

Tasmanian Industry Participation Plan

P450-2021 - Petroleum Products

The Tasmanian Government is committed to maximising opportunities for local suppliers to compete for and win Government procurements. Suppliers/proponents are requested to prepare a Tasmanian Industry Participation Plan (TIPP):

- for all procurements with a value exceeding \$5 million;
- for nominated procurements (at the discretion of the procuring Government entity) greater than \$2 million and up to (and including) \$5 million; and
- for private sector projects valued at over \$5 million that receive support, including in-kind support, valued at or greater than \$500 000 from the Government.

Procurement details

Procurement ID	P450-2021
Procurement title	Petroleum Products
Name of Responsible Agency/Entity	Department of Treasury and Finance

Supplier details

Name of supplier	Ampol Australia Petroleum Pty Ltd
Contact details for supplier	Manfred Rosenthal Area Sales Manager GPO Box 3916 Sydney NSW 2001 Ph: 0417 459 879 E: Manfred.rosenthal@ampol.com.au

Are you a Tasmanian SME*? Do you employ Tasmanians?

Ampol is an iconic Australian name. Our history dates back decades and has been part of Australia's DNA since its inception. Our brand reflects our deep Australian heritage of friendly efficient service, high-quality products and being part of the local community.

To maintain our position as Australia's leading transport fuels provider, we partner with the best locally based distributors who are the lifeblood of our regional supply network. These partners have a long legacy of being a part of your local regional communities - sponsoring your local sporting teams and community fundraisers. They're a part of your local community.

With existing operations and infrastructure in Tasmania, we continue to source from Tasmanian SMEs as per our current arrangements with our Tasmanian partners, Bennett's Petroleum and Bonney Energy.

Ampol is proud to directly employ 69 Tasmanian residents across our retail and infrastructure network. In addition, over 450 Tasmanian-based employees are directly associated with this contract through our Tasmanian partners.

Ampol's strategic decision to partner with two locally based distributors extends benefits to the local Tasmanian community. Ampol values the importance of having Bonney Energy and Bennett's Petroleum as its two key business partners located in the northern and southern halves of Tasmania supplying and servicing Tasmanian Government customers. Both Bonney Energy and Bennett's Petroleum are plugged into the local business community.

Australian owned and operated, Bonney Energy is in Tasmania and Victoria, and is a premier distributor of Ampol fuel and lubricant products. The company's head office is in Quoiba near Devonport, on the North West Coast of Tasmania, with their other Tasmanian branch office in Launceston. They also have branch offices located in regional Victoria. The current Tasmanian Government contract has been of great benefit to Bonney Energy, having expanded its operations and Tasmanian employment from approximately 117 staff in 2014, to currently employing 213 personnel across the state.

Bonney Energy take their position as a key Tasmanian employer seriously and view their diversity of skills and experiences as qualities which strengthen them to support their vision, mission and achieve the best outcome for customers. Bonney Energy in all decisions take social, economic and environmental factors into consideration when setting the strategic direction of the company and set standards of excellence in providing customers quality products with the greatest service possible.

Bennett's Petroleum is also Australian owned and operated. With outlets in cities, towns, rural and coastal regions, Bennett's pride themselves on the support offered to these local communities both large and small. The current Tasmanian Government contract has been of great benefit to Bennett's Petroleum, having expended its operations and Tasmanian employment from approximately 120 staff in 2014, to currently employing 246 personnel across the state. Bennett's Petroleum is currently in the process of evaluating the further expansion of its operations and with a successful tender outcome would fast track proposed developments.

Over the years, particularly in the last decade, Bennett's Petroleum's strategy focus has been on converting its operations into sustainable ones. To this, Bennett's Petroleum has invested in their own Mood Food retail sites brand, upgraded forecourts supporting Bennett's Petroleum focus on building strong long-term relationships with our suppliers by integrating social, ethical, and environmental factors into our supplier selection process. In addition, the shop conversion to Mood Food required the triple of professionals resourcing to service.

For both of our Tasmanian partners, securing the Tasmanian Government business has given each company more security and confidence to invest within the state and to keep ownership within Tasmania.

Where are the goods or services to be used in the contract sourced from?

Due to the nature of our industry, Ampol maintains an approved supplier list who are to be engaged for the supply of goods/services to Ampol. These suppliers have been through appropriate risk assessment and sourcing plans and are bound by any contractual agreement and our Supplier Code of Conduct.

Our procurement and sourcing plans are of a national approach and do not currently report on metrics such as size of business. Ampol's approach to procurement is with the aim that all externally sourced goods and services support the safe, reliable, and efficient operation of our business, and the ongoing sustainability of the communities in which we operate.

Examples of Tasmanian SMEs who provide goods and services to Ampol's operations in Tasmania:

Hobart Terminal

Key contractors and suppliers used at the Hobart Terminal that are Tasmanian organisations:

- Tritec Electrical Controls and Automation
- Tas Pipe Weld
- Briar Maritime Services
- Brierley Hose and Handling
- ABC Health Care Services

Ampol engages Tasmanian-based offices and staff as part of national contracts:

- Wormald
- Wilson Security
- Blackwoods
- Winc Australia

Due to the nature of our operations, certain equipment must be sourced from Original Equipment Manufacturers (OEM) or their licenced Australian distributors. Examples include the software, parts and services from the control system used at the Hobart Terminal.

Fuel Distribution

Tasmania uses two key fuel distributors to distribute fuel to our retail sites and B2B customers - Bennett's Petroleum and Bonney Energy. These are Tasmanian businesses employing Tasmanians, and we have a long relationship with our Tasmanian partners.

Whilst we endeavour to use local goods and services, the nature of the petroleum products we supply dictates supply chains from national or international sources.

Products within stores

Bennett's Petroleum pride themselves on their range of Tasmanian products on offer - with over 80 local brands throughout their retail network. Bennett's Petroleum's commitment to providing quality Tasmanian products has a positive impact on several local industries by assisting to preserve and create local jobs and boost the local economy.

Bonney Energy partner with local bakeries, butchers, and industries to ensure they support local as much as possible. Additionally, they partner with New Sunrise Group as a way of supporting local independent businesses.

Opportunity for Tasmanian SME* involvement

In the period 1 January 2014 - 20 June 2021, Ampol invested \$12.8m at the Hobart Terminal, and 65% of that was with Tasmanian organisations and a further 3% with national providers who have a Tasmanian office.

In the same period, our Tasmanian partner Bonney Energy also invested in the following:

- Purchased land and built a truck stop at Campbell Town South at the cost of \$1.7m. The site is centrally located in the middle of Tasmania and teamed with the existing retail location, providing a one-stop solution for all vehicle types in Campbell Town.
- Secured supply to Cradle Mountain fuel stop as part of their development in late 2019; this included installing a 24-hour card dispenser to assist the Tasmanian Government customers in the region - namely Parks and Wildlife (DPIPWE).
- Developed an existing site in Burnie from a run-down outlet to a multi-lane truck and vehicle stop, including a large canopy and automatic toilet access at the cost of \$1.9m.
- Secured a Shell site in Beauty Point to where there was no fuel supply to the local community. The site now accepts AmpolCard for the Tasmanian Government transactions and a 24-hour card terminal. This occurred in early 2020.
- Recently purchased the Ampol Epping Forest site, which Bonney Energy took over in July 2021. This is a high-volume retail site with high food turnover and an essential rest stop for Tasmania's trucking community. Currently holds food accounts for TasRail and Tas Networks and a multimillion-dollar investment, which Bonney Energy wouldn't have had the confidence to do if not for the Tasmanian Government contract. Bonney Energy plan to develop this site further in the future.
- Recently redeveloped the Ampol Exeter site to provide a better all-round offer to our customers on the West Tamar Highway, including the installation of AdBlue, which

was in direct response to the West Tamar Council's request for truck AdBlue options. The development cost was around \$800k and was completed in 2021.

- Installed an AdBlue facility in our Ampol Invermay site July 2021; it came at the cost of \$30k and was in direct response to requests from Launceston City Council.

In the same period, our Tasmanian partner Bennett's Petroleum also invested in location upgrades to Mood Food with investment just short of \$3m:

- Huonville
- New Norfolk
- Claremont
- Rokeby
- Grand Central
- Regent St - Milk Bar Mood Food

Kempton Mood Food upgrade, once completed, will be the premium highway location within Tasmania, and a further investment of over \$3.5m will be made, thus providing an increase in local investment and more job opportunities for the Tasmanian community.

Additionally, Bennett's Petroleum has added an additional retail location since 2014 in Grand Central in Launceston.

Ampol will continue to source from Tasmanian SMEs as per our current arrangements. Given that existing infrastructure is in place and given travel constraints travelling from the mainland, Ampol will endeavour to source goods and services locally where possible. Tasmanian organisations have an inherent advantage, and Ampol will consider all appropriate opportunities.

Requirements for any new goods or services will be identified by our locally based staff, and our Procurement teams will work with our local contacts to identify or develop any appropriate Tasmanian SMEs where applicable.

Ampol will liaise with appropriate industry groups, such as the Tasmanian Small Business Council, to identify relevant SMEs for ad-hoc project requirements to ensure knowledge and skills can be engaged from and retained within Tasmania.

Broader social and economic opportunities

Ampol is an iconic Australian brand that partners with governments right across Australia. Along with our Tasmanian partners, Bonney Energy and Bennett's Petroleum, we continuously work together to fuel the prosperity of local communities and pride ourselves on being a reliable partner in delivering better outcomes for the people and communities of Tasmania.

Having begun our transition back to the Ampol brand in 2020, we are now undertaking the massive task of rebranding all sites within our network. This includes the 112 sites that are in Tasmania. Our focus is to ensure that local suppliers and vendors are engaged to complete the required works in signage, refresh and painting, and decals and graphics. The cost of

rebranding is approximately \$51,000 per site bringing our investment into the community for this project to over \$5.7 million.

At Bennett's Petroleum, the future of their employees is of great importance to the company. They understand that in today's rapidly evolving workplace, it is important to ensure an employee's skills remain relevant and prevalent to perform to the best of their ability and to position themselves for a bright future.

Bennett's Petroleum's aim is to provide the necessary support and guidance to ensure employees continue to learn and mature to achieve their best. Safety is the most important aspect of any business and they therefore do everything in their power to ensure their employees leave work in the same condition they arrived.

As staff are employed in various facets of the business, Bennett's Petroleum training courses are tailored to suit an employee's position within the company.

Bennett's Petroleum proudly support Tasmanian communities to ensure diversity and valuable skills remain local. They contribute via renewed sponsorship and donations to the following organisations and individuals:

- 2019 Gravitas Vineyard of the Year
- AFL Tasmania
- Athletics Tasmania
- Athletics Tasmania South
- Bream Creek Show
- Brighton Football Club
- Casey Price Mini Girl Racer
- Demons North Hobart Football Club
- Huon Aquaculture Golf Day
- Huon Point Club State Championships 2021
- The Huon Show
- Huonville Lions Football Club
- IDFA Circus Quirkus 2021
- Kempton Festival
- Kingborough Kings Basketball Association
- Kingborough Tigers Community Schools Program
- Lenah Valley Community Association
- M.E.R.C Motorcycle Enduro Riders Club Inc.
- Netball Tasmania
- New Norfolk District Football Club
- North Huon Cricket Club
- Oatlands District Cricket Association
- Oatlands District Football Association
- Orford Bowls Club
- Richmond Bowls Club
- Ride for Eddie
- Snug Cricket Club
- South Hobart Sandy Bay Sharks Cricket Club
- Southern Football League

- Southern Wolves Basketball
- Tasracing
- Tassie Tigers goalkeeper Holly Bonde

Bonney Energy have recently launched their Diversity & Inclusive 3-year Strategy to ensure that they continue to actively support Tasmanians and foster an inclusive approach to the employment of Tasmanian residents. Bonney Energy also partner with recruitment firms that focus on helping long-term unemployed to get back into the workforce.

Sustainability and community interests are at the core of our decision-making at all levels across our business. Ampol plays a proactive role in supporting the causes that enhance our local communities and make a positive impact on the lives of others. We do these through programs like the Ampol Foundation, supporting organisations with a focus on youth education and health, safety and under-served communities. We proactively and regularly engage with relevant stakeholders across all levels of government and industry.

Local innovative solutions

Ampol is a proud Australian company and operates one of the two remaining oil refineries in Australia. While this Refinery is in Queensland, Ampol is adding value to the Australian economy through the continued operation of the Lytton Refinery.

Ampol has been exploring opportunities for hydrogen production in Tasmania as part of our new Future Energy strategy. Feasibility studies have been conducted and we had preliminary discussions with Metro Tas and will continue to explore options in the Tasmanian market. Additionally, our local distributor Bennett's Petroleum, have recently invested in:

- Huonville - tanks relined with carbon fibre and all suction lines replaced - \$600,000
- New Norfolk - all tanks removed and replaced with double contained tanks and suction lines & an Electric Vehicle Charger - \$800,000
- Regent St - all tanks removed and replaced with double contained tanks and suction lines - \$600,000
- Rokeby - fuel dispensers upgraded with the only high flow diesel in the region - \$70,000
- Grand Central - all pumps upgraded with additional 8 hose pump installed - \$170,000
- Bagdad & Kempton - upgraded with Ultra-Fast Flow Diesel AdBlue installations - \$700,000

With an investment of \$350,000, Bennett's Petroleum has also invested in emission mitigating product, AdBlue, at the following locations:

- Moonah
- Swansea
- Unmanned Huonville
- Bagdad
- Kempton
- Cambridge
- New Norfolk

Completed and endorsed

Manny Rosenthal - Area Sales Manager
(Name and position – print)

Ampol Australia Petroleum Pty Ltd
(Supplier name)

.....
(Signature)

...../...../2022
(Date)