Senate Standing Committee on Economics
ANSWERS TO QUESTIONS ON NOTICE
Innovation, Industry, Science and Research Portfolio
Budget Estimates Hearing 2010-11
31 May 2010

AGENCY/DEPARTMENT: AUSTRALIAN NUCLEAR SCIENCE AND TECHNOLOGY ORGANISATION

TOPIC: PETNET

REFERENCE: Written Question-Senator Heffernan

QUESTION No.: BI-37

The original estimate for ANSTO's new cyclotron facility called PETNet located at Lucas Heights was $10m. Before the first dose was dispensed, including capital and establishment costs, what is the full cost of this facility?
After ANSTO stopped selling FDG in Sydney in 2003 from the National Medical Cyclotron (NMC), why did it decide to re-establish a new cyclotron facility in 2007 in Sydney even though there were private companies willing to develop a site in Sydney?
Why did ANSTO need to form a joint venture with Siemens? Isn't ANSTO capable of running cyclotrons without assistance from the manufacturer?
Is it ANSTO's position that it will subsidise PETNet in competition with other FDG suppliers in the Sydney market?
Including the cost of capital, how much is PETNet losing per month?
Excluding the cost of capital, how much is PETNet losing per month?
When will PETNet become profitable?
How many doses per day will it take to be profitable?
How many customers is PETNet shipping to now?
If and when PETNet is profitable, where do the profits go? How much goes to ANSTO, how much goes to Siemens?
Are the PETNet cyclotrons capable of producing the same isotopes in the quantities that the NMC did? If not, what is the capacity of these units compared to the NMC?
If the PETNet cyclotrons are not capable of producing FDG quantities to support all of Australia, what is ANSTO going to do about centres like Townsville and Darwin that do not have a supplier of FDG?

ANSWER

Refer to B-1.

Refer to BI-2.

As indicated in BI-2, there is a franchise arrangement with Siemens and not a joint venture. Accordingly, Siemens do not operate the cyclotrons at ANSTO's independently run wholly owned subsidiary, PETNET Australia Pty Limited. PETNET Australia Pty Limited has been successfully running the cyclotrons and is capable of continuing to run them without assistance from the manufacturer of the cyclotrons.

No.

PETNET Australia Pty Limited operates in a competitive market. Disclosure of this information would breach commercial confidentiality which in turn risks distortion of the market.

Refer to above.

Refer to above.

Refer to above.

Refer to BI-3.

PETNET Australia Pty Limited is a wholly owned subsidiary of ANSTO that operates at arms length. Profits are retained in the subsidiary and are consolidated into the total ANSTO accounts. Specifically, Siemens does not receive any profits from PETNET Australia Pty Limited.

No. In accordance with PETNET Australia Pty Limited's Business Plan, the 11Mev Cyclotrons are focused on the production of Flourine-18 for clinical application or development. The model of having dedicated 11MeV class Flourine-18 producing cyclotrons has proved successful in the United States.

ANSTO has initiated early discussions with a number if participants in the clinical and research communities in Australia with the intention of developing access to reactor and cyclotron based radiopharmaceuticals in cities such as Darwin and Townsville. This is currently a medium to long-term development that will require engagement with the nuclear medicine community and the relevant departments in the States and Territories. ANSTO has also proposed that the research cyclotron community coordinate their effort with hospital based facilities to provide better training, engineering support and accessibility for all Australia. The Chief Executive Office of ANSTO and the ANSTO team will progress these discussions in the second half of 2010.