



a community newsletter from Esperance Ports Sea & Land

Port supports local economy

 $E \ \ \text{conomic modelling of the 2012-13 revenue figures show} \\ \text{that the Esperance Port contributes significantly to the local} \\ \text{economy.}$

It does this in a number of ways: by providing services to industries that export and import goods through the Port; through the use of Port services and facilities; and by the goods and services the Port purchases locally in order to do business.

The software (called REMPLAN) for the modelling was developed by the La Trobe University in Victoria and is licensed for use to the Goldfields Esperance Development Commission.

Economic modelling results carried out for EPSL show annual direct and flow-on impacts and benefits across 21 industries and businesses as a result of the Port's 2012-13 financial year revenue of about \$70 million, direct employment of 150 people and with wages and salaries totalling \$15.73 million.

The results for the year across four key economic indicators – output, employment, wages and value added – that flowed from the Esperance Port's activities showed that the demand for goods and services in the region totalled \$110.97 million, employment totalled 263 positions, wages and salaries paid totalled \$24.06 million and \$55.4 million of value added earnings were recorded. Overall benefits totalled more than \$190 million

Local industries benefitting most from the Port's activities were the transport support services, rental and housing, administration



services, professional and technical services, manufacturing industries, retail and wholesale trades, finance and insurance providers, accommodation services and construction.

Additional benefits from the Port's activities enable other industries, such as mining and agriculture, to also contribute to the local economy. These achievements are not included in this modelling data.

Mining and agriculture are significant industries in the Goldfields Esperance Region, and without the Esperance Port they would need to find alternative transport means for their exports and imports that would possibly add significant costs to their operations and reduce revenues

FROM MY DESK



Shayne Flanagan CEO

With the Festive Season now with us, the Esperance Port Board, Management and staff wish all a very Merry Christmas and a safe and prosperous New Year.

2013 has been an exciting and rewarding one for EPSL, a year where we ran into a few stumbling blocks along the way, but overall made many gains, which is the focus of this RePort.

The gains made were reflected in some economic modelling we did on our 2012-13 financial year revenue to find out the impact our business has on the local economy, and we were delighted with the results. This makes interesting reading.

Other stories in this edition include the ordering of a state-of-the-art mooring system from the Netherlands for trial on berth two, and if this is successful the system may be installed on all three berths

in the future. The system improves the safety for personnel working on a berth as well as productivity.

Another interesting article relates to the time-lapse video of the demolition of Shed Seven - the Black Swan Shed - that was completed in early September to make way for much needed container hardstand storage.

Our Port Personality for December is a young family man who goes the extra yards for not only the Port but also the community.

I hope you enjoy this edition of the RePort.

Happy reading.

Honouring Customer Commitments

E sperance Port honours its commitment to keep the local community informed about its activities through a number of initiatives.

These include the Port Consultative Committee, whose members represent a range of community organisations, briefings to local Government and the Chamber of Commerce and Industry, involvement in forums and workshops, talks to local service groups and through the media and the Port's community newsletter, The RePort.

The Port is also committed to engaging with our customers, service providers and shipping agents to enable the flow of relevant information between these groups and EPSL.

In mid-September, the EPSL's Chief Executive Officer, Shayne Flanagan, met with our customers to outline a number of initiatives and activities undertaken during 2012-13 financial year that will improve the Port's operational performance and benefit the Port user group.

These included the completion and implementation of a new financial system; assessments of Port infrastructure and identification of operational expenditure required to meet cargo handling requirements over the next five years; and the assessment of commercial and lease agreements.

These initiatives were undertaken to reposition the Port in the wake of a number of long-standing legacy issues.

Shayne indicated the key infrastructure upgrades that were being or had been undertaken, and included:

- · Maintenance dredging of the harbour;
- · Upgrade of the internal rail network;
- Development of additional hardstand area for containers;
- Upgrading Hughes Road to link with the Esperance Port Access Corridor; and
- Purchase of critical spares for the container crane.

He told the meeting that work on the rail upgrade had been completed, and tenders for the dredging works were expected to be called before the end of the year.

Also, Shed Seven, the Black Swan concentrate storage shed had been demolished to provide much-needed container hardstand, and that consultants had developed a number of options for consideration for the Hughes Road upgrade. Tenders for this work should be called early in 2014 and the work completed that year.

In relation to improving the reliability and performance of the container crane, Shayne said that the electrical critical spares had been purchased and delivered and that mechanical components that needed to be manufactured in China had been ordered.

The meeting was told that the proposed Multi-User Iron Ore Facility proposed for the upgrade was progressing and that the two consortia shortlisted to provide competing tenders should submit their proposals before the end of 2013 and a decision on the way forward would be announced in the first quarter of 2014.

Shayne also provided information on the current status of the planned merger of the Esperance, Albany and Bunbury ports, with the merger planned for July 1, 2014.

NEW SULPHUR GRAB

PSL took delivery of a new 20-tonne grab recently that was manufactured in the Netherlands by Dutch company Verstegen, the second one purchased from the company by the Port.

The grab is used to discharge sulphur from visiting cargo vessels for First Quantum Minerals (FQM), and road transported from Esperance to the Ravensthorpe Nickel mine for the manufacture of sulphuric acid and the processing of the laterity pickel are

This additional grab enables the Port to significantly reduce the down-time during breakdowns or problems with the grab during discharge operations, and conversely improves productivity and vessel turn-around times.

Last year the Port discharged more than 367,000 tonnes of sulphur from eight ships, an average of under 40,000 tonnes a vessel, a figure that is expected to increase this year as FQM increases its production

The grab lifts 20-tonnes of the product from the hold of a ship at a time, discharges it into a chute located on the crane, and the sulphur is conveyed to a 150,000 tonne storage shed located within the Port.

At the mine sulphur is fed into a sulphuric acid plant. The excess heat from this process is used to generate electricity at the mine site.

Sulphur is sourced by FQM from Canada



NATURAL ELEMENTS CHALLENGE PORT

ustralia's 70-odd commercial trading ports are integral to the nation's transport system and handle most of our international trade. In terms of cost and capacity, shipping is Australia's most practical and most effective means of transport.

Operating ports, however, face innumerable problems to maintain the flow of imports and exports, which can impact on industry competitiveness and even our living standards. These impacts relate to such matters as noise, dust and traffic congestion. Esperance Port manages these impacts and meets strict regulations and conditions placed on it.

But another impact is a natural one; the vagaries of the weather and in particular the strong winds and huge swells that are thrown up by the Southern Ocean. These conditions can represent a safety risk to Esperance Port personnel working on a berth. At present, these risks are managed through safe work procedures which, in times of heavy swell, can impact on efficiency and may lead to economic loss.

Esperance Port is doing something about these challenges by trialling a new mooring system early next year.

Shore Tension - Safe and Secure

E sperance Port has been liaising with the Port of Rotterdam in the Netherlands for some time to determine the suitability of a shore based mooring system developed at that port for use in local conditions. Because of its success there, it has now been successfully installed in other ports around the world.

The system is designed to dampen the movement of vessels while moored alongside a berth, which dramatically improves the safety of stevedores working on the berth and reduces lost operational time.

In severe weather, strong winds and swell can stop the loading or discharging of cargo, and this not only impacts on the Port but also the customer and other vessels waiting for berth space.

The shore tension mooring system is the brainchild of the Rotterdam Port and the Royal Boatman Association Eendracht, an association of professional mariners who have more than 100 years of experience in handling vessels in all sorts of ports and weather conditions.

Shore tension is a hydraulic mooring system that automatically maintains constant tension on mooring lines in the

most severe of weather conditions and prevents the lines from breaking.

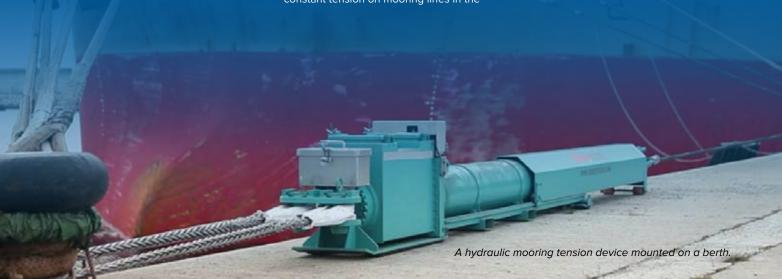
For the trials on berth two, the hydraulic system will be placed between two fixed bollards: one with the ship's line connected to the moveable part of the system and the second as a guide for the ship's line.

As a stand-alone system, it pays out line to cope with peak loads (when the winds are up and the swell is running) which dampens a ship's motion and absorbs its energy and it does this without exceeding the breaking strain of the line.

Once the need to dampen peak loads is passed, the system automatically hauls in any excess mooring line paid out during the emergency.

The benefits of installing the system at the Esperance Port are many, but in particular improving the safety of Port personnel working on the berth, being able to maintain operational efficiencies and reducing the number of mooring lines that are breaking.

The system will be trialled for six months starting early next year and depending on a successful outcome, it could be installed on all three berths later in the year.



RAIL UPGRADE COMPLETED

The \$2.5 million upgrade of Esperance Port's internal rail network was completed by the end of September.

The three-month project that installed a line with increased capacity, replaced the old wooden sleepers with concrete ones, and laid new ballast was undertaken by John Holland, the company upgrading the transport corridor.

The upgrade was necessary because of the increased tonnages of iron ore being exported from the Esperance Port, which totalled more than 11.045 million tonnes in 2012-13.

With a decision expected on the proposed Multi User Iron Ore Facility being installed at the Port, this figure could rise significantly. New track was laid from west of the rotary car dumper to the end of the breakwater.

Port Personality Tim Ammon

im Ammon is a hard-working, dedicated and popular Port employee who serves his employer and the local community in a number of ways.

A boilermaker by trade, Tim completed his apprenticeship in Perth before moving to Esperance in 2001 and joining the Port's Maintenance Department five years ago.

The Department implements the Port's Preventative Maintenance Strategy to sustain plant reliability and productivity and meet its customer requirements, and on a daily basis Tim undertakes corrective procedures, and carries out essential repairs and plant upgrades to improve safety and efficiency.

As well, responsibility for the Port's fire fighting systems, the fire tender and the Emergence Response Team (ERT) rests

Having extensive experience in dealing with problems and difficult situations, he volunteered to Captain the ERT, 20 highly trained Port personnel formed to deal with emergency situations, particularly recovering personnel from heights and confined spaces.

All of the Port's six Operational and Maintenance teams are represented on the ERT and some members are on duty at the Port at any one time to deal with emergencies.

Of his own volition, Tim completed a Certificate Four training program in Training and Assessment so that he could help train his team, which involves the correct use of rescue equipment and breathing apparatus, and carrying out simulated training exercises from the Port's conveyor circuit and associated plant and equipment.

His service, however, is not limited to the Port: Tim is a member of Esperance Fire and Rescue and the Quarry Road Bush Fire Brigade, which involves him with Police, St John and SES to deal with emergency situations like building and bush fires and vehicle and accident rescues.

During 12 years with the local Fire and Rescue Service, for which he received his 10 year service award in 2012, he served as Rescue Foreman for four years and Apparatus Officer for two. Now he is a Fire Fighter with a mentoring role.

Dealing with emergencies is a family affair for Tim: his wife Mel is the Emergency Services Coordinator with the Esperance



TIME-LAPSE CAPTURES HISTORY

ime-lapse photography has captured the passing of an important piece of the Esperance Port's history.

While contactors demolished the Black Swan mineral concentrate storage shed (Shed Seven) between late July and early September, a camera perched high above the shed captured the work at one frame every three minutes.

The shutter speed of the camera was varied to maintain the depth of field and focus on the shed in the vagaries of light as the work was carried out between 6am and 6pm daily and in all weather conditions.

During the two month project, 14,000 images were taken - one every three minutes – and then they were played back at 30 frames a minute, reducing eight weeks of work to seven minutes.

Time-lapse photography has the ability to capture the smooth motion of every day subjects - like a setting sun or plants growing and transform them into an onslaught of activity.

It creates an amazing visual experience, and the Black Swan Shed demolition was no exception.

The project was undertaken by former Esperance Port employee Bill Cutten and his son Andrew using a Cannon SD digital SLR camera that was located on the top of the berth one grain gantry.

Other Port employees such as personnel from the IT, Security and the Maintenance Departments were involved.

The Black Swan shed was built in the mid to late 1990s following the resumption of nickel concentrate exports through Esperance after a 15-year lapse.

It initially had a storage capacity of 30,000 tonnes for bulk concentrates, and this was increased to 40,000 tonnes in 2004.

Following the cessation of bulk nickel exports from the Port, the requirement for hardstand space has increased because of the transition from bulk outloading to containers for the export of nickel concentrates and hydroxide.

Container business has experienced significant growth – up from 3678 in 2008 to 32,721 in 2013.

With the shed requiring extensive maintenance because of corrosion, the decision was made to demolish it to make way for container hard-stand space.

The demise of the Shed was captured on film for prosperity. See the time-lapsed demolition of the shed at www.epsl.com.au.

What do you think?

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









