



## EVENT BRIEFING

### Visit to Channel Infrastructure terminal on 22 March 2026

<b>Date:</b>	21 March 2026	<b>Priority:</b>	Urgent
<b>Security classification:</b>	Restricted	<b>Tracking number:</b>	N/A

Action sought		
	Action sought	Deadline
Hon Nicola Willis <b>Minister of Finance</b>	<b>Note</b> the contents of this briefing.	22 March 2026

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Dominic Kebell	Manager, Gas and Fuels Policy	Privacy of natural persons	✓
Bertrand Ngai	Senior Policy Advisor, Gas and Fuel Policy team		

The following departments/agencies have been consulted

Minister's office to complete:

Approved

Declined

Noted

Needs change

Seen

Overtaken by Events

See Minister's Notes

Withdrawn

Comments



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### Purpose

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You are scheduled to visit the Channel Infrastructure terminal at Marsden Point on Sunday 22 March 2026. This briefing provides background information for your visit and matters you may wish to discuss with Channel Infrastructure.

### Recommendations

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The Ministry of Business, Innovation and Employment recommends that you:

- a **Note** the contents of this briefing in preparation for your visit.

*Noted*

Dominic Kebbell  
**Manager, Gas and Fuel Policy**  
Building, Resources and Markets, MBIE

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Hon Nicola Willis  
**Minister of Finance**

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## Meeting purpose and logistics

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<b>Date:</b>	21 March 2026	<b>Time:</b>	4:30 to 5pm
<b>Location:</b>	Channel Infrastructure terminal, Port Marsden Highway, Ruakaka, Northland		
<b>Attendees:</b>	Rob Buchanan, CEO, Channel Infrastructure Attendee biography is included in <b>Annex One</b> .		

1. You are visiting the Channel Infrastructure terminal at Marsden Point on Sunday, 31 March 2026 to view the unloading of fuel from an incoming ship. This visit aims to reassure the public that fuel cargoes are still being delivered to New Zealand.
2. This briefing provides you with background information on Channel Infrastructure (**Channel**), its current operation at Marsden Point, the shutdown of the refinery there, and Channel's proposal to bring unused tanks online for diesel storage.
3. Backpocket Q&As are also attached in Annex Two.

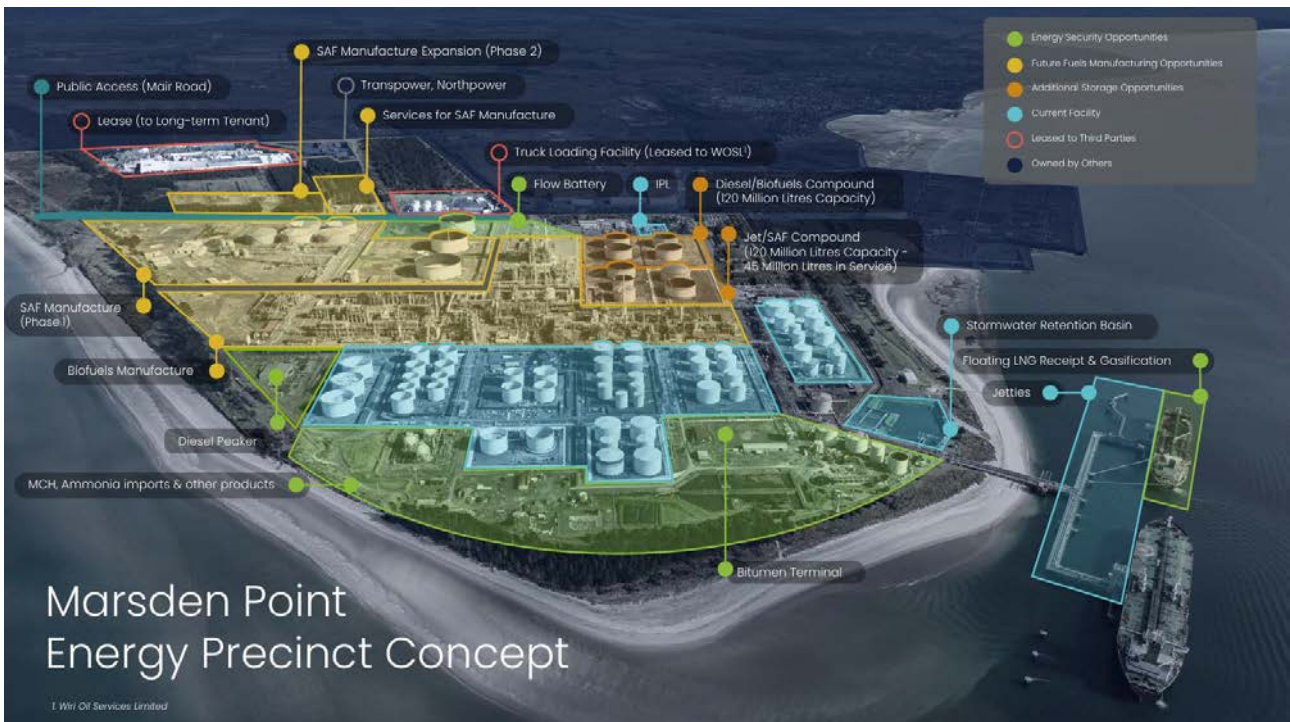
## Channel Infrastructure

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4. Channel operates the fuel import terminal at Marsden Point, which stores about 40 per cent of New Zealand's petrol and diesel and about 80 per cent of our jet fuel. Channel handles between 3-3.5 billion litres of transport fuels annually, primarily supplying the Auckland and Northland markets, which make up 40 per cent of New Zealand's fuel demand.
5. Channel has the long-term vision for the Marsden Point site to become an Energy Precinct. In this vision, the site would accommodate a range of energy projects, which focus on developing additional fuel storage and exploring green fuel manufacturing opportunities.

### Key assets for fuel storage and distribution

6. The Marsden Point terminal is the largest terminal in New Zealand. Its key assets include:
  - a deep-water berth and jetty infrastructure that can receive large tankers
  - 290 million litres (**ML**) of storage capacity shared by three major fuel importers, bp, Mobil, Z Energy — more jet fuel storage is expected to be available in early 2027
  - about 350 ML tank capacity available for conversion for fuel storage
  - 180 hectares of highly strategic land of which only one third is currently in use
  - connections to the natural gas network and a high voltage electricity grid (both of which were developed for the previous refinery operation on-site).
7. Channel Infrastructure's terminal supplies fuel to a Truck Loading Facility at Marsden Point and via the Ruakaka to Auckland pipeline to the Wiri terminal near Auckland Airport. All three fuel types are supplied to Wiri through the pipeline.
8. There are some potential options for further developing the Marsden Point site, including the production of green fuels, such as sustainable aviation fuel (**SAF**) and green hydrogen. The map below shows the existing infrastructure of the Marsden Point site, and where new facilities could be located in the future.



Source: Channel Infrastructure (2025)

## Refinery shutdown

9. Before the Marsden Point refinery started transitioning to an import terminal, the refinery produced around 70 per cent of New Zealand's petroleum fuels. The Marsden Point refinery operated as a tolling refinery, receiving a fee from fuel companies, based on refining margins (the value of the refined products minus the input costs). In a high-margin environment, there was a "cap" which was the maximum limit customers had to pay. When margins were low, customers were required to pay fixed 'floor' payments to cover the refinery's operating costs.
10. The Marsden Point refinery was closed in March 2022. It was a commercial decision driven by difficulties in competing with mega-refineries overseas. Refining margins plunged at the end of 2019 when the COVID-19 pandemic started and led to excess global refinery capacity.
11. Much of the former refining equipment and plant was decommissioned upon closure. This involved making all the units safe, including disconnecting power, control systems, water and gas connections. Pipework was cut and capped.

## Channel's proposal to bring unused storage tanks online for diesel storage

12. Channel's proposal is to bring in two unused tanks online for diesel storage, one with 80ML capacity and the other with 13ML capacity. The first tank would provide around 8 days' cover of diesel in New Zealand. The second would provide just over a day's cover. To put this in context, fuel importers are currently required to have a minimum of 21 days' cover. The three major importers will be required to have 28 days' cover from 1 July 2028 (Minister Jones was due to report back to Cabinet on whether this obligation should be extended to Gull and Tasman Oil Services Limited in Q2 2026).
13. Confidential information entrusted to the Government



## Risks and mitigations

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17. There might be media questions about whether the Government is taking sufficient action to mitigate the impact of the Middle East conflict on fuel markets. We recommend that you read officials' latest updates and policy advice on the response to the conflict.

## Communications / Media

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18. Media will be present at the event.

## Contacts

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Name	Position / organisation	Telephone
Laura Malcolm	Communication consultant, Channel Infrastructure	Privacy of natural persons

## Annexes

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Annex One: Attendee biography

Annex Two: Backpocket Q&As

## Annex One: Attendee biography

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**Rob Buchanan, Chief Executive Officer, Channel Infrastructure**

Rob was appointed CEO of Channel Infrastructure in 2023. He has also recently become the Chair of the Northland Corporate Group.

Rob was previously GM Growth & Trading at Manawa Energy, where he had responsibility for the company's renewables development, energy trading and commercial and industrial sales functions.

Prior to Manawa Energy, he had an almost 20-year career in investment banking, advising companies in New Zealand, Australia and Europe, most recently as Head of Mergers & Acquisitions at Forsyth Barr in New Zealand.

## Annex Two: Backpocket Q&A

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### **In light of the Middle East conflict, does the Government want to reconsider reestablishing the Marsden Point refinery?**

- The Fuel Security Study looked at reestablishing the Marsden Point oil refinery.
- Regardless of the substantive merits of having an operating oil refinery in the country, it was estimated it would cost between NZ\$6-16 billion to reopen, take at least six years and then need to be supported by ongoing government subsidies.
- Increasing the MSO is a more cost-effective option to improve our fuel resilience. Last year we did this by raising the MSO for diesel from 21 days' cover to 28 days' cover. The obligation will come into effect in 2028.

### **Has the Government done enough to get ready for an event like this one?**

- I'm sure that, after this event is over, we'll take a good look at our fuel security system and whether anything can be done to improve it. At this stage I'm focused on managing the current situation.

*[The Fuel Security Study concluded that a portfolio of mitigation options is the best way to secure our fuel system. This has been reflected in the Fuel Security Plan, which Cabinet approved in 2025. The Fuel Security Plan sets out the Government's proposed actions to improve fuel security in New Zealand in the medium term. (Note that this is distinct from the National Fuel Plan, which is used to manage fuel shortages like the current one.)]*