EPSL

Issue 5 April 2014

rePort

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

The second Post Panamax-sized vessel to visit Esperance Port – the CMB Medoc – loaded the largest grain shipment to be exported from WA in early February.

She sailed with more than 78,636 tonnes of feed barley worth about $20 million on 9 February for Saudi Arabia. The previous record was set in 1979 when 78,507 tonnes of wheat left Kwinana aboard the MV Bjorgholm.

In October, the Minoan Falcon, another of the new post Panamax class vessels, left Esperance with a 77,000 tonnes cargo of feed barley, the largest barley shipment to leave WA.

Records May Tumble

Records are made to be broken, and if the cargo handling figures recorded at the Esperance Port for the first six months of the 2013-14 financial year indicate things to come, then the Port is on track for another bumper year.

Nearly 7.3 million tonnes of cargo was either discharged or loaded in this time, which puts the Port on track to eclipse last year's total of more than 13.033 million tonnes.

In the ten years since 2003, when just over 5.578 million tonnes of cargo was handled, the Port's trade has more than doubled and, depending on markets and commodity prices, the upward trend is expected to continue.

To December 31, 2013, more than 5.574 million tonnes of Cliffs' iron ore had been shipped along with 989,515 tonnes of grain, which included 383,994 tonnes of barley, 170,559 tonnes of canola and 430,012 tonnes of wheat. There was also one 4950 shipment of lupins.

The total amount of grain reflects the record harvest season recorded in the Esperance Port catchment. The export record of more than 1.8 million tonnes of grain in 2004-5 will be broken this year.

Iron ore exports made up 79 percent of the total cargo and accounted for 35 of the 92 vessels that berthed at the Port, while grain contributed 13.6 percent and 27 vessels.

While iron ore cargo averaged about 160,000 tonnes, comprising both lump and fine product, the largest shipment for the year was aboard the Saiko which sailed with 175,500 tonnes of lump on board on December 22.

The export outlook for both iron ore and grain looks bright for the rest of the financial year.

The Port's container business continued to flourish in the period with 27 vessels arriving to discharge and load a total of 189,000 tonnes, which required the movement of 15,380 containers – more than 7300 in and 8000 out.

As First Quantum Minerals increased production, the volume of sulphur imported to process the laterite nickel ore at the Ravensthorpe mine also increased. More than 144,800 tonnes of sulphur was discharged from three vessels during the six months and stored at the Port before being road transported to the mine.

Six fuel carriers discharged 145,000 tonnes of fuel, and 25,000 tonnes of fertiliser from four vessels. The other 10 vessels that berthed during the period carried a variety of cargo including scrap metal exports and equipment required by the Port for plant repairs and upgrades.

The Port is looking forward to an equally productive second six months for 2013-14.

FROM MY DESK

Shayne Flanagan
CEO

Esperance Port is approaching one of the most important times in its history.

First, a decision is imminent on the proposed Multi User Iron Ore Facility (MUIOF); and secondly, we join with the Albany and Bunbury Ports on 1 July this year as part of a newly formed Southern Ports Authority.

The MUIOF is an exciting project for the Port and Esperance as it will create new jobs and a raft of opportunities for local businesses.

The merger will bring a regional focus to each Port's functions, including strategic and port development, planning, policy and priority setting, financial planning and budget allocation.

This will streamline operations and enable each Port to respond to demands for growth, meet new export facility requirements, and continue with their primary responsibility of facilitating trade.

A single Board will be appointed to replace the current three Port Authority Boards, although each Port will have a locally based manager and continue to operate as a separate business.

There are exciting times ahead.

In this edition of the RePort we look at our trade figures for the first six months of the current financial year, how we are tackling flooding problems at the Port, and highlight the work of our Maintenance Department.

Our Port Personality for April is a dynamic young man who has made a major impact in the short time he has been with us.

Happy Reading

Port boilermaker Robert Bowkett replaces wear plates in the iron ore circuit.

MAINTENANCE PLAYS A LEADING ROLE

Ports play an important role in the communities and regions that they serve. Most interest lays in their operations and the types and quantities of cargoes they handle and the jobs created.

Supporting the operations at the Esperance Port is a team of quiet achievers, highly skilled and dedicated people who keep the place ticking over day and night. They make up our Maintenance Department.

Most ports these days are known as landlord ports: that is, they are State-owned and run by a small number of staff. At these ports, clients are responsible for installing and maintaining their own plant and equipment and hiring stevedores and cargo handling services.

Esperance Port is different. It employs more than 150 people and provides all the services required to run a busy regional port.

The Maintenance Department maintains not only the Port's own, but also its clients' plant and equipment, which includes nine kilometres of conveyors, transfer towers, a gantry crane, ship loaders, rotary car dumper, product storage facilities and a myriad of container handling and loading machinery. Berths are also serviced as are bollards; moorings replaced; navigation lights upgraded, maintained or replaced; and the internal rail and road network serviced.

Last financial year – 2012-13 – more than $10 million was spent directly on electrical and mechanical maintenance that enabled the Port to handle more than 13 million tonnes of cargo.

The Maintenance team comprises tradesmen, mainly electricians, boilermakers and fitters, who are supported by planners and, when required, skilled local contractors.

While each of the Port's operational teams that work around the clock have tradesmen to deal daily with issues that may arise, the Maintenance Department plans regular shutdowns of major plant and equipment to be repaired, refurbished or replaced.

This is usually carried out during a lull in shipping or at agreed shutdown times throughout the year to ensure operations can be maintained and customer expectations and a busy shipping schedule met.

And to meet any unforseen problem that may cause a lengthy halt to shipping, the Port's store carries more than $4.5 million dollars' worth of spare parts that enable equipment failures to be quickly repaired and operations returned to normal. Many of the spares are sourced from overseas and would normally take weeks if not months to arrive in Esperance.

To further improve both the planning of major works and productivity, the Port is currently working towards transitioning from a four-week to a six -week shutdown cycle.

Tackling a Flood Problem

Operating a business like a busy regional port that deals with a range of commodities often produces unforseen challenges.

A recent example is the severe flooding experienced by the Esperance Port last winter, one of the wettest on record. And while the flooding itself was an issue, it impacted on other areas of our operations, particularly cargo handling, safety and environmental.

The safety issue relates to the difficult conditions experienced in moving large machinery and lifting heavy loads through lakes of water. The slurry formed by water, gravel and sand that sticks to the increasing number of large vehicles entering and leaving the Port is environmentally undesirable.

A major cause of the problem, particularly at the eastern end of the Port, is the clay like fines contained in the gravel used on the internal roads and container storages on the area reclaimed during the 2000-02 Port upgrade.

Although the dredged sandy material that created the reclaimed area is ideal for water to seep through, the clay fines from the roads and storage areas fills the pores of the sand and stops the water from escaping. Lakes form on the surface.

The Port's Civil Team did a great job in difficult conditions during winter when they dug trenches, laid aggregate and installed soakwells to alleviate the problem in some of the worst affected areas.

To knock the problem on the head, the Port engaged contractors to provide detailed survey and topographical maps of the Port and engineering consultants to provide a report on how best to tackle the flooding.

The survey showed the stormwater drainage system for the main heavy vehicle entrance as being inadequate and the problem exacerbated by run-off from Panorama Place and Bostock Street that are located outside and above the Port boundary.

Consultants are also looking at ways of best dealing with water drainage issues outside the Port, and are redesigning the Hughes Road stormwater system.

Other options available to resolve the problem in the eastern end of the Port are being considered and recommendations for the way forward along with a cost estimate are being prepared. A decision will then be made and actions implemented before next winter.

Our Visiting Vessels

The diversity of cargo handled at the Esperance Port, which includes bulk products such as iron ore, grains, sulphur, fuel and fertiliser, and containerised products, such as nickel and magnesium, and in varying quantities of each product brings a number of different vessel types to the Port.

These include Minibulkers that have a cargo carrying capacity of up to 10,000 tonnes and are mainly employed in the coastal and short sea trade routes; Handymax bulkers, with a capacity of between 35,000 and 50,000 tonnes; and Supermax bulkers that can carry a cargo of up to about 60,000 tonnes. A mix of these vessels regularly visit Esperance Port to discharge and load cargo.

These vessels are not restricted to specific size because of canal dimensions or bridges, but their cargo carrying capacity and ability to use particular ports. Ports are often designed to berth these size vessels. These vessels carry ships' gear that can be used to load and discharge cargo when port facilities are not available. Esperance Port uses ship's gear to discharge bulk fertiliser, while the gantry crane with its 20-tonne grab is used for sulphur.

When Esperance Port first started handling iron ore in 1995, the smaller Handysize bulker was the most common vessel picking up this cargo which totalled only 1.5 million tonnes in the first year. It could fit alongside berth two requiring a draft of about 10 metres.

Over time, as the volume of iron ore exports increased, the Port needed to develop facilities to handle the larger Cape Size vessels that had a carrying capacity of up to 200,000 tonnes a shipment and needed a depth of water alongside the berth of about 19 metres.

The term "Cape Size" was given to these vessels because they were originally too large to transit the Suez Canal, being larger than Panamax and Suezmax vessels, and to travel between oceans had to pass either the Cape of Good Hope off South Africa or Cape Horn off South America.

Following the closure and deepening of the Suez Canal from 1956, some Cape Size vessels were able to transit the canal. Cape Sized ships are commonly used to transport coal, iron ore and commodity raw material, and are termed as bulk carriers rather than tankers.

Sub categories of this vessel include the VLCC (Very Large Crude Carriers) that can be ballasted to transit the Suez and carry up to 300,000 tonnes, and the ULCC (Ultra Large Crude Carriers) that carry up to 500,000 tonnes of crude oil on long haul routes from the Middle East to Europe.

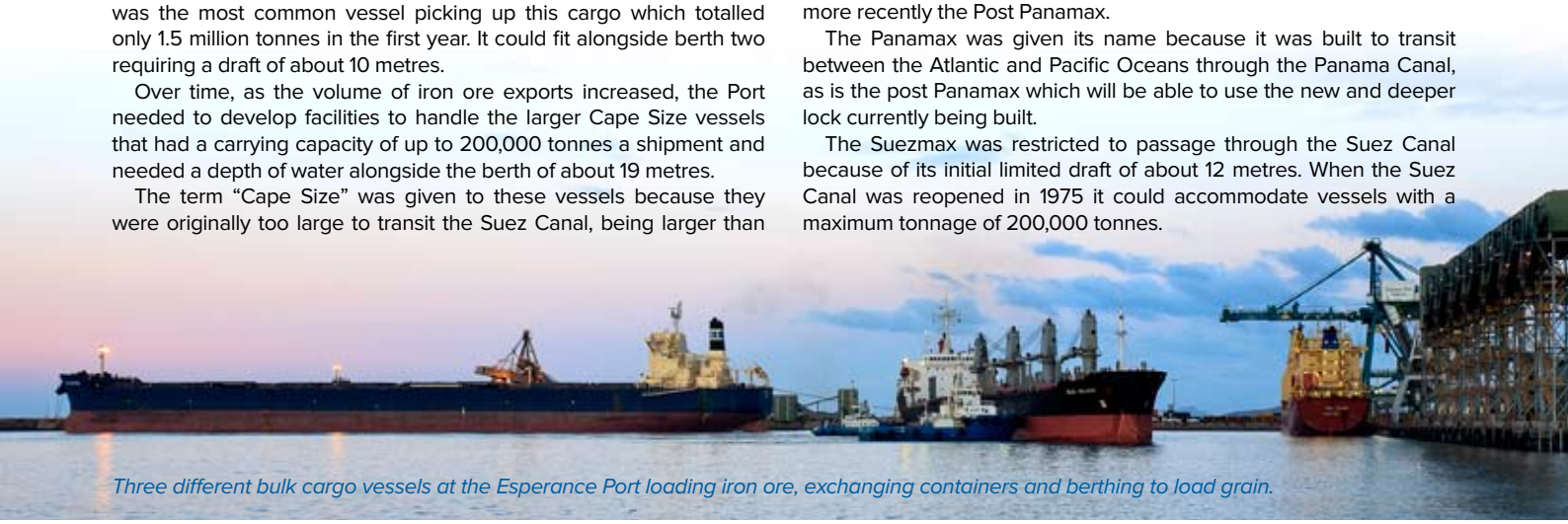
Cape Size vessels that visit Esperance load an average of 170,000 tonnes of product, although the Cape Rosa loaded a cargo of 200,972 tonnes in November 2006, the first and only time that a vessel has carried more than 200,000 tonnes when departing the Port.

Grain exported from Esperance uses a number of different vessel types depending on the size of the cargo, and include Handymax, Handysize and Panamax and more recently the Post Panamax.

The Panamax was given its name because it was built to transit between the Atlantic and Pacific Oceans through the Panama Canal, as is the post Panamax which will be able to use the new and deeper lock currently being built.

The Suezmax was restricted to passage through the Suez Canal because of its initial limited draft of about 12 metres. When the Suez Canal was reopened in 1975 it could accommodate vessels with a maximum tonnage of 200,000 tonnes.

February's RePort featured an article on the first post Panamax vessel that visited the Esperance Port and loaded a record cargo of barley. It created interest among our readers and several requests for information about the other types of vessels that visit the Port and the difference between them. Here we look at some of these vessels.



Three different bulk cargo vessels at the Esperance Port loading iron ore, exchanging containers and berthing to load grain.

DREDGING WORKS

Federal and State Government approvals have been given for the Port to carry out remedial dredging and return the berth pockets and shipping channel to their design depths.

A Project Manager has been appointed and a raft of associated works begun to enable the work to be carried out later this year.

These works include surveying and marking the locations of the dredging ponds on the reclaim area located at the eastern end of the Port. Coring of the site has been completed and laboratory analyses carried out on the collected material to determine if it can be regarded as clean fill to enable its reuse.

When dredging begins about 12,000 cubic metres of sediments from the berth pockets will be pumped into the ponds, dewatered and later capped with clean fill.

Documents requesting quotes from interested parties were released in February and a dredging contractor is expected to be appointed in the near future.

The need to dredge the shipping channel and three berth pockets was identified during the Port's annual hydrographical survey.

Sediment build up can affect the required underwater clearance of vessels entering and leaving the Port under load. Because of the build-up, the cape size iron ore carriers are currently restricted to departing on high tides.

Once the work begins, it will be the first time the harbour has been deepened since the expansion works in 2000.

Coring activities on the reclaim area

PORT PERSONALITY
MATT MENG

Matt Meng and his fitness followers

Opportunity knocked for Matt Meng when he started working at the Esperance Port as a casual tally clerk in August 2012.

Where he initially saw this as a job, like any of the other jobs he had since leaving school in his native Wellington, New Zealand, when the Port offered him a position in the IT Department he grabbed the opportunity he could see a long-term career ahead in an industry for which he had long held a passion.

Matt had dabbled with computers and completed technical courses in business computing and computer graphics and design, and worked in the printing industry in New Zealand before moving first to Brisbane where he worked for Virgin Airlines ground services and later to Esperance.

Things moved quickly for him at the Port. Operations people soon became aware of his knowledge of computers and he was soon being sought out as a trouble shooter.

He was introduced to EPSL IT Manager Marcus Kirby, successfully applied and interviewed for an IT Support Officer Position, offered a traineeship, which he will complete at the end of this year, and came on board just as the Esperance Port was developing an IT Business Continuity Plan, the largest upgrade of the Port's information system ever undertaken.

Matt started his new vocation as the plan was being rolled out, a perfect way to learn new skills under the mentorship of Marcus and IT contractor Dave (Dotcom) Ratcliffe. The plan saw new server rooms built as well as a disaster recovery site, new IT technology introduced, telephone upgrades, and optic fibre cabling installed throughout the Port. As well, Matt had a myriad of daily tasks required to maintain the efficiency of a Port that depends on its computers.

During the year Matt showed his dedication to his task, and he exhibited a rare trait: great people communication skills for no request for help went unheeded and he understood the stresses caused by computer problems. He has made himself indispensable, and he adds value by providing training to people as well as fixing their problems. He practices his philosophy on work: learn it, live it, and share your knowledge with others.

Matt's efforts during 2013, along with those of Marcus', earned the pair the Esperance Port's Employee of the Year Award, which recognised their outstanding contribution to the ongoing welfare of the Port during the year.

Outside of work, the 32-year-old Matt is a gym junkie; someone who spends hours lifting weights and exercising to exorcise the demons of his youth. And he has introduced his strict fitness regime to other Port personnel. Three mornings a week a group of dedicated followers whose number has grown from three to 10 gather from 6am on the foreshore for a solid workout with the Kiwi task master.

Pilot Boat nears completion

The $2.2 million pilot boat ordered by the Esperance Port in June last year is nearing completion and will be delivered to the Port this month. The 16m French designed vessel is being built in the Mornington Peninsular near Melbourne.

Discussions have been held with the Port Phillip Sea and Pilots for assistance to train the Port's skippers to handle the new vessel.

The new vessel is powered by two 500 horsepower motors that deliver a top speed of 29 knots and a cruising speed of 25 knots and has a host of safety features and an excellent performance in heavy seas. Apart from piloting duties, the vessel will be equipped to conduct long-range sea rescues.

What do you think ?

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

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