



Consultation on the Sustainable BioFuels Mandate
Ministry of Business, Innovation, and Employment
Via email: energymarkets@mbie.govt.nz

26 July 2021

Tēnā koutou,

Increasing the use of biofuels in transport: consultation paper on the Sustainable Biofuels Mandate

Thank you for the opportunity to submit feedback on the Sustainable Biofuels Mandate.

Refining NZ, based at Marsden Point in Northland, currently operates the country's only oil refinery. We refine and supply transport fuel (gasoline, diesel, jet fuel and bunker fuels) directly to Auckland via the Refinery to Auckland Pipeline (RAP) and fuel for distribution nationwide by coastal tanker or truck. As a business, we are strongly committed to our people, our community, our environment, and our economy.

Refining NZ is undergoing significant change to our core business and will be transitioning away from the refining of crude oil in the near future. We have proposed to our shareholders that we become an infrastructure business operating an import-only fuel terminal, where we take delivery of imported, refined fuel, and distribute this to the Northland and Auckland market, on behalf of our customers.

In parallel with our planning for this transition, we are investigating potential site repurposing opportunities. We have a long-term commitment to operate at our site and are talking to a range of parties about options to utilise the highly strategic assets we have at Marsden Point. We have a long-term resource consent to operate, deep harbour and jetty access, industrial electricity and gas connections, proximity to the largest population base in New Zealand and today, a highly skilled workforce.

As a critical part of New Zealand's energy infrastructure, Refining NZ is keen to engage with Government departments on our future role in the provision of fuel options for New Zealand's low-carbon future.

We have proposed that Marsden Point could become an energy hub for the North, and that the technical capabilities and staff we have today, may be able to play a real part in the establishment of a viable Biofuels manufacturing industry for New Zealand. However, to achieve this ambition, Government support is required, as well as a well-structured Biofuels mandate, which will bring great economic benefits to Aotearoa. We are strongly in favour of New Zealand developing its own local manufacturing capabilities.

As it is currently written, the Biofuels mandate contains no incentives for local biofuels production. As such we expect that the mandate will be met with imports, which raises some issues that we urge the Government to consider. I outline these in more detail in our detailed response to this consultation document.

Prior to mandate implementation, more work will be required to understand the infrastructure requirements to support biofuels storage, blending, and distribution. We encourage the Government to engage across industry to determine what infrastructure is required to efficiently supply biofuels in New Zealand and ensure that we are set up to support the Government's ambitions for a transition to a low-carbon future.

Refining NZ

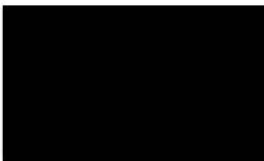
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Refining NZ believes Aotearoa is faced with great opportunity in the Biofuel realm. However, we acknowledge further work must be done to ensure we can establish a new industry that is feasible, economic, and competitive. In the following pages I outline in more detail Refining NZ's response to the consultation as well as answering some of the specific consultation questions that have been posed.

My team and I are here to support the Government with this work as it is important for all New Zealanders that we get this right.

Nāku noa, nā



Withheld under section 9(2)(a)

Naomi James
Chief Executive Officer