

The CMB Medoc left Esperance in February this year with a Western Australian record cargo of barley, part of the more than 2.53 million tonnes of grain exported from the Port last financial year.



rePort

a community newsletter from **Esperance Ports Sea & Land**

2014 Trade Record

The exceptional grain harvest in the Esperance agricultural zone in 2013-14 was the catalyst for record cargo handling figures being recorded by EPSL for the financial year that closed on June 30.

Total trade for the year increased about 7.6 percent from 13.875 million tonnes in 2013 to more than 14.938 million tonnes this year, with the number of trading vessels visiting the Port increasing from 192 last year to 197.

The significant news was the more than 2.53 million tonnes of grain exported through Esperance during the period, up from 1.69 million tonnes the previous year, which was about the annual average for the past decade.

Wheat exports led the way rising from 728,213 tonnes last year to more than 1.3

million tonnes, an increase of 78 percent, while barley shipments rose by 76 percent up from 485,115 tonnes last year to 854,044 tonnes. There was a slight decline in canola exports and the lupin crop was halved.

Iron ore exports continued to be the main product being handled by the Port, rising slightly from 11.04 million tonnes in 2013 to 11.28 million tonnes, while nickel concentrates and nickel hydroxide shipments were lower, reflecting the lower demand and price for the commodity on world markets during the year.

With the total exports rising to more than 14.09 million tonnes, an increase of about eight percent over the previous year's total of 13.03 million tonnes, total imports fell by just under 2000 tonnes, from 841,071 tonnes in 2013 to 839,170 tonnes this year.

Petroleum imports were down from 308,599 tonnes to 292,134 tonnes; and fertiliser from 94,090 tonnes to 86,570 tonnes. Small increases, however, were recorded in sulphur imports - from 367,591 tonnes to 381,761 tonnes - and magnesia oxide, from 26,998 tonnes to 34,352 tonnes.

Sulphur and magnesia oxide are used at the Ravensthorpe Nickel Mine to extract the nickel from the lateritic ores, and despite the increase First Quantum Minerals exports of nickel hydroxide fell to 152,602 tonnes from 168,597 tonnes the previous year.

Total container exchanges were also down from the record 32,721 last year to 26,185 - with 12,501 being imported and 13,684 exported.

MUIOF PATHWAY

The May announcement of the preferred proponent to design, finance, build and operate a new multi-user iron ore facility (MUIOF) at the Esperance Port culminated a two-year program to identify and determine the way forward in meeting the iron ore exports needs of potential Yilgarn miners.

The cost of the program was more than \$11 million and involved a raft of business, legal and probity consultants, as well as independent evaluation panels and EPSL and Department of Transport (DoT) personnel. An EPSL steering committee was established, a Project Director and a Manager and staff appointed, and an office established in Perth.

The initial need for new iron ore export infrastructure was identified by a DoT analysis in 2011 of the forecast demand for new iron ore export facilities to handle Yilgarn product and the best location for those facilities. The miners indicated that Esperance was their preferred port as it could berth and load cape size vessels to 200,000 tonnes.

Esperance Port outlined its objectives for the project and received State Government support to develop additional iron ore export capacity, enter into a legally binding agreement with a developer capable of meeting the requirements of financing and building the new facility, and establishing pricing and access regimes appropriate

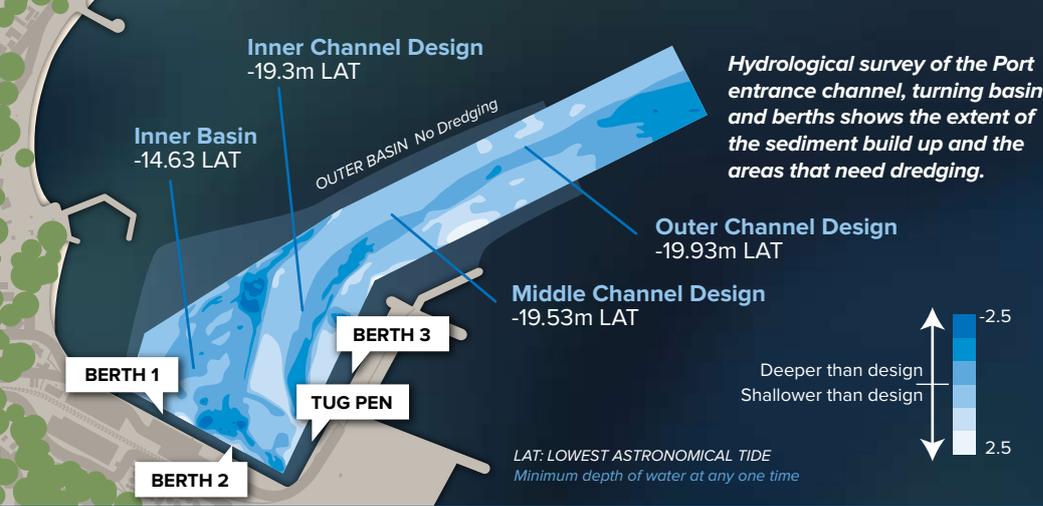
for a facility expected to service the needs of a number of developing mining companies.

The program undertaken required a number of steps before a preferred proponent could be identified: initially, a market sounding exercise was rolled out to determine private sector interest in the project and the commercial viability of the mining companies likely to use the new facility; then, a procurement process enabled potential proponents to register their interest for prequalification, from which a short list was selected to progress to the next phase; and, finally, a Request for Proposal phase was implemented that led to the selection of the preferred proponent.

Currently the Port and the Yilgarn Esperance Solutions (YES) consortium, the selected preferred proponent, are settling final contractual conditions.

The MUIOF program identified a need for new iron ore export infrastructure, delivered a preferred proponent to develop the new infrastructure, proved the financial capability of some mining companies to sign take or pay contracts, and delivered a process that was fair and equitable to all interested parties.

The full details of The Road to MUIOF can be found on the EPSL website: www.epsl.com.au



The River Bee

Dredging Works Completed

WA Dredging's vessel *River Bee* dredged the Port's waterways in order to return the entrance channel, turning basin and berth pockets to their design depths. Works proceeded without environmental incidents or impact on the Port's normal shipping operations.

It was the first time since 2001 that the Port has been dredged and the work became necessary as the sediment build-up was restricting the loading of some vessels to their capacity and others, such as the large cape size iron ore carriers, had to sail on high tides.

A service vessel carried out a pre-dredging hydrographic survey to confirm the extent of the work, and the extent to which the Port waters had changed progressively since the last dredging was completed.

The dredging works removed 68,000 cubic metres of sediment: 51,000 cubic metres from the entrance channel and turning basin, and 17,000 cubic metres from the berth pockets and tug pen areas.

The channel and harbour material had been classified as uncontaminated and was disposed at the offshore disposal ground located near Limpet Rock, four kilometres east of the town.

The berth pockets have been dredged to restore depths as well as remove sediments containing traces of contaminants. This material has

been placed at a confined onshore disposal site located on previously reclaimed land at the eastern end of the Port.

Permits had been received from both Federal and State government agencies for the work to be carried out.

Assistance with the environmental and engineering aspects of the works has been provided by dredging specialists at BMT and Esperance Earthworks established settlement ponds at the reclamation area by excavating and transporting 21,000 cubic metres of clean sand to the Wylie Bay landfill site to be used as capping.

Ballantyne's Earthworks completed the shaping of the ponds and has managed them throughout the dredging works such that the site will now be available for future Port expansion.

During the operation, the channel markers into the Port were removed and have since been replaced, and contract divers also removed stumps of the old beacons that may have impacted on the operation.

A plough towed by a tug has been used to smooth out the sediments and remove any high spots remaining.

The restoration of design depths in the Port means that trading vessels will be able to load to capacity at all three berths.

MARINE PEST EARLY WARNING SYSTEM



Environmental Technician, Caroline Aylott, checking settlement trays for any introduced species of marine life.

EPSL is partnering the Fisheries Department to monitor an early warning system that captures information about marine pests that can assist in the early control of introduced species and protect the Port environment and the greater Recherche Archipelago.

Pests are marine organisms that do not normally live in Esperance waters and which may be entering the harbour on ships' hulls or in ships' ballast water.

Should any unwanted pest be found, Fisheries will provide advice on how to manage the problem without any negative environmental impacts.

As part of the early warning system, every three months, the Port's Environmental Department deploys three settlement arrays, two in the harbour and one at Taylor Street. Each settlement array provides an artificial habitat and contains 16 plates that provide hard surfaces for some organisms to attach to, and four fibre mops which provide a soft surface for others.

Every six months, Port staff also deploys crab traps and conducts shoreline surveys of two Port beaches to look for any crabs, shells or seaweeds that are Fisheries' target pest species.

This program has been running at Esperance Port since October 2013. Three other WA ports and Bandy Creek Boat Harbour are also participating in the project.

One target marine pest species, a sea squirt that attaches itself to the hulls of trading vessels in tropical climes and infests other ports by breaking bits off itself has been found on settlement plates hung from berth three.

Fisheries is aware of this sea squirt in other WA ports but were surprised to find it this far south.

They advised us that there were no practical management actions for the species as the "horse has bolted". However, given it is on the edge of its distribution, it is expected to die back in the cooler months and it is not expected to be a dominant member of our local marine ecosystems.

AN EYE ON SAFETY

The safety and wellbeing of every Esperance Port employee or contractor rests with the individual; however, a team of dedicated and trained OHS professionals are onsite to provide information and support to managers, supervisors, employees and contractors on a daily basis to ensure that effective safety systems are in place and maintained. This is achieved by using a number of safety initiatives including a risk-based approach to spot any hazard, assess the risk and implement relevant controls before any person, piece of equipment, the environment or a member of the community can be impacted by it.

The OHS Department assists incidents and near miss events' investigations to ensure that hazards are controlled and appropriate actions are put into place to prevent their recurrence. It also provides the conduit for all employees to have an input into OHS on-site initiatives through daily pre-start meetings,

monthly toolbox meetings, monthly Health and Safety Representative (HSR) meetings, collaborative risk assessments, Monthly Site Safety Committee Meetings, EPSL Directors - Board Safety Committee Meetings and strategic safety planning for the future of OHS going forward.

EPSL's OHS team is led by Brian Gallop (Manager) who specializes in OHS Systems and Strategic Planning. OHS Administrator Marama (Maz) Stevens provides Administrative Support to the OHS Manager as well as the OHS Advisors, and OHS Advisors Tom Mitchell and Tom Smitheringale specialise in the day-to-day "on the ground" operational risks. They spend half of every day in the field where the work is being undertaken, providing a valuable resource to employees, Supervisors and Managers. The two Toms also support and assist the HSR's with their vital task as employee OHS representatives.



Esperance Port's OHS team (from left) Brian Gallop, Tom Smitheringale, Marama Stevens and Tom Mitchell.



Emergency Response Team

The safety of all its personnel and contractors is paramount to the Esperance Ports day-to-day operations: its Safety First Charter mandates that "We will provide a safe working place and practices for all. The health and safety of our employees, contractors and visitors is an EPSL core value."

To ensure that these requirements are met and maintained, EPSL has formed an elite team of highly trained and skilled specialists who can respond to any emergency that may arise at any time within its operational boundary.

The need for this team is simple: the Port operates 24 hours a day, seven days a week, and 365 days a year, and currently employs more than 160 people. The majority of employees are directly involved in stevedoring and cargo handling operations or maintenance activities which service the infrastructure required to handle a diverse range of cargo, which this year totalled nearly 15 million tonnes, a record for Esperance.

At any one time up to 30 contractors may be on site working with EPSL's employees carrying out work in confined spaces, at heights, over water or in other hazardous environments. These tasks include operating and maintaining the berth two container crane, berth three iron ore loader, conveyors, transfer chutes, storage sheds and hoppers to enable the organisation to operate safely and efficiently.

Esperance Port's Emergency Response Team (ERT) acts as the first responder to any emergency situation. Potential emergency response situations include accidents in a confined space such as a transfer chute or the rotary car dumper, within the eight kilometres of conveyors on site, and from height in storage sheds, transfer towers or the container crane.

Twenty-eight personnel from EPSL Operations Shift teams, Maintenance Department, Civil Department and Casuals, have committed themselves to the team. Its diversity of personnel from various departments allows for a first response team to be raised whenever an emergency occurs.

Each of the ERT members is trained in firefighting, confined space rescue, rope rescue and the use of breathing apparatus. Members of the ERT receive Nationally Accredited Training and rotate through monthly refresher training which is conducted each Friday.

This provides ERT members the opportunity to practice using equipment, wearing various forms of PPE, perfecting their skills with theory and practice drills, learning new skills and gaining a better understand of the strengths and weaknesses of their fellow team members.

These refresher training sessions are co-ordinated by the Emergency Response Coordinator, Tim Ammon, a Certificate Four Training Instructor, with the support of the OHS Department.

ERT team members during rescue from heights training.



Port Personality

SHAYNE FLANAGAN

EPSL Board member Phil Chalmer and other Port staff farewell Shayne Flanagan on his last day at the Port.

When Shayne Flanagan was appointed Chief Executive Officer of the Esperance Port in October 2011, he was confronted with a raft of demanding issues.

Contracts with major customers had to be negotiated; finances were needed to carry out capital works; Port culture had outgrown its way of doing business; new, large and competitive customers were knocking on his door; new cargoes were coming through the Port gates; problems were being experienced with handling bulk mineral concentrates; and work had to be done to restore the relationship with the local community. Just to name a few.

When he started, Shayne saw these issues as challenges; the problems as being solvable.

After Yilgarn miners came knocking at the Port's door seeking to export their iron ore through the Esperance, and the concept of a new Multi User Iron Ore Facility (MUIOF) Port was born, Shayne was given the task of setting up a Project Team, a Steering Committee, and seek funds to pay for lawyers, financial experts, and project evaluators.

Following the State Government's decision to merge Esperance Port with Albany and Bunbury ports, Shayne was appointed to the steering committee, which then took up a large part of his time as Esperance Port is a very different business to the other two landlord ports.

Over this time, as he worked his way through the morass, the Port recorded record cargo handling and revenue figures.

Shayne did not seek an extension to his contract when it expired on June 30, and he left Port employment on that date. He takes with him the respect of many: Port employees, colleagues in the industry, the local community, Government and Esperance Port customers and many others.

He leaves a legacy whereby the Port can move forward, confident that it can now meet the challenges faced by a busy regional Port whose owners, the State Government, expect to pay its way and return a profit; with major contractual issues either now behind the Port or

well on the way to being resolved; major capital works underway or will soon be to meet the growing road transport trade coming into the Port.

He oversaw the internal rail network upgraded; the largest upgrade of the Port's computer system ever undertaken completed; the new \$2.2 million pilot boat delivered; critical spares purchased; significant improvements made to the Port's OHS culture; helicopter pilot transfers to and from ships introduced to improve the safety of pilots; a hydraulic shore-based mooring system trialled on berths one and two to also improve safety and productivity; and much needed dredging works of the Port's waters completed.

Customer service commitments have been met; training of employees increased to record levels; and operational productivity increased, reducing the turn-around times for vessels alongside berths and increasing berth capacity for other vessels. And he has achieved for the Port the respect and confidence of the community through his open and honest dealings.

In regards to MUIOF, Shayne delivered a recommendation to the Esperance Port Authority Board and Minister for Transport for the preferred proponent to progress this project, and the Government announced the successful consortium in May. Since then, significant progress has been made in delivering contractual closure with the successful consortium.

In a very short time, all this and more, and although those close to him were aware of the stresses he often worked under, he wore them well and did the job with panache, dedication and dignity, care for the people who worked for him and with an open door to all.

Thanks to Shayne Flanagan, Esperance Port can now meet its current and future obligations with confidence. We wish him the very best in his future endeavours, and he goes with the appreciation of all for his outstanding efforts.

What do you think ?

We are interested in your comments on this RePort, please send feedback through to **Esperance Ports Sea and Land:**

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