

BAT 52 VRU Progress Report (IC54)

Rev	Date	By	Checked	Comments
0	06/06/22	K Rothwell	A Earnshaw	

1 Introduction

The Permit [ref 1] was updated in 2018 to reflect the requirements of the Refinery BREF [ref 2]. This includes:

- BAT 52: VOC emissions to air from loading and unloading operations of volatile liquid hydrocarbon compounds

BAT 52 requires vapour recovery techniques to be used for loading/unloading operations for sea-going vessels with an annual throughput > 1 million m3/yr.

A time-limited derogation was granted for White Oil Docks (WOD), the throughput of which is above this threshold. This was on the basis that Essar was implementing a project which would move some loading operations from WOD to Tranmere by the end of 2020. At this point, throughput at WOD would fall below the threshold. The project included the construction of a BAT 52 compliant vapour recovery unit (VRU) at Tranmere.

The project was delayed due to the impacts of COVID-19 – both due to the stopping of all non-essential work during the lockdown period and due to a requirement to re-phase expenditure given market financial constraints.

A further derogation application was made by Essar for White Oil Docks (WOD). A time-limited derogation was granted in EPR/FP3139FN/V011 for loading operations at White Oil Docks until 31/08/24. A set of improvement conditions IC54 – 58 were included within the permit to provide updates on the progress of the project.

This progress report is provided to satisfy the requirements of IC54.

IC54	<u>BAT Conclusion 52</u> The Operator shall submit a report setting out the progress made in delivering the Mogas export project relied upon to achieve compliance with BAT 52, for approval by the Environment Agency.	10/06/22
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2 Loading Volumes at White Oil Docks

The volume of volatile liquid hydrocarbon compounds which have been loaded/unloaded at White Oil Docks (Berths 1 and 3 on Stanlow Island) between 01/01/22-31/05/22 is <1 million m³.

3 Basis of Derogation

The White Oil Docks (also called Stanlow Island Berths) are located on the north bank of the Manchester ship canal (on Shell Island) opposite the Layby berth. There are two berths; numbers 1 and 3, used for importing/exporting white oils and components. Gas oil and fuel oil can also be imported / exported at these berths.

Emissions from loading are vented through a high level (approx. 60m) vent stack, which uses fans to disperse the vapour. The vent stack is identified as a minor release point in the Permit [ref 1].

Loading/unloading operations for sea-going vessels are > 1 million m³/a, therefore BAT52 applies. However, there is no vapour recovery at the White Oil Docks.

Although the loading/unloading rates at White Oil Docks are above the 1M m³/a threshold a project will reduce loadings at this location to < 1M m³/a by moving shipments to Tranmere. The project includes the construction of a BAT 52 compliant vapour recovery unit (VRU) at Tranmere. A time-limited derogation to 31/08/2024 was granted on this basis.

4 Progress against Scope

The scope of this project is, in broad terms:

- Install a VRU at Tranmere (compliant with BAT 52).
- Reroute products from WOD to Tranmere

There will be no change to the loading/unloading rates at WOD until the project is complete.

The project milestones and timings as communicated to the EA within the derogation application and discussed within a meeting between Essar and the EA on 23/05/22 are as follows:

Improvement Condition	Reporting Date	Milestones
IC 54	10/06/22	<ul style="list-style-type: none">• FID Approved• EPCM Contractor Appointed
IC 55	30/11/22	<ul style="list-style-type: none">• Engineering Scopes ready for Tender of Project Civil & Mechanical Contracts (Long lead items).• Place Order VRU

IC 56	31/05/23	<ul style="list-style-type: none"> Construction Start (Query – project program shows construction duration 8 months with start date 31/10/23).
IC 57	30/11/23	<ul style="list-style-type: none"> Delivery of all long Lead Items Permit Variation to Tranmere permit submitted (30/06/23)
IC 58	31/05/24	<ul style="list-style-type: none"> % of project construction completion in line with construction plan (to be submitted)
Project Completion	31/08/24	Construction Complete Commissioning Complete

The project is on track to be commissioned by 31/08/2024.

Progress against Schedule:

- Final Investment Decision approved 31/01/22 (extract of Minutes of Board Meeting of Essar Oil (UK) Limited attached as Appendix 1)
- Wood group appointed as EPCM contractor 31/03/22 (Confirmation of contract approval attached as Appendix 2).

5 References

1. Stanlow Manufacturing Complex Permit number EPR/FP3139FN/V009 Final draft, issued 18/09/2018
2. “Best Available Techniques (BAT) Reference Document for the Refining of Mineral Oil and Gas” [Refinery BREF], P Barthe et al, 2015

6 Appendices

6.1 Appendix 1 - Extract of Minutes of Board Meeting of Essar Oil (UK) Limited

I, Sunil Puri General Counsel & Company Secretary of Essar Oil (UK) Limited, hereby certify that the following are extracts of the Minutes of a Board Meeting of Essar Oil (UK) Limited which was held on 31 January 2022.



Sunil Puri

Date 23 February 2022

8. CONSIDERATION OF THE TRANMERE MOGAS PROJECT CAPEX PROJECT INVESTMENT PROPOSAL

8.1 The directors considered the Tranmere Mogas Project CAPEX Investment Proposal (the "Project"). It was noted that this matter had appeared before the Board of directors on previous occasions.

8.6 The directors RESOLVED to approve the additional budget required for completing the Tranmere Mogas Project.

6.2 Appendix 2

6.2.1 Extract from Minutes for Capex and Procurement Committee meeting 31/03/22

CPC Date	Item Number	Title	DoA ref.	Award / Strategy	Description	Supplier	Incumbent Y/N/OEM	Value	PSM Process	Approved Y/N	Presenter
31.03.2022	4	Award - MOGAS EPC	3.4.5	A	Award of EPCm to Wood	Wood Group		£2.21m		Y	Tom Bryan/Aiden O'Sullivan

6.2.2 Further information regarding the Capex and Procurement Committee

Extract from Essar Oil UK Delegation of Authorities (DOA) Document

The EOUKL Board of Directors has delegated to the EOUKL CEO authority over day to day decision making and administration of the Company and to be responsible for the general conduct, supervision and management of the business and affairs of the Company. This includes exercising such powers and performing such acts, deeds and things as may be necessary and expedient for the business of the Company.

The CEO in turn can delegate their authorities to the executives of the Company or any other person acting for or on behalf of the Company and/or Committee(s) of executives, as may be constituted by them from time to time, the powers, either in full or in part as may be deemed necessary, and to revoke or rescind such powers at any time he may think fit or directly exercise the powers so delegated, in order to carry out efficiently and effectively the performance of the duties.


Accordingly, the CEO has delegated various authorities with appropriate limits contained in this Delegation of Authorities to the EOUKL team members.




The authorities included in this manual came into effect from 1st March 2016 and supersede the existing manual and any authorities delegated in whatsoever manner, the document has been updated further over the months and is currently on version 17 - the last update took place on 30th March 2022. The manual has been produced to support the EOUKL DoA. Any future amendments will be captured within the revision history detail.


These authorities will be subject to approvals / compliance with applicable statutes, the Manual and Articles of Association of the Company and the policies laid down by the Board from time to time.

In the case in question, approval to award a Contract to the EPCM Contractor requires Capex and Procurement Committee (CPC) approval. The CPC is made up of CEO, CFO, COO and requires two of the three members to approve. A paper detailing the request for approval was submitted to the CPC on 24th March 2022 and CEO and COO both confirmed approved by e-mail on 31st March 2022.

6.2.3 Email Confirmation of EPC Contract

 Tue 17/05/2022 16:05
Bryan, Thomas -EOUKL-PSM
RE: Essar MoGas Export Proposal - CPC 31Mar2022

To  Rothwell, Katie J EOUKL-ODU/10/06;  O'sullivan, Aidan EOUKL-PRJ-;  Jones, Jane -EOUKL-PSM

 You replied to this message on 17/05/2022 16:14.

Hi Katie,

Yes, Contract is in place and we have a signed copy from the Contractor.

Best Regards
Tom

From: Rothwell, Katie J EOUKL-ODU/10/06
Sent: 17 May 2022 09:15
To: Bryan, Thomas -EOUKL-PSM <Thomas.Bryan@essaroil.co.uk>; O'sullivan, Aidan EOUKL-PRJ- <Aidan.Osullivan1@essaroil.co.uk>; Jones, Jane -EOUKL-PSM <Jane.Jones@essaroil.co.uk>
Subject: RE: Essar MoGas Export Proposal - CPC 31Mar2022

Tom,
Thanks – that's great. Can you also confirm that the contract is now in place?
Thanks
Katie