



SOUTHERN PORTS AUTHORITY

Port of Esperance

MINUTES OF MEETING
SOUTHERN PORTS AUTHORITY, PORT OF ESPERANCE (SPA PoE)
PORT CONSULTATIVE COMMITTEE

Date:	Wednesday, 29 June 2016	
Venue:	SPA PoE - Large Admin. Meeting Room Corner Bower Avenue and The Esplanade ESPERANCE	
Time:	17:00 hours	
Attendees:	Shayne Flanagan	Goldfields Esperance Development Commission – Chief Executive Officer (CEO) and PCC Deputy Chair
	Phil Chalmer	Southern Ports Authority (SPA) - Director
	Nicolas Fertin	SPA – CEO
	Alan Byers	SPA - General Manager Ports, Port of Esperance (PoE)
	Alex Leonard	SPA PoE – Environmental Manager
	Debbie Storm	SPA PoE – Executive Officer
	Matthew Scott	Shire of Esperance – CEO
	Kevin Hall	Shire of Esperance – Shire Councillor
	John Richardson	Esperance - WA Farmers Federation (WAFF) and Locals for Esperance Development (LED)
Apologies:	Brett Thorp	Chamber of Commerce and Industry and PCC Chairman
	Wayne Halliday	Tourism Esperance
	Anna Morcombe	Local Environmental Action Forum (LEAF)
	Gary Johnson	LEAF
	Dr Graham Jacobs	Member for Eyre
	Christiane Smith	Representing Graham Jacobs – Member for Eyre

1. Opening

The meeting was opened and Attendees were welcomed to the meeting by Shayne Flanagan as Deputy Chair of the SPA PoE Port Consultative Committee (PCC). It was noted that Brett Thorp (PCC Chairman) was unable to attend the meeting, and therefore Shayne Flanagan (Deputy Chairman) would fulfil the role as Acting Chairman of this meeting.

Apologies:

Apologies were noted.

Pecuniary Interests:

In response to Shayne Flanagan calling for a declaration of pecuniary interests by Attendees, Phil Chalmer advised of his interest in woodchips and blue gum trees in Esperance, as well as selling grain to CBH. No other pecuniary interests were declared.

Minutes of Meeting:

The Minutes of the PCC meeting held Thursday, 21 April 2016 were unanimously adopted.

Motioned by: John Richardson

Seconded by: Phil Chalmer

2. Department of Environment Regulation (DER) – Change

The DER has advised that Clarrie Green – DER Licencing Officer (Esperance) has been transferred to the DER in Perth. Neville Welsh – DER Licencing Office (Bunbury) has been nominated as the SPA PoE's DER representative. However, as he is based in Bunbury it is unlikely that Neville Welsh will be able to attend PCC meetings in Esperance. Minutes of meetings will continue to be forwarded to the DER, and are also available on the Port's Website.

It was agreed that the PCC Charter be reviewed and amended to ensure that the absence of the DER at meetings did not adversely affect the ability of the PCC to form a quorum.

Action: Debbie Storm to review the PCC Charter and table the proposed amendments to the Charter at the next PCC meeting for approval. The proposed amendments to the PCC Charter would be circulated prior to this meeting. The amended Charter will then require ratification by the SPA Board.

3. Update on Mineral Resources Limited (MRL) Proposals

Alan Byers indicated that there have been no developments on the export proposals for MRL for Iron Ore or Lithium Concentrate Export since the PCC meeting held on 23 March 2016. This item would be removed from the PCC Agenda until such time as developments occur.

4. General Mining (GM) – Mt Cattlin Spodumene (Lithium)

Alan Byers advised that the GM Mt Cattlin Lithium Project was progressing, with GM indicating their intention to export product in September 2016, although it has not been determined through which Port this will be undertaken (Esperance or Fremantle).

Export of this product through the PoE is dependent upon the method of export proposed by GM, and the mica content of the product. SPA PoE is continuing to work with GM on the export options proposed. The Port will ensure that the PCC is provided with a sample of this product, when available.

Alex Leonard and the SPA PoE's Port Services Manager (Greg Solly) will be visiting the mine site in July 2016 to view the mica removal process. It is proposed that a visit to the mine will be organised, involving representatives from the PCC, once the export option has been determined.

5. Southern Pacific Fibre (SPF)

Phil Chalmer left the meeting for the duration of this discussion.

30,000 tonnes of woodchips are currently being loaded onto a vessel moored on Berth Two for SPF utilising a temporary mobile shiploader (teleshooter and twin drives opening into a hopper). In comparison with the previous shipment loaded for Australian Plantation Log Exports (APLE), there is less spillage being encountered on the berth and loading is much quicker, albeit that the trucks are not delivering product quickly enough to enable loading to flow. SPF is considering whether a second shipment over Berth Two will be undertaken to reduce the stockpile at their Chadwick yard.

Alan Byers provided an overview of the operational capabilities of the new mobile shiploader purchased by SPF, which will be used on Berth One, which is in the process of being delivered to the Port for assembly. Two trucks arrived earlier this afternoon with the first sections of the shiploader. It is a similar unit to that currently being used by SPF on Berth Two.

A short video clip of loading operations, from earlier today, was shown to Attendees.

A question was raised on whether APLE still intends to export woodchips through the PoE. Alan Byers advised that the Port has been approached by WA Tree Works on behalf of APLE in recent times, for the purposes of continued export.

6. Update on Independence Group (IGO) and use of Rotating Container Technology

Indications are that construction of the Nova Mine for IGO is ahead of schedule. IGO has called for Tenders on the Mine to Port Logistics Supply.

Two short video clips were shown to Attendees demonstrating the use of Rotating Container Technology (RCT) both utilising a system whereby the lid of the container is lifted once the container is inside the ship's hold. One clip showed misting sprays in use (favoured by the Port), the other did not, which provided a contrast in RCT unloading operations albeit that no dust was visible for either operation. The first shipment of nickel / copper concentrate for IGO is scheduled for February 2017.

New dust monitors have been installed for IGO and are operational. The results from these units, in their existing locations, indicate background respirable dust limits on nickel to be 0.00085 µg/m³ in comparison to the World Health Organisation (WHO) guideline of 0.003 µg/m³/day over 70 years.

The new E-Samplers are mobile to ensure they may be moved closer to Berth Two during IGO shiploading operations. The E-Samplers will signal an alarm, by sending a message to the Environmental Department via their mobile phones, should any dust be detected.

7. Dust Monitoring Results

The annual Air Quality Monitoring report for PoE is currently being prepared, and will be placed on the Port's Website once finalised. Results from the Port's TEOM Air Quality Monitors will also be placed on its Website.

There were ten (10) dust exceedances this financial year as a consequence of the bushfires in Esperance. There were less dust exceedances recorded due to grain loading activities, with the reduction being attributed to a better quality of grain being exported this financial year.

Alex Leonard spoke on the visit earlier today (Wednesday, 29 June 2016) by the Director General of the DER, Jason Banks and DER Acting Director of Strategy and Reform, Agnes Tay. The visit related to reform within the Government to reassess Operating Licences for Ports on a risk-based assessment. PoE is the second Port (behind Fremantle Ports) to be reviewed based on the new criteria. The discussion with the DER went well, although the new approach by Government will require additional work to be undertaken by the Port.

A discussion was held on an in-depth analysis completed by Pilbara Ports (Port Hedland) on the composition of dust within the community, with a view to the Port of Esperance conducting a similar analysis. The Port Hedland analysis provided surprising results, including the presence of high quantities of salt and sand during specific weather conditions.

It was suggested that a base-line analysis be undertaken in Esperance to determine the composition of dust within the Port region, on a seasonal basis.

Alex Leonard indicated that the Port has previously undertaken this type of analysis, with iron ore dust and sulphur dust contributing less than 5% of dust collected in the Air Quality Monitors. The principal composition of the remaining 95% of dust collected was organic in nature.

8. Media Articles

Alan Byers and Nicolas Fertin spoke on recent articles appearing in the media, being:

Article Title	Date	Newspaper	Comments
Parade band highlight	20 April 2016	Esperance Express	This article refers to sponsorship provided by the Port
Suppliers chipped	4 May 2016	Esperance Express	The Port has no influence over the activities of APLE with respect to payment to their customers and contractors.
Indigenous burial site	6 May 2016	Esperance Express	The Port is looking to erect a memorial site around a potential grave site, located 20 metres east of the officially marked site.
Tommy Windich	9 May 2016	Past Horizons	
Southern Ports Authority open tug boat service tender for Esperance Port	9 May 2016	Esperance Express	This item appeared in the paper due to the current engagement of local tug operators by SPA PoE.
Port opening up berth	11 May 2016	Esperance Express	<p>The article included reference to a visit by the Minister for Transport and SPA Board of Directors to Esperance.</p> <p>The Port will be removing the internal fencing around Berths One and Two. This will require Maritime Security Induction Cards (MSIC) to be held by all personnel requiring access to the Port.</p>
More irony than iron in WA ports	12 May 2016	Kalgoorlie Miner	A discussion was held on whether a second iron ore berth would be required if the MRL proposal proceeded. As Berth Three has an occupancy rate of less than 50% at present, a second berth would not be required in the foreseeable future.
Woodchips are viable	13 May 2016	Esperance Express	Woodchips for SPF are being loaded on Berth Two at present.
Esperance iron ore facility on the back burner	19 May 2016	Lloyds List DCN	Negotiation with the Preferred Proponent on the Multi User Iron Ore Facility (MUIOF) Project has ended, due to lack of potential users, and as a consequence of the low price of iron ore.

Article Title	Date	Newspaper	Comments
Prospects for dormant site	1 June 2016	Esperance Express	<p>This article relates to the Shark Lake Industrial Park and potential future use of this land, or sale.</p> <p>Matthew Scott spoke on the reported article which indicated that the Shire of Esperance has "renewed a loan" which is incorrect. Rather, they have kept a credit facility (with the WA Treasury Corporation) open.</p>
Vessel hits Limpet Rock / Ship was detained	3 and 8 June 2016	Esperance Express	<p>Alan Byers provided an overview of the circumstances relating to this incident including action by the Port and the Australian Maritime Safety Authority (AMSA).</p> <p>PoE expressed concerns to AMSA as to the accuracy of information received from the Master of vessel, the reasons why it had to cut its anchor and on the drift course it took. AMSA detained the vessel and subsequently inspected its hull. The vessel had sustained damage, which was repaired and it subsequently sailed to the Port of Albany for additional cargo only to encounter difficulties in this Port also. It subsequently tried to enter the Port of Derby, but this anchorage requires two anchors and it was denied access.</p>
Exporter angry at port fees / Exporter threatens to quit port	4 and 7 June 2016	The Weekend West, The West Australian and Kalgoorlie Miner	<p>This article related to Merchant Shipping who import / export product in containers through PoE. They took exception to costs and contacted the media on this point. PoE has met with this Customer subsequent to this article, albeit that the charges imposed are standard practice.</p>
Cole to chair Southern Ports Authority	June 2016	Business News Western Australia / Esperance Express	<p>The Port's incumbent Chairman, Roger Hussey has elected not to renew his appointment with SPA. Robert Cole has been appointed by the Minister for Transport to Chair the SPA from 1 July 2016.</p>

9. Other Business

- *First Quantum Minerals (FQM)* – Alan Byers spoke about a recent visit to the FQM mine site in Ravensthorpe. He was accompanied by Alex Leonard and Greg Solly. During this visit FQM provided positive feedback on the continuation of production at the mine and export/import through PoE. Notwithstanding that FQM is a low cost producer, it has undertaken considerable work to further reduce costs.
- *Port Tour* – The next PCC meeting would commence with a brief Tour of the Port, commencing at 16:30 hours.

Meeting Closed: 17:50 hours

Date of Next Meeting: Wednesday, 24 August 2016
Time: 16:30 hours