

**Non-confidential version**

**Competition Commission: LPG Inquiry**

**Working Paper on Safety Issues and Domestic Bulk LPG**

**Calor's General Comments**

<b>Para Ref</b>	<b>Comments</b>
<b>Introduction</b>	
1.	The test of genuine necessity is the wrong test. The correct test is whether any features of the market distort, restrict or prevent competition and to test whether the objectives could be achieved in a less restrictive manner (i.e. the counterfactual). Whilst it might be possible to devise alternative safety management systems, we firmly believe that any of those so far proposed would import unknown risks and reduce safety responsibilities and/or controls. It is a fact that the LPG industry has a good safety record and has always traded under the current integrated system. When comparing the safety merits of the current system with those that are proposed, by definition an exercise in speculation, those promoting changes to the structure need to be wary that any new regime will not make it more difficult to maintain and manage safety and that it will not import new risks that are more difficult to control.
2. (b) (d)	Calor does not argue that there is a safety justification for the duration of the contracts. Calor does not have 'exclusive long-term contracts' with its customers. It does require customers not to fill their tank with LPG other than from Calor, but this does not prevent the customer from having a second fuel source. <i>Excised.</i> Compliance with safety legislation and pragmatic commercial reasons lie behind the 3 months notice in Calor's case.
8(c)	Whilst Calor notes the comments here, great care must be taken with the interpretation of the comments. Calor's experience is that the collection of the data by both the industry and the HSE is complete and entirely credible, particularly where incidents of any seriousness are concerned. We vigorously challenge any suggestion that the industry is less safe than the evidence shows, and indeed would demand that any contrary evidence be produced.
<b>Legislation</b>	
10.	We note that clauses 10 to 12 detail the relevant legislation. However, the fact that the legislation is not specific to the LPG industry is wholly irrelevant. Each industry finds its own way of complying with such general legislation, and if one is looking at safety as a paramount

	<p>concern, it is entirely inadequate to refer solely to specific sectoral legislation to determine whether duties are being fulfilled. It is in this context, that the phrase questioning whether the current integrated safety approach is “genuinely necessary” in the very first paragraph fails to address, or still worse, completely overlooks the issue of the integrated system as an essential element in the overall safety picture. It might well be that sectoral legislation could be complied with under an alternative system (although we have grave doubts as to whether even that is the case) but that is not and cannot be the end of consideration of the safety issue.</p>
11.	<p>Typographical error ...“PLG industry” should read “LPG industry”.</p>
13.	<p>We have told the <b>Competition Commission</b> that while these regulations apply, under the overall umbrella of the HSWA GPSR and CPA, the key issue is the management and control of risk in the overall supply, delivery and containment of bulk LPG on domestic premises.</p>
<p><b>Company Policies</b></p>	
19.	<p>We do not accept that our policies go beyond the legal requirement. Our policies are designed to meet our obligations under the CPA, PSSR and HSWA which together place an obligation on us to ensure the safe containment of the product, that is to say, both the bulk LPG and the pressure vessel in which it is stored. We note that references to Mott MacDonald’s report have not been removed as requested. <i>Excised.</i> The legislation and codes do not refer to “technical compatibility.” Two separate issues are being confused here in a misleading fashion.</p>
<p><b>General issues relating to the safety management framework</b></p>	
23.	<p>We are pleased to note the inclusion of ... “domestic customers responsibilities are very limited” (indeed being confined to the reporting of a gas escape under GSIUR, and non-existent under PSSR). We are unaware of any regulation that places an obligation upon a domestic customer not to make alterations to any premises in which a gas fitting or storage vessel is fitted if that alteration would adversely affect the safety of that fitting or gas storage vessel. A domestic customer can do no work at all. (See Regulations 3(1) and (3) of GSIUR). It must be done by a competent and approved fitter who must obey the regulations set out in the GS (I&amp;U) R. The domestic customer is not the employer of an independent contractor and therefore does not take on the obligations of an employer of a person doing such work. (See Regulation 3(6) of GSIUR).</p>

26.	Calor questions the final sentence, as Annex 4 produced by Mott MacDonald refers to a number of areas of non-compliance and suggests “room for improvement”.
<b>Ownership of tank by LPG supplier</b>	
31.	We note at the end of this paragraph that it is suggested that some suppliers are willing to supply to tanks which they do not own, and others to sell tanks to customers at the end of the contract term. We would ask to how many customers these particular responses apply: we do think that this is relevant in the current debate.
33. Row 1	<p>In response to the first item in the mitigating arguments column, we note that the HSE and the legislation “focus on outcomes” although there is some very prescriptive legislation and the Codes of Practice are ignored at the peril of the relevant supplier. In our opinion, integrated supply is a logical consequence of the legislation in the sense that it has given suppliers control over the process of supply and containment, enabling them to take on and discharge all the relevant statutory duties.</p> <p>In relation to the HSE’s comment that “ownership of the tanks or contractual arrangements are deemed acceptable”, we have not seen the transcript of the HSE hearing but only the summary made available with the issues statement. In relation to the last sentence of HSE’s comment, this may be theoretically the case, but does not reflect the practical realities of safety management. This document omits the very important and highly relevant recognition expressed to the Competition Commission by the HSE that the allocation of safety responsibilities to different parties may result in a lack of clarity of responsibility and scope for lapses at each contractual interface.</p> <p>The HSE does not take action, except in cases of specific breach of regulation, on systems but only (usually) in the event of an accident. We have explained elsewhere that enforcement of obligations by contract is fraught with difficulty and the supplier has no effective sanction other than to cease to supply. Where, for example, a customer enters into a contract to maintain but fails to do so, the supplier has no active control over the situation and may indeed only be aware that there is something wrong when there is an incident. Doubtless in such circumstances the HSE would bring a prosecution and the lawyers could have an interesting time determining who was responsible. This is wholly inferior as a safety “system” to one where the supplier takes responsibility for everything, and if anything goes wrong it is clearly the supplier’s fault. Above all, to put the argument crudely, if two or three people have responsibility for something it is not unknown that they all assume the other person is going to deal with it</p>

33 Row 2

We think these are entirely theoretical solutions and we refer to *excised*. The comment that the LPG supplier could request the test certificate before delivery is theoretical. It raises issues of the relationship between the maintenance provider and the LPG supplier which will not be governed by contract. Moreover, separating maintenance of tank from gas supply will increase the number of duty holders. See further *excised* Calor does not believe that separation of the existing business model into gas supply and tank supply/maintenance would be economic (see *excised*).

It is suggested that maintenance of the tank could be based on a contractual arrangement. Particularly where (as might increasingly be the case where tank transfers of various kinds were required) the supplier had not originally supplied the tank, they would have no idea of any inherent problems but would nonetheless be morally and, quite possibly, legally responsible for these. To take one concrete example: a supplier which took responsibility for a tank which had been subject to a product recall which had not been properly carried out might well have no idea that there was an inherent fault. Such faults (for example, resulting from poor manufacture or materials) are not unknown within the industry. The recall might apply to a manufacturer or a batch of which that supplier had no knowledge. If there was subsequently to be a failure of the tank, the supplier maintaining the tank at that point would be in the firing line. It might or might not be possible to ascertain the liabilities properly, but again the suggestion that any such system was preferable to an integrated system where the supplier was clearly responsible for their own equipment and its maintenance appears to us to be fanciful.

The staff paper states that the comment relating to commercial customers “does not of itself ...” prevent customers owning tanks. For the reason set out in *excised* Calor believes that this may lead to a lowering of safety standards.

There is also a failure to address who is going to carry out this “effective monitoring” in a liberalised market? The HSE seem neither willing nor able to do it. One of the main advantages of the present system is that it is policed by the suppliers themselves, without the need for a new layer of proactive regulators. The latter assumes that an appropriate skilled body could be found. How would it be funded? By the customer paying more for LPG? In our view this would be a rather a self defeating exercise.

<p>33 Row 4</p>	<p>Responsibilities cannot be delegated by contract or otherwise. This is not simply a contractual issue but one of safety management. As previously explained, there is a world of difference between attempting to enforce a contract where safety issues are concerned; and on the other hand where the supplier is clearly responsible (with that responsibility being backed up by clear criminal liability in many circumstances). Ownership brings with it responsibilities. Even a well drawn contract will only have the effect of placing the discharge of those responsibilities upon the contractor. It cannot delegate the responsibility itself.</p> <p>The question of exclusive contracts in that context is, we suggest, a red herring – and the need for exclusive contracts does, we would also suggest, somewhat undermine the supposed economic advantage of customers owning their tanks.</p>
<p>33 Row 5</p>	<p>The paper asserts that routine checks could still be carried out if tanks were under separate ownership but the paper does not take into account that there is a huge variety of different tanks on the market. Routine checks could be carried out but only if drivers had knowledge of all the different tanks and fittings and history of the tank.</p> <p>The LPG supplier will have no contractual relationship with a service provider who will be in a contractual relationship with the tank owner and therefore the supplier would not be able to enforce obligations against the service provider.</p> <p>We note the comment that routine checks ”could” still be carried out and that it is suggested that ascertaining compliance with regulations “is relatively easy”. With respect, these statements are entirely insufficient as a basis for founding a safety system. It only needs a few tanks, for which the supplier would no longer be responsible, to slip through the net – for reasons already given we think that this is likely rather than the contrary – for serious safety situations to occur.</p> <p>Also for the reasons given, there may be situations of which the supplier is genuinely unaware. These could include inherent defects in a tank; falsified or incorrect certificates; or customers simply failing to undertake required maintenance. Even if the supplier were aware of the situation, ultimately their only sanction would be either to cease to supply gas to the tank in question (but unfortunately in this as in any other industry there would always be someone who would be prepared to supply to tanks that nobody else would touch); and/or to bring a civil claim against the customer for an injunction. This would be far harder to obtain than in the case where the supplier owned the tank.</p> <p>Furthermore, as again has been explained at length, the present criminal</p>

	<p>law does not apply to domestic customers and we cannot in reality see how it could be made to do so. Criminal sanctions would accordingly be unavailable, whereas at the moment the supplier in dereliction of his duties is subject to the discipline of the criminal courts. In that context it should be borne in mind that there is provision in many cases for personal criminal liability where a company is in breach of its duties.</p>
<p>33 Row 6</p>	<p>There would be no necessary contractual relationship between the LPG supplier and tank maintenance company.</p> <p>In relation to the second point, there is inevitably a risk that some supplier, keen to obtain business, would be prepared to supply whether or not a tank certificate could be produced.</p> <p>We consider that the comments in the mitigating arguments column do not answer the point. For a supplier to have criminal responsibilities under the Health &amp; Safety at Work Act but only to be able to seek redress under contract from the customer places the supplier in an impossible situation, particularly if the defect in the system was something which for one reason or another was not known to the supplier. It is not possible to insure against fines or worse applied under HSWA. The LPG supplier might indeed, if it were aware of the situation, be able to refuse to supply, but that would not stop another company from supplying in a case where the customer and/or the other company in question had laxer standards.</p>
<p>33 Row 7</p>	<p>The views of Calor in the arguments in support column are misrepresented. Management of safety through contracts is not simply a problem because it is limited by the doctrine of privity. Contracts can easily be breached. A civil contract can only be enforced by the obtaining of an injunction or the payment of damages. This is a totally inadequate means of enforcement of critical safety issues. The integrated system, on the other hand, has the dual benefit that one party is responsible for everything which gives the best possible incentive to get everything right; and that is backed up by the fact that that party is also subject to the criminal law. From our point of view, the entire content of the second paragraph on this particular and vital point misses the point entirely. As is now well known in other industries, safety cannot be safely guaranteed through pure contractual remedies. The liability itself has to be absolutely clear, and a contractual interface is frequently an interference with any attempt to ensure safety.</p> <p>In relation to the mitigating arguments column:</p> <p>The Contracts (Rights of Third Parties) Act 1999 can be excluded by contract and we believe that this is what would happen. Since most domestic customers would probably employ the contractor on a casual</p>

	<p>basis pursuant to a verbal contract made over the telephone, these proposals are somewhat divorced from reality. What the 1999 Act does not provide is a means to enforce against a third party an obligation placed upon it in a contract solely between the supplier and the customer.</p> <p>In relation to the final sentence: this would impose additional costs and management responsibilities.</p>
Comment	<p>We think the wrong test has been applied: it is not that the LPG supplier ‘must retain ownership of the tank’, but that there are significant economic and safety advantages in an integrated supply model and that none of the elements of that model, taken together or separately significantly impede switching or entry/expansion to the detriment of customers.</p> <p>Evidence available to the Competition Commission suggests that customers do not want to own their own tank.</p> <p>Contrary to this paragraph, it is not simply a question of LPG suppliers ensuring the safety of their employees, but also the provision of a safe supply for the benefit of domestic customers and their neighbours and anyone within their vicinity.</p>
<b>Exclusive Contracts</b>	
36 (first row)	In the mitigating arguments, the suggestion in the first paragraph would also require a change in the law.
36(last row)	<p>It is not simply a point of discharging duties to its employees. If there was a major incident at a domestic customer’s premises, not only would it have knock on insurance costs for the whole industry <i>excised</i>.</p> <p>Whilst quite clearly some form of independent certification or mutual recognition of assessment would have to be put in place if this system were being suggested, it has to be admitted that written certificates can be forged, produced with insufficient care, or even produced under duress. There may be no way of knowing from the face of the document whether this is the case. It would only need a small proportion of the number of certificates issued to be prepared in such circumstances for a significant safety issue to arise. The present integrated system avoids this difficulty entirely by placing liability fairly and squarely on the supplier, which is the best possible incentive to ensure that the highest standards are maintained.</p>

37	<p>We believe that it is in consumers’ interests to have a clear statement of their rights and obligations under the contract and our current standard domestic customer contract (DGO) has been approved by the OFT’s Contracts Regulation Unit (CRU).</p> <p>In relation to the statement that “at least one LPG supplier does not hold its customers to contracts” and a question as to whether “this apparently unique approach could apply more generally”. In order for this question to be considered fully and dispassionately we would question/comment:-</p> <ul style="list-style-type: none"> <li>(i) Number of customers involved in this approach.</li> <li>(ii) What exactly the phrase “does not hold its customers to contracts” means – does it for example refer to periods of notice before switching; or does it mean that the customer is free to obtain gas supplies from whoever they wish?</li> <li>(iii) Who, in that event, owns the tank?</li> <li>(iv) Who provides the emergency service?</li> <li>(v) Who provides the tank checking and maintenance, and how?</li> </ul> <p>In relation to the last paragraph, and leaving aside the impact of separation on safety management, the separation of ownership from LPG supply may raise issues about the compatibility of the LPG already in the tank. Calor carries out LPG quality testing and has had to reject some supplies. Secondly, there may be an impact on the efficiency of distribution as a result of inability to operate automatic top up delivery systems.</p>
<b>Uplift of tanks</b>	
39.	The second sentence states that “ two suppliers indicated that they would consider such an option”. These are not qualified as major or smaller suppliers as clearly identified elsewhere in this Working Paper.
41. Row 1	We note the Mott Macdonald and ALGED views on this item but the comment made by Mott Macdonald that there is a limited number of valve arrangements, whilst strictly true in itself, does not refer to the other aspects of an integrated supply system such as valve settings and mountings, the full tank history and so on. So far as the ALGED comment is concerned, again this is generally (though not entirely) true in the context in which it is made – generally speaking tankers can fill any tank (with the use of adaptors if necessary) but that completely ignores all the other aspects of safe supply.

41.Row 2	<p>The point being made here on behalf of Calor is that every new Calor customer receives a tank which has always been in the care of Calor, for which Calor has full history, and has been newly refurbished. This brings a benefit from switching in that, when a customer switches, a tank has to be provided which is either new or refurbished. Whilst Calor cannot speak for the remainder of the industry, we believe this is the case for most of our competitors. This also means that, not only does the rate of random refurbishment of tanks exceed the statutory minimum (in itself an important safety check), but also that each supplier has a complete history from cradle to grave for all its assets.</p>
41.Row 3	<p>‘Must buy, must sell’ agreements may exist in other industries, but they may not have the same safety considerations. In the LPG industry, we would be discussing the exchange of safety critical equipment which constitutes the containment for hazardous and pressurized product. Such agreements may well be possible but nonetheless the price will still have to be agreed, possibly on a matrix basis, and the complexities of this will be very considerable. If investment in the industry and the market is not to be severely affected, companies need to know that, when they invest in a tank and an installation, they stand some chance of getting their investment back. As has been seen from evidence previously provided, this investment may be considerable: not just the capital value of the tank itself, but also the installation costs. This is even more the case with underground tank installations. It might be argued that the answer is not tank uplift but a guaranteed contract period for the supplier but we would argue that an attempt to enforce more rigorous or longer terms would act to the detriment of the consumer and end up making switching more rather than less difficult.</p>
41.Row 5	<p>In respect of the mitigating arguments, full standardisation under PER has only been in place for installations since 2002 and the LPGA COP1 was updated in 2004; the overall costs of inspection and verifying of tanks may well not be less than tank replacement. The statement that “inspection does not carry any risk”, if it is intended to imply that tank uplift carries a risk which inspection does not incur, is not, in our opinion, true. Any risk involved in tank uplift is minimised if the operation is properly conducted (as, within the industry as presently constituted, it is to the point where tank uplift carries no greater, and quite possibly less, risk than any other operation within the industry <i>excised</i> and the idea that inspection does not carry any risk when, in our opinion, the risks which we have already explained are inherent in the system of tank transfer, is accordingly incorrect.</p>

41.Row 7	<p>It is stated in the mitigating argument that dealing with companies overlooking safety issues would be a compliance issue, and the companies may choose to overlook safety issues to win a customer even under the current arrangements. All this may be true as it stands, but the clear situation at present is that the company itself is liable for any safety issues which arise. This means that the industry is entirely self-policing and it is in the interests of each individual company to ensure their compliance with the law both to avoid criminal consequences but also because it is in their short, medium and long-term economic interests to do so. Under the proposed arrangements, as we have explained, there may well be clear economic advantages to organisations which wished to undercut basic safety standards. There would be no effective policing by third parties within the industry; the HSE have already explained that they do not have the resources to police; and in this particular market (and most importantly) the HSE have no powers to intervene in domestic arrangements. It is inconceivable that HSE inspectors would, or would wish to, force their way on to domestic premises. <i>Excised.</i></p> <p>Under the present system, on the other hand, any company acting in its own interests knows that it is fully responsible for all safety issues from cradle to grave and cannot lay off that liability on any other party. Cradle to grave includes tank procurement, preparation, valve installation, installation on site, maintenance, emergency service, customer liaison and contract, and tank uplift. A supplier simply supplying into a potentially unsafe tank, on the other hand, in practice accepts few of these responsibilities and because of the inherent design advantages of the current integrated system could conceivably “cream off” the advantage conferred by the great majority of the industry working to proper standards before any incident occurred. Were such incidents to occur, the consequences for the industry and their customers in this field could be quite devastating, and it is even conceivable that the supplier who acted illegitimately could avoid detection, punishment or any other legal consequences. This, in its essence, is the concern which we feel is not being addressed by the mitigating arguments in this particular paragraph (or elsewhere).</p>
41.Row 8	Please see our comments on “must buy, must sell” against Row 3 above.

42.	<p>We disagree totally with ALGED that one of the biggest safety risks in relation to LPG is the uplift of the tank. Every operation involving LPG carries a potential risk <i>excised</i>. We also object to the suggestion that the HSE confirmed this view. There is a risk in any operation involving LPG but the HSE also said that, provided this particular operation was properly managed, it was safe. We note the statement that “from an HSE point of view, transfer in-situ seemed to be preferable” but we cannot detect this view clearly from their responses. We would question whether, at their hearing, if they had been asked to consider the integrated system argument, they would express such a view clearly or at all. It does not appear to us that those arguments were put to the HSE at the relevant time.</p>
43.	<p>In respect of the HSE comment identified in sub-paragraph (a), we make the same comment as at paragraph 42 above, and would add that whilst there is not a direct legislative Code of Practice requirement that the tank be uplifted as such, this is a part of the integrated supply system. The HSE have said elsewhere that they are concerned about outcomes and not the means by which those outcomes are achieved. The present system is the one which has been chosen by the industry generally to achieve the objective, which it does.</p> <p>For the reasons already given, Mott Macdonald’s comments that “tanks in service are equivalent” and “uplifting is hazardous” are misleading at best. Tanks in service are not necessarily equivalent, and uplifting is not hazardous if properly managed, as is the case at present. The HSE say “the risks associated with changing a tank (are) not that great, and (can) be controlled, as long as the extra checks (are) made.” We would like to see the evidence from incidents or otherwise to justify the Mott Macdonald statement which we consider to be alarmist and misleading. In addition the phrase “hazardous” should read “potentially hazardous” as previously commented by Calor and referred to in Annex 4.</p>
45	<p>The proposed solutions raised in the working paper are inadequate for the reasons given above. The fact that there are some precedents, by necessity a limited number, does not mean that the points raised above are not valid.</p> <p>We note the reference to underground tanks: the safety arguments are much the same as for above ground but there is the added complication of valuation of the tank if a transfer in-situ is to be suggested. In both absolute and percentage terms, we find that the investment not directly recovered from the customer in the case of underground tanks is much greater than for above ground and this would inevitably mean that on a tank transfer that fact would have to be recognised.</p>

<b>Three month Notice</b>	
46 and 47	<p>Calor has previously expressed the view that the period of notice is something which needs to be approached with some flexibility. There are certainly some – possibly many – cases where a three month period is entirely appropriate for a customer to use up the gas in a tank, or to fit in with customer planning (such as, perhaps, building works). There are other cases where a two week period is equally appropriate. We would be concerned at any suggestion that there should be a rigid notice period of two weeks (exceeding which could place the supplier – or, indeed, the customer – in breach of contract). We do not think that this would necessarily be helpful to either party. Calor’s policy is that, whilst customers are expected to give three months notice, if it is a practical possibility to arrange the transfer earlier than that they will do so. This can frequently be facilitated, for example, by the customer having little gas left in their tank, or in circumstances where it is possible and appropriate to pump gas from the outgoing to the incoming tank. We would suggest that this is indeed a matter for discussion but, rather than altering contract periods as such (and subject of course always to minimum contract terms required for recovery of investment) the precise arrangements on transfer should be set within the industry by a Code of Practice.</p> <p>It will, however, be appreciated from the above that the comment under paragraph 51 that “a contractual fourteen day notice period” should be considered would not of itself be suitable and could create at least as many problems as it solved. At the end of the day, what must be considered is customer convenience in individual cases.</p>
<b>Summary</b>	
53	<p>We do not understand the phrase “..... UK LPG industry has an excellent safety record but we have not yet been able to find statistics to that effect”. This does the Competition Commission no justice. There is certainly no evidence to the contrary and we have supplied our own statistics as we assume other <i>excised</i> suppliers have done to substantiate this point. Is it seriously being suggested that these company statistics are in some way falsified? If the statistics from <i>excised</i> companies (which the Competition Commission could easily obtain even if they do not have them already) cover, say, 95% of the market, we are certain that the doubts being cast on the safety of the present system would be seen to be quite clearly without foundation where the vast majority of <i>excised</i> suppliers are concerned. The position would also be confirmed by examination of the HSE’s RIDDOR statistics, which in turn drive UK safety policy.</p> <p>As to whether this system is responsible for a good safety record, we believe that it is an integral part of such a safety record in which diverse</p>

	<p>elements including a responsible and proactive approach throughout the industry to legislative and Code of Practice guidance, a cooperative relationship with the Health &amp; Safety Executive, the guidance and control exercised by the insurance industry and an appropriate legislative safety culture and back-up all play their part. However, each of those other elements depends on the integrated system for their satisfactory operation. The integrated system does not just operate within companies but forms part of a wider integrated pattern.</p>
54(c)	<p>As Calor explained <i>excised</i> it can tolerate the current number of privately owned tanks because there are less than 0.04% of them out of a total domestic bulk customer base of <i>excised</i>. We could not tolerate many more, as we informed the Competition Commission <i>excised</i>.</p> <p>A small number of customer-owned tanks can be tolerated within an integrated system: <i>excised</i> from Calor's point of view the number of such customers is vanishingly small and at such a level the tanks can be treated to all intents and purposes as though they were owned by Calor and managed accordingly. If the number of customers were to increase by even as little as ten fold, significant logistical and management problems would occur, and if the number of customer-owned tanks were to increase to any more substantial level than that, it would be quite impossible to operate the system in the way in which it is operated at present. We cannot comment on how the smaller LPG suppliers operate their own systems, but this may repay investigation from the safety and systems point of view.</p>
(d)	<p>We have of course explained at length above the problems which we see with transfer of tanks in-situ. As far as the requirements of safety are concerned, the alternatives being considered could lead to greater fragmentation than the industry has ever known. There may have been tank transfers in-situ, but we would question the percentage of customer locations where this has occurred. It may be that in exceptional cases (as with Calor's customer-owned tanks) this can be managed at present on a case by case basis but we strongly challenge whether that can be so on either a safe or economical basis if such arrangements were to become widespread.</p>