



PREMIER OF TASMANIA

13 December, 2024

Hon Ruth Forrest
Chair
Parliamentary Standing Committee of Public Accounts
By Email: PAC@parliament.tas.gov.au

Dear Chair

Questions on Notice: Inquiry into the TT-Line Spirits Project

I refer to your correspondence dated 2 December 2024 providing questions on notice from the public hearing held on Friday 29 November 2024 and I provide the following responses:

1. **Has either TasPorts and/or TT-Line made any requests for additional funding to assist with the development of Berth E3 in Devonport?**

TT-Line and TasPorts have not requested any additional funding for the Devonport Berth 3 Project.

2. **When did you as Premier first find out about the bailout payment made by TT-Line to RMC?**

The government was provided with final details of the board's decisions to approve the additional payment on April 5th.

3. **Has a contract been finalised to berth Spirit IV at Leith, Scotland? If so, what is the cost and tenure of that contract. If not, what is the contingency in place?**

TT-Line has secured a berth at Leith for a minimum of 30 days at an average weekly cost of approximately \$47, 534 AUD plus ancillary charges.

The Government will release the total charges with the Port at Leith once ancillary services for the vessel's time in Leith have been negotiated and agreed to. These could include shore power, dockyard labour, security, consumables and provision, towing and pilotage. As many of these services are invoiced on a 'do and charge' basis, the total of these costs will not be known until the layup period has ended.

4. **How is the \$100 million of Tasmanian content being implemented with respect to the fit-out of the Spirits vessels if they are being berthed at Leith?**

Please find enclosed a copy of the TT-Line Vessel Replacement Project Local Content Update, as provided to the House of Assembly on 10 December 2024.

This provides a list of local content suppliers and purchases to date for the Spirits, and the total value of those purchases. This includes purchases made by both Rauma Marine Constructions (RMC) and TT-Line.

As indicated in the report, RMC has until the end of the warranty period of the second vessel to satisfy the local content provisions of the contract. At this point, TT-Line will undertake an assessment to validate the purchases for contractual compliance with penalty provisions in place to be applied as and if necessary.

I trust this information is of assistance to the Committee.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Simon Rockliff'.

Hon Jeremy Rockliff MP
Premier

Attachment: TT-Line Local Content Update Dec 2024

TT-LINE VESSEL REPLACEMENT PROJECT LOCAL CONTENT UPDATE

Background

In June 2020, provisional agreement was reached on the contracts to build two vessels between TT-Line and Rauma Marine Constructions (RMC). The TT-Line Board approved the signing of these contracts and made the recommendation to execute them to the Shareholder Ministers.

At that time, however, TT-Line withdrew from the final process on instructions from its Shareholder Ministers to revisit the on-shoring of the replacement of the ferries within Tasmania and Australia, in response to the economic outlook presented by the COVID-19 pandemic.

A Ship Replacement Taskforce was formed by the State Government and duly reported in March 2021.

Following completion of that review, the State Government requested TT-Line to continue negotiation with RMC for the build of two monohull vessels with the requirement that the new build contracts include up to \$100m of local content (with local content being defined as Tasmanian and/ or Australian content).

Contracts were executed with RMC in April 2021 with included a commitment of up to \$100m, across both vessels, of local content. The timeframe given to satisfy this commitment is the expiry of the later warranty period of the vessels. This expiry date will not be definitively known until delivery of the second vessel.

To support RMC in achieving their contractual commitment to the local content spend, TT-Line employed a local Procurement Manager to work with RMC to achieve the maximum spend possible on local content.

Of the \$100m local content commitment, \$80m was the target for RMC to deliver on under the new build contracts. RMC will contract directly with the relevant businesses. TT-Line is not a party to these local content contracts.

In addition to this, TT-Line had a target of \$20m to deliver through contracting with many Tasmanian and Australian businesses for Buyers Supplies as part of the project.

RMC Local Content Spend – Target of \$80m

RMC has until the expiry of the warranty period on the second vessel (not yet known) to meet the commitment of up to \$80m in local content spend.

RMC provides updates on the progress of the local spend, but these updates are not validated or audited by TT-Line.

Supporting documentation of the final local spend amount will be provided to (and validated by) TT-Line at the expiry of the warranty period.

The most recent update provided to TT-Line from RMC (November 2024) identified the following spend to date:

RMC LOCAL CONTENT UPDATE	
November 2024	
Supplier	Detail
Lloyd's Register International	Classification Costs
Wärtsilä Australia Pty Ltd	LNG Pacs
Wärtsilä Australia Pty Ltd	Auxiliary gensets with GVUs
Wärtsilä Australia Pty Ltd	Main engines
SKF Australia Pty Ltd.	Retractable Fin Stabilizers
Flender Pty. Ltd., Australia	Reduction Gears
Consilium Australia Pty Ltd	Engine telegraph
CBG Systems	Insulation panels
AWM Electrical via TT-Line Company Pty Limited	Special sockets (for reefers)
Haywards Steel Fabrication & Construction	Lashing Pots for Trestle system
UES International	Recliners
Norfolk Roller Blinds via ALMACO	Blinds and Curtains
Liferaft Systems Australia (LSA)	Marine Evacuation System (MES)
CBG Systems	Access hatches
Seamaster Fishing Supplies Australia	Safety equipment/Life saving equipment
Ansa Engineered Door Solutions	MES enclosure / Roller doors
Scanmarine	Local wood - Hydro wood
Montebel Chairs	Chairs
	TOTAL SPEND TO DATE (EURO) € 46,646,210
	TOTAL SPEND TO DATE (ESTIMATED AUD) \$76,499,784

TT-Line Local Content Spend

RMC are contracted to build the vessels, but as part of overall delivery of the vessels, TT-Line is responsible for “Buyers Supplies” – these are items that are excluded from the responsibility of RMC to deliver. They are items that are required for the commissioning and operating of the vessel, but not part of the construction.

TT-Line has already procured a significant amount local content that has already been sent to Finland for installation on the vessels. Other items have been ordered or are currently being manufactured or produced for a later installation date. A summary of these items purchased as at November 2024 are below:

TT-LINE LOCAL CONTENT UPDATE November 2024

Supplier	Equipment
4 Cabling	IEC Leads
Acutec	Pet Camera System
	Bazeport office management
Acutec / Bazeport	Infotainment & digital signage
Additional flags	Carroll & Richardson
ANSA	MES Station Roller Doors
Apple	Ipads
Assa Abloy	New boarding card printers
	Test kits for boarding card/cabin keys
Aus Lock & Safe Co	Safe
AWM Electrical	Electrical equipment required for delivery
Big Blue Maritime Services	Integrate ISM with K Fleet
	Integrate ISM with K Fleet phase 2
BLC Turva / RMC	CCTV upgrade
Bloodline Equipment	Pet Kennels
Boat Books	Charts
Bunkering equipment	Elaflex Pacific
Carus	Assa Abloy integration
Cavotec	Shore Connection Lead
Challis Water Systems	Water filters
	Water Stations
Code flags	Carroll & Richardson
Computer & monitor mounts	Strike Group Australia
Data 3	Computer equipment
DB Tech Services	Cabin TV brackets
	Entertainment equipment
	TVs for Teen Gaming Lounge
Draeger	Breathalyser
Electrotech	Holding cell intercom
	Satellite Equipment
	Starlink
Eye Spy Signs	Crew cabin door signs
	Pax cabin door signs
	Directional signage
Fairbrother	Table tops decks 8 & 10
Feature tables	Fairbrother

Supplier	Equipment
H&L	POS Equipment
Handmark Gallery	Artwork
Haywards Steel	Lashing pots - extra costs
Imagination Play	Playground
K5	Montbel chairs
Life Fitness	Fitness equipment
Lifelfoor	Playground flooring
Liferaft Systems Australia	1/2 Ship set MES & liferfts
Lloyds	Cargo Securing Manual
LNA	Cargo Securing Manual
	Weather Dependent Lashing Addendum
Locks for kennels	Assa Abloy
Monika	Monitoring System
Outcomex	Compute & storage
	Network Hardware
	Webex boards
Quality Equipment	Barista Coffee Machines
Rapid Supply	Bridge equipment
	Consumable items required for delivery
	Handwash / Bodywash
	MOPS Tools for delivery
	Behind mirror dispensers
Reece Plumbing	Disabled toilet equipment
	Public bathroom equipment
Seachoice	Cinema Equipment
Seamaster	Bridge equipment
Sensormatic	Loss Prevention System
Steelfinne	Holding cells
Strike Group Australia	Ipad covers
Survitec	Gas detectors
Tas Isle Trading	Washing machines & dryers
Tas Shipping Supplies	Additional galley equipment
	Bill tap for crew mess
	Crew Mattresses
	Galley & loose restaurant equipment
	Galley equipment
	Loose Equipment
	Mattresses, linen, towelling
Tascaffe	Coffee machine for crew mess
	Coffee machines for bridge & engine room
TasVac	Vacuum cleaners
Taylor Brothers	Defibrillator for ECR
	Medical equipment
The Udder Way	Milk Fridge

Supplier	Equipment	
TIBS	Beer System	
	Drop in post mix towers	
	Post Mix System	
Wastech	Compactor	
Waverley Mills	Blankets & throws	
Wilhelmsen Marine Products	Mooring Lines	
Lifefloor	Playground flooring	
CyberCX	OT Environment Security & Vulnerability Monitoring	
Harvey Norman	Vacuum cleaners	
Alfa Laval	Chemicals	
UES	Actuators for standard recliners	
Norfolk Blinds	Blinds	
Benchmark Agencies	Carpet	
Seamaster	Safety Equipment	
Outcomex	IT Equipment	
Power On	IT Equipment	
	TOTAL COSTS TO DATE	\$ 14,797,245