

WOOLWORTHS LIMITED

A.B.N. 88 000 014 675

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23 AUG 2006

ENVIRONMENT AND NATURAL
RESOURCES COMMITTEE

18 August 2006

M/s Jenny Liddell, MP
Chair, Environment and
Natural Resources Committee,
Parliament of Victoria
Level 8, 35 Spring Street
MELBOURNE VIC 3000

SUBMISSION

NO. 2

Dear M/s Liddell

Re: Inquiry into the Production and/or Use of Biofuels in Victoria.

I am responding to your letter dated 8 August, 2006 to Mr. Roger Corbett, CEO of Woolworths Ltd.

Woolworths is a retailer of petroleum products throughout Australia through over 360 outlets operated as Woolworths Petrol and a further 132 outlets which are operated under an alliance arrangement with Caltex Aust. Ltd. We do not have any petrol storage, refining or manufacturing operations.

Woolworths is entirely dependent on Caltex for its fuel supply, under a long term Supply Contract, which would include, when available, biofuel supply.

We support the domestic refining industry and Governments initiatives relating to the increased production and availability of ethanol based fuel. However, the relatively restricted size and high turnover of Woolworths individual petrol outlets provides capacity constraints and site suitability for storage of ethanol blends which places inherent limitations on our ability to extend our fuel offer to include ethanol based fuels at a rate greater than these limitations and consumer market demand dictate.

We have commenced discussions with our fuel supplier, Caltex, regarding the supply of biofuels and have identified a number of current sites where this may be able to be offered to our customers. This assumes that the necessary regulatory approvals and the capital costs of establishing storage capacity at these sites economically permit these to be converted to biofuel availability.

Woolworths trusts that this provides to the Committee an adequate indication of Woolworths position on this important issue.

Sincerely,



Rohan Jeffs
General Manager
Corporate Services

