



MINISTER FOR INDIGENOUS AFFAIRS

Reference: D13/2438676

Senator Cory Bernardi
Chair
Senate Finance and Public Administration Legislation Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Senator Bernardi

I am writing to update you and the Senate Finance and Public Administration Legislation Committee on the progress of the Australian Government's project to establish a bulk storage facility in Darwin to support the expanded rollout of low aromatic fuel in northern Australia.

During the Senate Estimates Cross Portfolio Indigenous hearings on 22 November 2013, I gave an undertaking to update Senators Moore and Siewert when crucial contracts had been signed. I am pleased to report that a contract was signed with Vopak Terminals Darwin on 13 December 2013 to fund the relocation and conversion of an existing diesel tank to make it suitable to store 6.5 million litres of low aromatic fuel. Offsite construction of components for the refurbished tank has commenced and onsite works will commence in April 2014, after the wet season. The tank should be ready for use in September 2014 and will be available for the Commonwealth's use for up to ten years.

Contracts have also been finalised with Shell Australia and BP Australia to produce and supply low aromatic fuel. Shell Australia will supply low aromatic fuel to northern Australia including the Top End of the Northern Territory, the Gulf of Carpentaria and Cape York, while BP Australia will supply low aromatic Opal fuel to central Australia, South Australia and Western Australia.

I look forward to providing further updates on the success of this programme in the future.

Yours sincerely

Nigel Scullion
23.12.13

