multiple States of Australia, because it enables development of intimate understanding of the results reported.</p> <p>The explanatory paper makes reference to a specified format for integrity test reports, however, it does not provide any explanation as to the objectives of a specific format. It may be helpful to understand what the EPA hopes to achieve by specifying a reporting format.</p>	<p>Avoid introducing loss detection protocols that are unique to Tasmania.</p> <p>Rely on protocols approved and certified by the globally recognised National Working Group on Leak Detection Evaluations (NWGLDE).</p> <p>Specify the particular information that EPA needs to receive and refrain from specifying the format.</p>
<p>Regulation 3 - Interpretation: "loss-monitoring procedure" (c)</p>	<p>The requirement for independent verification of loss-monitoring procedures, using loss detection protocols specific to Tasmania, appears to be a duplication of the certification already provided by NWGLDE and an additional burden on suppliers that does not provide an improvement in outcome.</p>	<p>Rely on NWGLDE certification.</p>
<p>Regulation 3 - Interpretation: "loss-monitoring procedure" (e)</p>	<p>It is not possible to provide feedback on the loss detections protocols without having seen them, however, a consistent approach to reporting is valuable for companies that operate in multiple States of Australia because it enables development of intimate understanding of the results reported.</p>	<p>Specify the particular information that EPA needs to receive and refrain from specifying the format.</p> <p>Allow for stakeholder consultation when loss detection protocols are developed.</p>



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<p>Regulation 7(3)</p>	<p>The requirement for ‘a person conducting an equipment integrity test to ‘notify the Director within 7 days if a storage system is not providing ‘full and continuous containment’ is problematic for a number of reasons:</p> <ol style="list-style-type: none"> <li>1. If a particular test is inconclusive or preliminary in nature and indicates the need for further testing, does the preliminary test need to be notified to the Director? It is common for a first test to return an inconclusive result because fittings on the tank top have become loose, and subsequent tests, following exposure of the tank top and tightening of fittings, to demonstrate that the system is sound.</li> <li>2. By putting the onus for notification on the supplier, and not the infrastructure owner, will potentially lead to confusion. What happens, for example, if:               <ul style="list-style-type: none"> <li>○ The test is being undertaken as part of a property transaction (due diligence purposes) which may be confidential in nature?</li> <li>○ What if the supplier misses the 7-day deadline? Does the onus then fall on the infrastructure owner? And what would be the timeframe for notification by the owner?</li> </ul> </li> <li>3. Placing the onus for notification on the supplier appears inconsistent with the EMPC Act which holds the person in charge of a place or responsible for an activity to be accountable for associated pollution.</li> <li>4. It is not possible to understand the implications of the “approved form” without access to a copy or draft of it.</li> </ol>	<p>Revise the draft Regulation to allow for subsequent testing following an inconclusive or preliminary test.</p> <p>Revise the draft Regulation to require notification by the equipment operator within 7 days of receipt of equipment integrity test results or 3 months of discrepant loss-monitoring results.</p> <p>Allow for stakeholder consultation in the development of the approved form.</p> <p>Specify the particular information that EPA needs to receive and refrain from specifying the format.</p>
<p>Regulation 11(6)</p>	<p>It is not possible to understand the implications of the “approved form” without access to a copy or draft of it.</p>	<p>Allow for stakeholder consultation in the development of the approved form.</p> <p>Specify the particular information that EPA needs to receive and refrain from specifying the format.</p>



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Regulation 11(7)	<ol style="list-style-type: none"> <li>1. Integrity testing the entire storage system following repair to one part of the system seems unnecessarily excessive.</li> <li>2. It's not sensible to complete concreting before doing a final integrity test as the concrete would need to be cut and relayed if a problem was found.</li> </ol>	<p>Require integrity testing of the component of the storage system which has been repaired or replaced.</p> <p>Remove the requirement for the integrity test to be completed after concreting.</p>
Regulation 15(3)	<ol style="list-style-type: none"> <li>1. This Regulation appears to be presented in a manner that does not provide for continuous interstitial monitoring provided by automatic gauging systems.</li> <li>2. In our experience, manufacturers of tanks and piping don't recommend acceptable tolerances for leaks detected by interstitial monitoring.</li> <li>3. When an interstitial monitoring system alarms, technicians are sent to site to determine the cause of the alarm. Whilst on site the technician ensures that the settings for the system are correct and then monitors the system for a period sufficient to determine if the storage system is sound or not.</li> </ol>	<p>Provide an alternative requirement that is suitable for continuous monitoring systems.</p> <p>When an investigation conducted in response to an interstitial monitoring alarm finds that the storage system is not providing full and continuous containment: notify the infrastructure owner within 7 days; if petroleum has been lost, prevent further loss; and ensure the system is not used until it is repaired or replaced.</p>
Regulation 16(5)(b)	<p>This Regulation requires that a loss investigation report be produced 'as soon as reasonably practicable but in any case <u>within 30 days after the loss investigation begins</u>'. This may not be achievable because of site-specific complexity, the nature or cause of the loss, contractor availability and a range of other factors which may impede completion of the loss investigation.</p>	<p>Amend this Regulation to allow a report to be given to the infrastructure owner 'as soon as reasonably practicable but in any case within 30 days after the loss investigation <u>is completed</u>'.</p>
Regulation 22(3)	<p>Placing the onus for notification on "a person", rather than the owner or operator, appears inconsistent with the EMPC Act which holds the person in charge of a place or responsible for an activity to be accountable for associated pollution.</p>	<p>Remove Regulation 22(3), leaving notification to be the obligation of the owner or operator (R. 22(2) and R.22(4)).</p>



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<p>Regulation 35(2)</p>	<p>It is highly unlikely that decommissioning of a storage system can commence within two months of it ceasing to be in use because of the project planning and regulatory approvals required to be obtained to enable the decommissioning to be safe and compliant. Development Approvals are often required and usually take six months to obtain.</p> <p>It is not feasible to complete decommissioning within six months because these projects usually take 12-18 months from inception to completion.</p> <p>Additionally, to run a viable business (and maintain reasonable fuel prices) we must do all works required on a site at one time. This would be exceedingly difficult if we are constrained by a tight timeframe for completion of decommissioning.</p> <p>This Regulation could create an unintended consequence of petroleum being passed through a storage system once per month to avoid triggering the decommissioning requirement.</p>	<p>Within two months after the storage system ceases to be in use, provide a report to the Director describing the plan for the storage system and the risks and control measures associated with that plan, to demonstrate that owners, operators, the public and the environment will be protected from potential impacts of fuel leaks.</p>
<p>Regulation 35(4)</p>	<p>This Regulation requires that all infrastructure associated with a decommissioned tank be removed. This is contrary to AS 4976 which provides for pipes that are impossible to remove to remain in place (after draining, isolation and plugging). As the Australian Standard has been developed by a committee of technical experts and has been in place for more than a decade, it is considered a reliable source of guidance. Also the risks to other infrastructure, resulting from removal infrastructure associated with a decommissioned tank are similar to the risks associated with removal of the tank, therefore the same precautions are appropriate.</p>	<p>Defer to AS 4976 and require decommissioning in situ wholly in accordance with Section 4 of AS 4976.</p>





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Regulation 36(2)	<p>This Regulation requires that all infrastructure associated with a decommissioned tank be removed. This is contrary to AS 4976 which provides for pipes that are impossible to remove to remain in place (after draining, isolation and plugging). As the Australian Standard has been developed by a committee of technical experts and has been in place for more than a decade, it is considered a reliable source of guidance. Also the risks to other infrastructure, resulting from removal infrastructure associated with a decommissioned tank are similar to the risks associated with removal of the tank, therefore the same precautions are appropriate.</p>	<p>Defer to AS 4976 and require decommissioning in situ wholly in accordance with Section 4 of AS 4976.</p>
Regulation 51(1)	<p>A consistent approach to loss detection is important for companies that operate in multiple States of Australia because it enables development of intimate understanding of the results reported.</p> <p>The explanatory paper makes reference to a specified format for loss monitoring results, however, it does not provide any explanation as to the objectives of a specific format. It may be helpful to understand what the EPA hopes to achieve by specifying a reporting format.</p> <p>It is difficult to provide feedback on loss detection protocols based on the limited information in the draft regulations and explanatory paper.</p>	<p>Avoid introducing loss detection protocols that are unique to Tasmania.</p> <p>Rely on protocols approved and certified by the globally recognised NWGLDE.</p> <p>Provide for stakeholder engagement in the development of loss-detection protocols.</p>
Regulation 53	<p>Schedule 1 presents a long list of Regulations that are prescribed offences, however, the conduct that gives rise to the offence being a prescribed offence is not specified in the regulations (as required by S. 72 of the Act).</p>	<p>Reconsider the federal aspect of the Regulations forming the basis of prescribed offences and specify the types of conduct that give rise to offences being prescribed offences.</p>