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Refining NZ relaunches as Channel Infrastructure

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Refining New Zealand has officially relaunched its business as Channel Infrastructure.



Marsden Point oil refinery Photo: 123rf.com

Shareholders last year voted on a plan to shut down the refinery and convert the plant at Marsden Point into an import-only terminal for refined fuels.

The closure of the refinery follows a substantial decline in refining margins in the Asia region.

However, the decision was opposed by iwi and its employees, because it would result in a significant loss of skilled workers in the Northland region.

Critics said the move would jeopardise the country's fuel security, but the government strongly rejected that assertion.

In a statement, Channel Infrastructure chief executive Naomi James said the transition was a significant milestone for the company.

"After 60 years of operations as New Zealand's only oil refinery, we look back on our past with pride, and because of this change, we can now also look to the future with confidence that we have a sustainable business that will continue to contribute to our community, and New Zealand, long into the future."

She said the potential transition had been discussed for two years, and the company was of the view this was the best way for the business to have a long-term and sustainable future.

Channel Infrastructure chief executive Naomi James and company chair Simon Allen ring the bell to open trading at the NZX, marking the official launch of the rebranded firm. Photo: RNZ

The refinery process units at Marsden Point had been shut down over past fortnight and work was now beginning to mothball these assets.

The company had long-term service agreements with customers BP, Mobil and Z Energy, and the first imports of refined fuel were expected to arrive in the coming days.

"As difficult as change can be, we also know that with change comes opportunity, and we are excited by the growth opportunities we have ahead of us at Marsden Point site, whether that's additional fuel storage to support fuel security, renewable electricity supply through the Maranga Ra solar project or the work underway with customers and partners on biofuel and hydrogen opportunities."

The company signed a memorandum of understanding with green energy firm Fortescue Future Industries (<https://www.rnz.co.nz/news/national/458064/green-hydrogen-production-on-the-cards-for-marsden-point-refinery-site>) in December to explore the possibility of storing, distributing and exporting hydrogen products from the decommissioned site.

Channel Infrastructure is expected to release its first sustainability report next week, which will outline how it plans to contribute to the decarbonisation of the country's energy supply.

