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TT-Line Company Pty Ltd
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15 April 2026

Hon Ruth Forrest MLC
Chair
Parliamentary Standing Committee of Public Accounts
Parliament House
Hobart TAS 7000

Email: simon.scott@parliament.tas.gov.au

Dear Chair,

Response to Request for Information (Fuel Surcharge and Private Briefing)

Thank you for your letter dated 1 April 2026. In response to the questions raised regarding TT-Line's passenger fuel surcharge, we are happy to provide the following.

We respectfully request that you treat all our responses as commercially confidential, except those in the grey text boxes.

1. What is TT-Line's estimated total additional fuel cost attributable to the current conflict, and over what specific time period has that estimate been calculated?

TT-Line's additional fuel costs caused by the conflict will depend on the duration of the oil market disruption and the extent of price impacts. As you would understand, these factors are hard to forecast.

We estimate that the additional cost to TT-Line caused by current fuel market conditions will be between \$2.5 million and \$4 million per month, or \$30 million to \$50 million annually. This range considers the fuel consumption of TT-Line's operational fleet and various price scenarios.

[Redacted content]

4. What total dollar amount does TT-Line expect to recover through the passenger surcharge or levy?

[REDACTED]

5. Over what period does TT-Line expect the surcharge or levy to remain in place?

We anticipate the surcharge will remain in place for at least as long as the market disruption lasts. We cannot currently estimate how long that might be. We expect our surcharge receipts to lag behind our fuel cost variance (because the current rate of the levy does fully recover the cost and also there are likely to be general drops in passenger and vehicle crossing demand due to uncertainty about fuel prices and availability) ; therefore, it may be necessary to maintain the surcharge even after fuel prices return to normal so we can fully recover 70% of the variance. This will be a future decision based on market conditions. We think that this approach will share the cost across customers in a fair way and minimise the potential impact on the Tourism industry.

6. Has a fuel surcharge or levy been applied to freight customers in the past, and if so, when was it introduced, at what rate, and what additional revenue has it generated to date?

TT-Line has been sharing its fuel costs with freight customers for over a decade. This longstanding practice reflects common mechanisms used by freight service providers.

[REDACTED]

[REDACTED]

[REDACTED]

7. If a freight surcharge or levy has recently been or will be applied, how does the rate compare to the proposed passenger surcharge or levy, and if so, what informed these decisions?

[REDACTED]

8. What specific conditions or price thresholds would trigger removal of the surcharge?

There will be no specific price thresholds that will trigger removal of the surcharge, however, there will never be a profit from the surcharge. The maximum amount recovered will be the actual additional fuel costs incurred.

The receipts from the fuel levy are dependent on several factors, therefore a formula driven approach is not possible or desirable. Instead, we will constantly monitor our actual fuel cost variance and our fuel surcharge receipts. We will reduce and/or remove the levy as soon as possible. However, because the surcharge lags behind the cost variance, it may be necessary to maintain the surcharge even after fuel prices have stabilised to pre-disruption levels.

9. Is there a formal review mechanism or sunset clause, and if not, why not?

The business will monitor its fuel surcharge position and report this to the Board and Shareholder Ministers monthly. Given the uncertainty surrounding the market turmoil and the uncertainty about the amount of revenue the levy will raise, it is not possible to provide a specific sunset date. As stated earlier, TT-Line will not profit from the fuel levy and will reduce and/or remove it as soon as possible. We are aiming to recover the cost of this extraordinary event in a way that is fair and spreads the load across customers and minimises the impact on the Tourism Industry.

[Redacted]

[Redacted]

Should you have any further questions, please email [Redacted]

Yours sincerely

Chris Carbone

Chris Carbone
Chief Executive Officer
TT-Line Company Pty Ltd