



Australian Government
Defence

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Mr Graham Perrett MP

Chair
Parliamentary Standing Committee on Public Works
Parliament House
CANBERRA ACT 2600

Dear Mr Perrett,

**DEPARTMENT OF DEFENCE: QUESTIONS ON NOTICE: DEFENCE FUEL
TRANSFORMATION PROGRAM TRANCHE 2 FACILITIES PROJECT**

1. The Parliamentary Standing Committee on Public Works Briefing, Public and In-Camera hearings for the Defence Fuel Transformation Program Tranche 2 Facilities Project were held on 2 November 2023. During the briefing and hearings six questions were taken on notice. I am pleased to provide supplementary information on the Committee's questions.

2. **Question One – Proposed Storage Capacity vs Current Capacities.** The Committee asked Defence to provide details of the proposed storage capacities versus the current storage capacities for the sites.

a. **Defence Response.** The proposed works will vary the storage capacity at 10 Defence sites. Details of the current and proposed storage capacities on all sites are provided in Annex A Table 1.

3. **Question Two – Priority Reasons for the Works at each Site.** The Committee asked Defence to provide a list of priority reasons for the works at each of the 'above the line' sites. The reasoning should include why the current state is not adequate.

a. **Defence Response.** The works at each site can be broadly categorised as either replacing assets at end of life; upgrading or replacing assets that pose safety, compliance and/or environmental risks; and upgrading or building new installations that do not meet current and future capability requirements, such as holding capacity and ability to support new military platforms. The reason for the works at each 'above the line' site, including why the current state is not adequate, is provided in Annex A Table 2.

4. **Question Three – Life of each Site (longevity increase).** The Committee asked Defence to provide the expected increase in life for each site.

a. **Defence Response.** The design life of existing infrastructure being retained will be dependent upon factors such as the original design life, age, current condition, maintenance regime and exposure conditions. The replacement of storage tanks will provide an additional 50 years of design life for the new tanks. All other new infrastructure will have a minimum design life as detailed in Annex A Table 3.

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5. **Question Four – Australian Defence Force Veteran Contractors.** Senator Rennick asked whether Defence has a procurement policy for Defence veterans.

a. **Defence Response.** The Defence policy for Industry Participation Chapter 1.16 states “*industry is encouraged to employ and engage with veterans who have a deep understanding and appreciation of Defence and industry needs, along with continuing their valuable contribution to our national interests*”. Defence includes this guideline in tender documents under the Local Industry Content and Participation schedule. Clause 8 of the schedule asks:

- (1) *Veteran participation in the carrying out of the contractor's activities; and*
- (2) *Describe your approach to employing and engaging Australian veterans in connection with the carrying out of the Contractor's Activities, whether directly or through the engagement of subcontractors.*

6. **Question Five – Fuel Volumes.** Mr Zappia asked at the end of the proposed works what will be the total increase in the volume of fuel that will be held compared to the current volume?

a. **Defence Response.** Aviation fuel capacity will increase by 16 percent across the project sites. Diesel fuel capacity will decrease by 13 percent and unleaded petrol capacity will decrease by 61 percent across the project sites. Further details regarding changes to fuel capacity by site are included in Annex A Table 1.

7. **Question Six – Heritage Impact Assessment for the Gun Wharf.** Senator Payman asked for the heritage impact statement and heritage management plan for the Gun Wharf, which is proposed to be demolished, to be provided to the Committee so they can understand the mitigation measures proposed?”

a. **Defence Response.** The heritage impact assessment for the Garden Island Defence Precinct Gun Wharf is at Enclosure 1.

8. Please do not hesitate to contact me if you require any further information.

Yours sincerely,

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RM Tilley
Air Commodore
Director General Capital Facilities and Infrastructure

10 November 2023

Annex:

A. Supplementary Annex (PROTECTED)

Enclosure:

1. E210781 Heritage Impact Assessment 11 October 2023