

**REGULATOR FOR ENERGY AND WATER SERVICES  
ACT XXV, 2015**

**PETROLEUM FOR THE INLAND (RETAIL) FUEL MARKET,  
SL 545.22**

**AUTHORISATION FOR THE OPERATION OF A  
SECONDARY STORAGE FACILITY OF PETROLEUM**

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## **AUTHORISATION CONDITIONS FOR THE OPERATION OF A SECONDARY STORAGE FACILITY OF PETROLEUM**

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## **1.0. DEFINITIONS**

In this authorisation (except in so far as the context otherwise requires) the definitions of the terms used in this authorisation are the same as those in the *Regulator for Energy and Water Services Act* (Cap. 545), and the *Petroleum for the Inland (Retail) Fuel Market Regulations*, 2010 (S.L. 545.22). For the purposes of this authorisation, the following definitions shall also apply:

- 1.1. “Codes of Practice” will refer to any guidelines of good practice or books which are used at the discretion of the competent person.
- 1.2. “Regulator” means the Regulator for Energy and Water Services.

## **2.0. LIMITATIONS, VARIATIONS AND AMENDMENTS**

### **2.1. Limitations**

- 2.1.1. Nothing in this authorisation or the conditions attached thereto should be construed as, and/or should in any way be understood and, or be deemed to exonerate the holder and/or any other person or persons from being obliged to observe, comply with or carry out any requirement or comply with a provision of any law or subsidiary legislation or any other legal requirement for the time being in force.

### **2.2. Variations and Amendments of authorisation conditions**

- 2.2.1. Special authorisation conditions may be attached to this authorisation upon its granting and subsequent to that time thereof. The continuing validity of this authorisation shall be subject to adherence to such special authorisation conditions.

2.2.2. Any special condition, exemption or variation shall be read together with, and construed as being part of these conditions, unless otherwise specified.

2.2.3. Any general condition in 'GENERAL CONDITIONS' or special conditions of this authorisation may be amended or varied, or new general and special conditions added, at the discretion of the Regulator for Energy and Water Services, according to applicable laws and Regulations, giving where practicable due notice to the authorised person.

### **3.0. GENERAL CONDITIONS**

#### **3.1. Validity**

3.1.1. This authorisation permits the authorised person to operate a Secondary Storage Facility of Petroleum as described in Annex I of authorisation number SSF/Error! Reference source not found..

3.1.2. Any request for changes to the data provided in the application form submitted to the Regulator for the issue of this authorisation shall be properly notified to the Regulator in the form and manner as required by the Regulator.

3.1.3. The authorised person shall inform the Regulator of any changes relating to his activity which result in the conditions for his authorisation no longer being met and the creation of subsidiaries whose activities fall within the scope of the authorisation and, or the authorisation scheme.

#### **3.2. Compliance**

3.2.1. The authorised person shall comply with the Regulations, Codes of Practice and other applicable legislation/ regulations in force at the time.

3.2.2. This authorisation shall not exempt the authorised person from a requirement under any other law requiring the holding or obtaining of any other authorisation.

3.2.3. The authorised person and all persons employed by him shall execute the regulated operations, activities and practices in accordance with the conditions associated with the authorisation and must comply with the guidelines, decisions and directions which may be issued by the Regulator from time to time. The authorised person undertakes to accept directions in the form of letters, emails, standards, guidelines, Codes of Practice or rules given by the Regulator, intended to explain or amplify the conditions associated with this authorisation or otherwise to improve the general conduct of activities regulated by this authorisation.

### **3.3. Requirements and Obligations**

3.3.1. The authorised person shall, if so asked by the Regulator when deciding about the retention, grant, issue, amendment or renewal or for any other matter pertaining to this authorisation, meet the following requirements where appropriate:

3.3.1.1. be compliant with all other relevant permits and authorisations, however so described, issued by any other public authority;

3.3.1.2. be capable to ensure safety conditions, in the context of the authorisation being applied for;

3.3.1.3. be of private and professional integrity;

3.3.1.4. protect the health and safety of the employees;

3.3.1.5. protect the environment;

- 3.3.1.6. have a record of compliance with the Regulations and any other relevant laws; and
- 3.3.1.7. ensure an operational set-up compliant with regard to security, health, safety, hazardous substances, environment, land use and planning requirements;
- 3.3.1.8. be compliant with the requirements contained in the *Authorisations (Suspension, Refusal and Revocation) Regulations*, S.L. 545.19.

#### **3.4. Operational Conditions**

- 3.4.1. The authorised person may not store and, or operate the authorised facility with petroleum other than those listed in Annex I of the authorisation unless otherwise authorised in writing by the Regulator.
- 3.4.2. The authorised person is authorised to store solely the fuel indicated in 3.4.1 for his own exclusive use and may not retail or supply or offer for sale the fuel indicated in 3.4.1 to third parties.
- 3.4.3. The authorised facility shall only be used to supply fuel to stationary appliances and, or stationary combustion equipment. This authorised facility shall *never* be used to supply fuel to vehicles, whether these are road licensed or not.
- 3.4.4. The quantity of fuel kept at any one time at the authorised facility, shall not exceed the total tank capacities specified in Annex I of this authorisation (see table(s)).

- 3.4.5. The authorised person shall inform the Regulator by means of a report in writing, of any accidents including fuel spills within five working days from the date of the accident. The report shall include a description of the use of any contingency plans, corrective and preventive measures taken.

### **3.5. Material Alterations**

- 3.5.1. The authorised facility must at all times be in compliance with the Regulations, Codes of Practice and other applicable legislation / regulations in force at the time.

- 3.5.2. The authorised person shall, as may be required by the Regulator, upgrade his authorised facility up to approved standards, guidelines and, or Codes of Practice.

However, if there exists a severe safety hazard, the authorised person shall of his own motion remove such hazard, and thereafter notify the Regulator of such removal.

- 3.5.3. Any material alterations carried out on the authorised facility have to be in accordance to the Regulations.

- 3.5.4. The transfer of, or any part of, the authorised facility to a new location shall be treated as a material alteration and hence requires the relevant approval beforehand from the Regulator.

- 3.5.5. The addition of any fuel storage capacity to an existing authorised facility without the prior authorisation of the Regulator is prohibited. Any such change shall be treated as a material alteration and hence requires the relevant approval beforehand from the Regulator. A breach of this authorisation condition shall lead to action leading to the imposition of an administrative fine or criminal sanction.

### **3.6. Inspection, Testing and Certification by the Competent Person**

- 3.6.1. The authorised facility must be inspected by a Competent Person, in the manner and frequency as required by the Regulator.
- 3.6.2. Inspection, checking and certification shall be carried out every two years or as earlier required by the Regulator or earlier as specified in any report submitted by the Competent Person.
- 3.6.3. The Authorised Person shall submit to the Regulator not later than thirty days from when the inspection date on the authorised facility is due, in the form and manner that may be required by the Regulator, the relevant documentation and proof showing that the authorised facility has been inspected by a Competent Person.
- 3.6.4. The Authorised Person shall implement any corrective actions arising from the inspection by the Competent Person in the specified time frames as shown by means of a subsequent report issued by the competent person after the aforementioned inspection.
- 3.6.5. The authorised person shall submit to the Regulator, in the form and manner that may be required by the Regulator, the necessary proof of the successful implementation of the corrective actions arising from the inspection of the Competent Person.



### **3.7. Insurance**

- 3.7.1. The authorised person shall insure and keep insured throughout its service, the authorised facility against loss or damage, including malicious damage resulting from fire and/or explosion, to third parties and third party property. The authorised person may be asked by the Regulator to alter or increase the insurance cover associated with the activity being carried out under this authorisation.
- 3.7.2. The authorised person shall submit to the Regulator a copy of the insurance policy of the authorised facility, showing the public liability third party indemnity to cover any damages caused by the fuel installation. The authorised person is obliged to inform the Regulator in the event of the renewal of such insurance policy and also in respect of any changes which may be effected to an existing insurance policy.

### **3.8. Safety and Environmental Procedures**

- 3.8.1. The authorised person shall take all reasonably practical steps to protect the environment in the course of the secondary storage facility operations associated with this authorisation.
- 3.8.2. The authorised person shall immediately notify the relevant Competent Environmental Authority to confirm any suspected leakages, discharges or emissions of fuel to air, water, land or soil.
- 3.8.3. The authorised person shall immediately notify the Civil Protection Department and confirm in writing the details of any fire, explosion, any actual or suspected leak or loss of fuel or any other significant incident arising from the activity being carried out under this authorisation.

- 3.8.4. The authorised facility shall be maintained and operated in such a way that all the safety-related features remain in place and function effectively.
- 3.8.5. The authorised person is to make sure that all practicable steps necessary to prevent fires, explosions, leaks and spills at the authorised facility are taken and shall take all practicable steps necessary to prevent:
- 3.8.5.1. any fire or explosion;
  - 3.8.5.2. the escape of fuel;
  - 3.8.5.3. any fuel entering any soil, land, drain, sewer or public road;
  - 3.8.5.4. any naked light, fire, flame or any other source conducive to the ignition of flammable vapour occurring or present within a hazardous area; and
  - 3.8.5.5. smoking taking place in any hazardous area where fuel is stored.
- 3.8.6. No electric light, electrical apparatus or appliance likely to ignite surrounding flammable vapour shall be used in any hazardous area where fuel is stored unless the apparatus is specifically designed for explosive atmospheres.
- 3.8.7. Adequate and efficient fire-fighting equipment together with means for summoning the Civil Protection Department (CPD), shall be provided and maintained at all times by the authorised person. The equipment shall be maintained in good condition and be capable of efficient operation at all times and in all weather conditions.

### **3.9. Emergency Procedures**

3.9.1. The authorised person shall make available to persons working at the authorised facility, written procedures for normal operating and emergency procedures. All operational and emergency procedures shall be reviewed regularly by the authorised person. They shall be amended to take into account any changes in local circumstances, any alterations or modifications to the plant or equipment at the authorised facility and as a result of any practical experience gained from suspected or actual leaks, spills or other incidents.

3.9.2. All storage tanks and associated pipework containing fuel have to be clearly marked as containing flammable and hazardous goods, as well as the identification of the fuel type. These must be exhibited on a clear sign in an area on or in the vicinity of the storage. The capacity of the storage tank, the installation date, and the date of last inspection signed by the competent person must be detailed in the inspection report and kept in a logbook, readily made available to the Regulator and copies provided to officers of the Regulator upon demand.

### **3.10. Inspections by the Regulator**

3.10.1. The authorised person shall accept at all reasonable times inspections carried out by officers of the Regulator or persons on its behalf for the purposes of ascertaining operational standards or compliance with any of its requirements.

3.10.2. Officers of the Regulator shall at all reasonable times be allowed unrestricted access to the authorised facility for the purpose of ascertaining whether the Regulations or the conditions attached to the authorisation are being duly observed and to take samples for the testing of any petroleum or fuel found or contained therein. No compensation shall be due to the authorised person in regard to samples lifted. The authorised person and all persons employed by him shall give all reasonable assistance which such officers of the Regulator may require for that purpose.

3.10.3. The authorised person shall obtain and retain copies of the fuel quality certificates and, or fuel samples representative of the fuel stored in the authorised facility. Fuel quality certificate copies should be kept for a minimum of two years, while the fuel samples should be kept for a minimum of 90 days.

### **3.11. Records and Supply of Data**

3.11.1. The authorised person shall maintain a record of all receipts associated with the purchase of fuel to be stored at the authorised facility for the last twelve months running, which shall be made available for examination and copies provided to officers of the Regulator upon demand.

3.11.2. The authorised person shall undertake and record, in a manner and to a level of accuracy acceptable to the Regulator, the monitoring and reconciliation of all stocks of fuel and, or biofuel. Records of the volumes of fuel transacted for any equipment, together with dips or gauge readings from every tank at the authorised facility must be accurately kept. These records shall be retained for at least three years and shall be made available to the Regulator upon demand. The authorised person shall notify the Regulator forthwith of any apparent losses or gains of petroleum identified, which are outside normal operational patterns.

### **3.12. Unauthorised Access**

- 3.12.1. The authorised person shall take all reasonably practicable steps necessary to prevent any unauthorised persons from having access to the authorised facility.

### **3.13. Renewal and Transfer of Authorisation**

- 3.13.1. This authorisation shall remain the property of the Regulator.
- 3.13.2. Six months prior to the termination date of this authorisation's validity, the Regulator may be in a position to renew this authorisation. It is the authorised person's responsibility to observe and comply with the procedure regarding the renewal of this authorisation.
- 3.13.3. This authorisation shall not be validly transferred *inter vivos* or transmitted *causa mortis* unless the criteria as listed in the Regulations are complied with.
- 3.13.4. The Regulator shall treat an application for the transfer of this authorisation as a new application.

### **3.14. Termination of the Authorisation**

- 3.14.1. When the authorised person, decides either to suspend or terminate this authorisation, he shall promptly notify the Regulator in the form and manner prescribed by the Regulator, to notify such a termination or suspension.

3.14.2. Upon acknowledgment by the Regulator to the authorised person of the notification for the suspension or termination of the authorisation, the authorisation shall be considered to have ceased to be in force and with immediate effect from the date of such acknowledgment the operation of the authorised facility in terms of this authorisation, shall be deemed to be unauthorised.

3.14.3. Notwithstanding any notification for the termination or suspension of an authorisation, the authorised person shall remain liable for the payment of any authorisation fees due to the Regulator.

3.14.4. Notwithstanding any notification for the termination or suspension of an authorisation, the authorised person shall remain responsible for the decommissioning of the whole fuel installation, for safe disposal of the fuel and of the tank or tanks, and all ancillary equipment.

### **3.15. Suspension, revocation or cancellation of the Authorisation**

3.15.1. At any time in the course of the period for which the authorisation is valid, the authorised person may have his/her authorisation suspended, revoked or cancelled where the Regulator is satisfied that:

3.15.1.1. the authorised person has failed or is failing to abide by any conditions of the authorisation or to abide by the Regulations; and, or

3.15.1.2. the authorised person does not possess all other relevant permits and authorisations that are issued by any other public authority; and, or

3.15.1.3. the authorised person is contravening any requirement imposed by law; and, or

- 3.15.1.4. the authorised person fails to comply with any directive given by the Regulator as to such matters as are specified in the authorisation or are of a description so specified; and, or
  - 3.15.1.5. any information submitted in the application for an authorisation or the application for renewal of an authorisation and for which the authorisation has been issued or renewed, as the case may be, or any other information given to the Regulator is determined to be false; and, or
  - 3.15.1.6. the authorised person, wilfully or through negligence, fails to inform the Regulator of any changes related with the original details as submitted in the application form intended for this authorisation or fails to inform the Regulator with further changes to subsequent changes; and, or
  - 3.15.1.7. the authorised person does not meet the criteria in respect of one or more of the criteria referred to in clause 3.3 Requirements and Obligations; and, or
  - 3.15.1.8. the authorised person fails to pay the necessary annual authorisation fees in the stipulated time frames; and, or
  - 3.15.1.9. the authorised person fails to comply with any of the requirements contained in the *Authorisations (Suspensions, Refusal and Revocation) Regulations* (S.L. 545.19).
- 3.15.2. The breach of any of the conditions contained in this authorisation shall be subject to the punishments and fines as established in the Regulator for Energy and Water Services Act or by means of any subsidiary legislation issued thereunder.