ExxonMobil Australia Pty Ltd

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10 March 2023

Ms Janet Quigley
First Assistant Secretary
Domestic Aviation & Reform Division
Aviation White Paper Branch
Department of Infrastructure, Transport, Regional Development, Communications and the Arts
GPO Box 594
CANBERRA ACT 2601

Submitted via email to aviationwhitepaper@infrastructure.gov.au

Dear Ms Quigley

ExxonMobil Australia (ExxonMobil) welcomes the opportunity to provide feedback on the Terms of Reference for the Australian Government's Aviation White Paper.

ExxonMobil has a long history of supplying reliable, high quality fuels to Australia, supporting Australian communities and industries, including our aviation industry, for more than 125 years.

We support Australia's ambition to achieve net zero emissions by 2050 and believe the move to a lower-emission future requires multiple solutions that can be implemented at scale to address some of the highest-emitting sectors of the economy.

Low emissions fuels can help Australia achieve its emissions reductions goals faster, especially in the hardest to abate sectors like heavy transport and aviation, where electrification will be more challenging.

It is encouraging that the Aviation Whitepaper draft Terms of Reference will consider the role of Sustainable Aviation Fuel (SAF) in maximising the aviation sector's contribution to achieving net zero carbon emissions.

Policies with a clear basis, based on robust and transparent data grounded in science, can help drive the right decisions for decarbonisation.

A well-designed, flexible, market based SAF policy, that is in line with existing global standards, can help the aviation industry contribute to Australia's emissions reductions goals at the lowest cost to consumers.

Complemented by the work of a Jet Zero-style Council, the Aviation Whitepaper can set out a clear policy pathway for Australia's aviation industry to prosper and grow while also reducing emissions.

It is critical that the fuels industry, who is ultimately responsible for investing in, producing, and delivering the SAF Australia will need, is well represented on the Jet Zero-style Council.

ExxonMobil wants to do our part in the production and supply of low emissions fuels, including SAF, to meet industry's demand.

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Around the world we plan to invest more than \$17 billion on initiatives to reduce greenhouse gas emissions through to 2027, with a significant share focused on scaling up carbon capture and storage, hydrogen, and biofuels.

Our goal is to provide more than 40,000 barrels, or around 6.3 million litres, per day of lower-emissions fuels by 2025 and we have a further goal to provide over 30 million litres per day by 2030.

To achieve these goals, we continue to focus investments on markets where well-designed policies support technologies that reduce life-cycle emissions. For example, ExxonMobil recently announced its majority-owned affiliate, Imperial Oil Ltd, will invest about \$560 million to move forward with construction of the largest renewable diesel facility in Canada.

We want to help the Australian aviation industry to reduce emissions through leveraging our global supply chains to deliver a reliable and affordable supply of SAF. Having a seat on the Jet Zero Council currently being formed, would give us the best chance to achieve this goal and grow our low emissions presence in Australia.

Sound government policies and incentives will give industry the confidence needed to invest in delivering SAF to Australia, helping to reach a price point that will make large-scale adoption possible.

A well-designed policy could support the broad use of SAF in Australia, provided it:

- Is technology-neutral allowing all solutions which can contribute to reduction goals
- Is lifecycle-based examining potential environmental benefits at all phases of fuel production and use
- Is market-based leveraging market mechanisms like carbon credit trading
- Is flexible to allow for developments in science and technology
- Provides an adequate carbon pricing mechanism high enough and certain enough to support investment.

We look forward to ongoing engagement in the Whitepaper process as we all work towards helping the aviation industry contribute to Australia's emissions reductions goals. Please contact our Product Solutions Public and Government Affairs Manager, Melanie Saliba on 0467 801 719 or melanie.m.saliba@exxonmobil.com, for further information.

Yours sincerely

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South Pacific Fuels Executive Director

ExxonMobil Australia

Bruce Sutherland