

Marsden Point Refinery Decommissioning

Introduction:

This document intends to outline the New Zealand Labour governments' complicity in the decommissioning of the refinery owned and operated by Refining NZ (RNZ) located at Marsden Point from being a crude oil refinery into a finished fuel product import only terminal. Additionally it will highlight various events, actions or responses that have occurred over the timeline of early 2020 up until events of the last few days. It is our belief that these highlighted events have some bearing on decisions made either at the refinery or within NZ government. There are also some events, actions, responses or decisions that have not taken place by our government that we believe shows their complicity and incompetence in securing the **Strategic National Security Asset** that is Marsden Point refinery.

Business Identities:

The document will introduce some key management identities involved in the business restructure of RNZ and its evolution into 'Channel Infrastructure NZ' as of 1 April 2022 who will continue to operate at the Marsden Point site. Their introduction is necessary as both were involved in the review conducted by RNZ during mid 2020 as to the refinery's future. They are shown below along with a shortened employment record. (A more complete CV of them is available which shows that both have significant experience in energy industry sector closure, decommissioning or in failure at management roles.)

Quote below from Paul Zealand Managing Director Refining NZ 04/02/2020.

Managing Director, Paul Zealand described the role - the first ever for Refining NZ- as a critical addition to the management team.

"As Chief Operating Officer Andrew will have responsibility for all onsite execution and improvement activities at Marsden Point. He will report to me as the acting CEO during the transition to the new CEO Naomi James, who is due to take up the role in April."

Andrew Brewer:- Ampol Australia and Canada (aka Caltex Chevron) 12 years until March 2020 Various Senior Management roles including GM at Kurnell Refinery prior to its decommission and removal in 2014.

:- Refining NZ March 2020 to Nov 2020 9 months Chief Operating Officer

:- Ampol Australia Nov 2020 to current

:- Z Energy Nov 2020 current (Director on Board)

Naomi James :- Arrium Mining and Materials Australia 11 years various roles, terminated from role of Chief Executive, Strategy in May 2016

:- Santos Ltd Australia Executive Vice President, Midstream Infrastructure & Energy Solutions until Mar 2020

:- Refining NZ CEO 2 years Mar 2020 to Mar 2022

:- Channel Infrastructure Apr 2022 to current

Political Identities:

In addition there are high ranked ministers of the current Labour led government who need identifying and who are either complicit in or have vested interests in the refinery closure.

Grant Robertson:- Deputy PM and Finance Minister

Megan Woods:- Minister of Energy and Resources

James Shaw:- Minister of the Environment

Why Close Marsden Point Refinery?

The answer to the question above from a business point of view is really quite simple. Follow the money! Or in case of the political aspect, what is the political gain?

Business Perspective:

Financially the winner in this is Ampol Australia. They have, in 2 years, achieved the closure of their only refining competition in NZ and the purchase of New Zealand's largest retail fuel distributor in Z Energy. This all to the benefit of Ampol and their refining operation in Lytton, Queensland. The Lytton refinery was subsidised to the amount of AUD 1.2 billion in early 2020 by the Aust Government. Once this subsidy was approved Refining NZ (in which Z Energy has a substantial shareholding) then employed Andrew Brewer (experienced in refinery decommissioning) from Ampol Aust to assist in the operational review of RNZ which smoothed the pathway to the refinery closure. Additional to this Naomi James (who has a much more modest background in the oil and energy industry and is essentially a "stooge") was employed as RNZ CEO to nominally oversee the refinery review under the guidance of the more experienced Andrew Brewer. Andrew Brewer was coincidentally only employed at RNZ for 9 months and returned to Ampol Aust in Nov 2020, BUT also in Nov 2020 he became a director on the board of Z Energy. Meanwhile Naomi James has pursued the closure of RNZ and its rebranding as Channel Infrastructure NZ. It is very interesting to note that Ms James' salary started at NZD \$1 million in March 2020 and by Dec 2021 her salary had increased to NZD \$2 million. This while the refinery has gone from a position of its financial books being balanced on 31/12/2019 to a NZD \$552 million loss at 31/12/2021. This we think is remarkable! It is also we believe something that merits investigation by the Serious Fraud Office.

Political Perspective:

On the political side then the biggest winner here is James Shaw (watch the Green Party's poll numbers jump next month). His announcement as outlined in the Energy Journal press release on 09/05/2022 shows that he has been sitting on this little 'surprise' for some time. As such it dovetails neatly into the governments' desire to lower NZ's carbon emissions as per international agreements. See the quoted paragraphs below:

"But the first budget period will overwhelmingly rely on the cessation of refining at Marsden Point to meet about 80 per cent of its targets".

"But most of this is expected to be met by the Marsden Point oil refinery closure, which will reduce the country's emissions by about 2.5 Mt in the first emissions budget period to 2025. That means the country will only have to reduce its projected emissions from other sources by an average of 0.6 Mt during this period".

During the saga of the refinery closure our government has been largely quiet. Even when significant global events have highlighted our country's exposure to oil supply disruption our leaders in the Beehive have said little or played down any threat to our country, even when others have pointed out the risks. Why might that be? See two examples below:

- 1) Feb 2022 Russia's invasion of the Ukraine and the ongoing increase in fuel prices that has caused.
- 2) Apr 2022 China's security pact with the Solomon Islands that grants the Chinese Navy port facilities and supply arrangements right on top of the international shipping lanes that supply New Zealand with our refined fuel.

Is our current leadership that naive that it does not recognise the threat from those two events or is it just incompetent? Or, more likely, is it that far down the road of relying on the refinery closure to save on CO2 emissions that it is prepared to risk our country's national security and endanger its people rather than contemplating changing its course? I strongly suspect it is a combination of all three but mostly the latter.

Some key documents that shed light and also raise further questions around the governments' complicity in the refinery closure are those obtained under an OIA request dated 21/05/2020 totalling 22 pages with the final page being a letter from Finance Minister Robertson to Naomi James CEO RNZ. The letter itself raises questions due to the fact that the initiating letter dated 06/05/2020 from Ms James to Mr Robertson was redacted from the OIA documents released. Mr Robertson seems to imply that he was asked to intervene with ACC regarding their shareholding in Refining NZ? Might Ms James' question have been something along the lines of 'could the Finance Minister order that ACC use its shareholding in RNZ to assist in the shareholder vote to go ahead with

decommissioning' or perhaps 'could ACC release their shares for sale to be bought by a new interest that was willing to vote to decommission the refinery'? There certainly is a somewhat cryptic comment by Minister Robertson with regard to his writing to the CFI Board Chairs that they "actively support achieving carbon neutrality in NZ by 2050 by accelerating divestment from carbon intensive investments".

With regard to the letter above it is clear Mr Robertson is choosing his words very carefully as he would not want to be seen as meddling in areas that he should not, but the share trading activity of ACC with regard to their holding in NZR from 03/06/2021 to 28/03/2022 seems prolific and begs the question why?

Final note from authors:

At this point we will end this document. The reason for this is that up until this point it has been a labour of love, so to speak, by the writer, and other Kiwi patriots, for their country. There are many supporting documents, press clippings we possess and in addition an under construction website that can provide more detail and a much bigger picture to the sad events surrounding the refinery closure. We will willingly make this content available to anyone who can progress this matter further.

As dedicated as we are though we need help. The kind of help that can only really come from a larger organisation. Perhaps that could come from parliamentary staffers as this is not something that MSM will assist with until such time as they can no longer avoid it. After all it goes against the climate change narrative and therefore they will not receive any PIJ funding for any effort they might make.

In good faith we leave the matter with you for now and look forward to hearing back at your earliest convenience on what you might do with this information.