

# MINUTES

## Port of Newcastle Community Liaison Group

**Date:** Monday 3 June 2019, 5.30pm

**Location:** Port of Newcastle Head Office, 251 Wharf Road, Newcastle

**Chairperson:** Sarah Kiely – Port of Newcastle

**Minute-taker:** Sam Collyer – Port of Newcastle

**Attendees:**

Community Representatives	Port of Newcastle Representatives
Nathan Juchau – NCIG Greg Gocher – Thales Australia John Thacker – Carrington Community Centre Management Committee Gaetan Amodeo – Stolthaven Jon Novoselec – Hunter Business Chamber John McLeod – Newcastle Rowing Club, Carrington Community Council Ashlee Abbott – Newcastle City Council Jacqui Warren – HunterNet Katelijn Hullegie – Tighes Hill Community Group Rick Banyard – Correct Planning and Consultation for Mayfield Group Dallas Fletcher – Honeysuckle resident Nick Moretti – Koppers Carbon Materials and Chemicals Pty Ltd Dr Richard Finlay-Jones – CLEANaAS, EcoEnviro, Newcastle Stand Up Paddle Club, Surf Rider’s Assoc. John Hayes – GLOW Group Richard Howard – Clark Shipping Trudie Larnach – PWCS Rebecca Connor – Stockton resident Chris Northam – Tim Crakanthorp’s office Scott Sharpe – Carrington Community Council	Sarah Kiely - Communications and Community Relations Manager  Craig Carmody - CEO  Tanya McDonald - Executive Manager Corporate Affairs  Jacqui Spiteri – Environment, Sustainability and Planning Manager  Sam Collyer – Senior Manager Corporate Communications (Minute Taker)

**Apologies Received:** Emily Gallagher, Lyn Kilby, Ryan Duckmanton, Clare Monkley.

## 1. Welcome and Introductions

- Sarah Kiely (SK) welcomed attendees to Port of Newcastle's new office.
- SK began the meeting by acknowledging the Awabakal people as the Traditional Owners of the land on which the meeting was held, paying respects to Elders past and present.
- General welcome to attendees and an overview of the meeting agenda and format.

### Welcome and introductions

- Welcome new members: Chris Northam (Tim Crakanthorp's office), Rebecca Connor (Stockton resident), Ashlee Abbott (NCC), Jacqui Warren (HunterNet)
- Introduction of Port of Newcastle attendees – Craig Carmody (CEO), Tanya McDonald (Executive Manager Corporate Affairs), Sam Collyer (Senior Manager Corporate Communications) and Jackie Spiteri (Environment, Sustainability and Planning Manager)
- SK also acknowledged the temporary presence of Port of Newcastle's Trent Gearside (Executive Manager Projects and Infrastructure) and Marie Omark (Executive Manager Corporate Services)
- SK welcomed Meg Purser, representing EPIK's Newcastle GasDock Project.
- Apologies received from Ryan Duckmanton (Stolthaven) and Lyn Kilby (GLOW).

## 2. Port of Newcastle update

### Craig Carmody, Port of Newcastle CEO (CC)

- **Office location** - noted that PON had been in the old offices at 6 Newcomen Street Newcastle since 1968. The new office at 251 Wharf Road will be the site at which the team will plan and implement the diversification of the port
- **Cruise terminal** – CC noted that NSW Government funding had been withdrawn for the cruise terminal. PON has recommended that the \$12.7 million funding be reallocated to a regional tourism plan, which should be the basis for decisions about infrastructure. He noted there was not currently the eco-system for supporting homeporting cruise ships in Newcastle but that broad stakeholder cooperation was needed, particularly with the Newcastle Airport, to promote tourism opportunities across the local economy. He acknowledged the shared interest of the airport and the port as international gateways for the Hunter.
- **Carrington Engine House** - CC referred to ongoing work to restore the Carrington Engine House. Scaffolding will be removed in coming months, however some additional work is being carried out while the scaffolding is there. At this stage, the work is expected to be completed and ready for unveiling in late-August. Architects and contractors have also developed a full scoping study to identify future works required.
- **Container Terminal** - Momentum on the Newcastle Container Terminal project continues. Port executives and owner representatives visited Hong Kong in the last week of May. A project control group is being formed to help fast-track decisions. CC noted that the Port Commitment Deed remains in place and is the only barrier to proceeding with investment in this project. He acknowledged ongoing court action initiated by the ACCC against NSW Ports. Port of Newcastle is complying with court orders in relation to this project. The Port continues to work towards engaging the NSW Government to negotiate regarding removing this artificial barrier to investment. CC also referred to a recent trip the Port team made to Moree, where farmers and agri-businesses are very keen to move containers of product through Port of Newcastle rather than Port of Brisbane (truck) or Port Botany (rail, but inefficient). He noted that Australian ports cannot handle 10,000 TEU ships, yet BIMCO data shows no new ships being built between 3,600 TEU and 11,800 TEU – this is the size of ship that Australian ports are limited to servicing. Container ships being built for delivery in 2019 are all above 11,800 TEU or below 3,600 TEU. CC noted that Port of Tauranga in New Zealand is already servicing ships of about 11,000 TEU.

- **LR2 tanker arrival** – CC noted the recent arrival of the largest fuel tanker to visit Newcastle. *Pro Alliance* – at 244 metres – is an LR2 tanker and visited the new M7 berth. The visit demonstrates the Port's capability and close work with Stolthaven, Port Authority NSW and Svitzer. It also demonstrates the Port's move to an energy port – making a major play into ESG. The Port expects to announce a number of projects in the next 6-12 months around new energy trade.

### 3. Member presentations

#### Nick Moretti, Koppers CEO (NM)

- NM advised that the deconstruction process was now underway at the old BHP Number 6 berth. More than half of the gantry pipeline has been dismantled. This is the last major piece of infrastructure from the former BHP Steelworks. Work includes the above-ground steel structure and involves digging down 400mm and refilling the area with crushed concrete and hard-packed soil. Koppers is working with the site auditor to ensure compliance with requirements. Work is expected to be completed by the end of June 2019.

#### Meg Purser, Newcastle Gas Dock Project (MP)

- MP thanked members for the opportunity to attend the meeting. EPIK LNG is working on the LNG import project to be located west of the NCIG terminal. This will use part of the land previously earmarked for the T4 coal terminal. MP noted that this was a Floating Storage Regasification Unit (FSRU), which enables gas to be imported into Newcastle and supports the diversification of the Port. The project team will visit Newcastle again in June and has been working closely with a range of stakeholders on gaining the necessary approvals. MP will provide a full briefing at the next CLG meeting in August.

### 4. Additional Port of Newcastle presentations

#### Craig Carmody (CC)

- CC thanked NM and MP for their presentations.
- **Trade overview** – CC provided a brief overview of the port's trade, noting that wheat volumes were similar to export volumes historically, only that it was now being imported due to the drought. He referred to recent volatility in coal volumes, due to varying factors depending on the market. While coal continues to remain at about 160 million tonnes a year, it is clear that the Port needs to continue to look for other growth opportunities to help diversify the port for the future.
- **Environment** – CC noted that Jackie Spiteri (JS) now has a broadened role encompassing sustainability. CC noted that investors and owners are seeking to see the Port diversify. JS also noted that 1.5 tonnes of litter was collected during the recent Port Wide Litter Pick. This activity involved a number of port tenants and industry participants.

#### Question – Richard Howard (RH)

- RH asked CC about his observations of capacity for Australian ports to handle ULCVs – is the lack of capacity wharf-side infrastructure? If not, what is the pinch point?
- CC said that it varies between ports. He noted that Melbourne was constrained by width and height. Port Botany is constrained by Sydney Airport due to the height of the cranes that are close to the airport. Additionally, Port Botany cannot handle the containers by rail because of their 680-metre trains. Serious landside congestion issues had emerged at 2.4 million TEU, yet Port Botany planned to expand to 7 million TEU in coming decades. Port of Brisbane would need significant channel depth work and overcome the challenge of not having on-dock rail infrastructure at the port. All cargo currently arrives by truck. CC noted that the Inland Rail (Stage 1) does not directly connect to any of the three East Coast container ports. The long-term trend overseas is moving container terminals out of the capital cities, as is the case in New Zealand, Hong Kong and

California. CC said Port of Newcastle had now spoken to seven of the top 10 container lines and the trend is clear: ships are getting larger and cannot be accommodated in the current East Coast container ports. He noted that \$1.8 billion of private investment is awaiting the removal of the NSW Government's Port Commitment Deed. The Deed would tax Port of Newcastle \$100 for every container over a 30,000 limit.

#### **Question – John Hayes (JH)**

- JH noted that there was previously a proposal to build a new rail line to the north of the old BHP Steelworks site going back a number of years. He said that the proposal pre-dated the Inland Rail and that the capacity of the existing rail line into the port had been constrained since 2010. JH asked if the expansion of the Port's role into containers would be too much for the rail infrastructure through residential suburbs. JH said that Port of Newcastle should move all containers and coal trains out of the suburbs by building a new rail line. He noted that he had requested a meeting about this issue and that the potential rail corridor was being "nibbled away" by other parties using the land.
- CC said that the business case for the container terminal was founded on existing infrastructure only, which included the current rail line to the port. The future development of the Inland Rail line was not included in the business case. He noted that there was sufficient capacity using the existing rail line and that this was the designated pathway as part of the existing approvals for the new container terminal. CC said Port of Newcastle would use the existing planning approvals for the first stage of the container terminal development.
- Tanya McDonald (Port of Newcastle / TM) noted that the issue had been raised at the previous CLG meeting and that the Port was not yet at the design stage. TM said that the Port was focussed on the fight for the right to proceed with project. She noted that Port of Newcastle had sought to brief Roads and Maritime Services about the container terminal since late 2018 and that this meeting would occur 4 June 2019. She said the Port would engage the community throughout the process and that consultation was critical. TM also noted that the design and planning was still in the early stages. It was also note that PON did not own the planning instruments, approvals or the land corridors included as part of the proposal for a new rail line.
- CC noted that the Port's planning manager role will re-focus on access and egress to the port. He noted that urban encroachment had been an issue for many ports and said every effort was to be made to protect the existing corridors. He understood that people moving into the area would have concerns about current trade and that this was a common issue facing ports that had residential build-up around them over their centuries in existence. CC noted that the container terminal would be fully-electric and automated with minimal light and noise impacts.

#### **Question – John Hayes (JH)**

- JH noted that the EPIK LNG proposal was for the former T4 land, which had been approved for coal. He noted that there was a recent fire on Kooragang Island and that Port Waratah Coal Services had been tasked with remediating the land. He asked who was now remediating the site.
- Jackie Spiteri (Port of Newcastle / JS) clarified that site remediation was being undertaken by Hunter and Central Coast Development Corporation, which had engaged a contractor. Work to stabilise the ground to enable successful remediation was continuing.

## 5. Actions from previous meeting

### Question – Richard Finlay-Jones (RFJ)

- RFJ mentioned at the previous meeting that he has noticed increases in foreign packaging on beaches during beach clean ups and would like to know what rules exist around it.
- JS advised that this activity was subject to the MARPOL convention, which prevents seafarers from disposing garbage near the shore. Vessels are also required to keep a record of their litter and where it is disposed. This is regulated by AMSA, which considers it biosecurity waste. JS suggested that goods from the lost containers that fell off *YM Efficiency* last year could be at fault given they are still washing up on shore. PON has no jurisdiction over waste from vessels offshore.

### Question – Katelijn Hullegie (KH)

- KH had asked at the previous meeting for numbers on the extra train and truck movements could be expected for the first, second and third stage of the NCT.
- SK advised that PON had made preliminary projections but the final level of detail had not been confirmed. Truck movements would not exceed the limits set by the overarching Mayfield Concept Plan approval, even at Stage 3 of the development. The ability to handle long trains directly to the berth would be a key feature of the project. It was noted that the operation of a container train would be different to a coal train.
- KH noted her continued concerns about the number of trains and mentioned that her initial calculations based on the number of TEUs proposed had indicated that a large number of container train movements would be required. SK clarified it was not possible to confirm the number of movements at this as there were a number of factors that needed to be considered, including the initial demand for the terminal. SK also mentioned that a separate Newcastle Container Terminal Community Consultative Committee (CCC) would be required as part of the Stage 1 approval for the project. When the requirement to stand-up the Committee was triggered, it would provide a forum to look at truck and train movements more closely.

## 6. Presentation Port of Newcastle

### EcoPorts

Jackie Spiteri, Environment, Sustainability and Planning Manager, Port of Newcastle.

*\*\* Presentation attached to email.*

- JS provided an overview of Port of Newcastle becoming the first port in Australia to join the EcoPorts network.
- JS noted her recent attendance at an event in Valencia in Spain and how she had witnessed first-hand what ports overseas were achieving around their sustainability.
- Port of Newcastle is actively encouraging other ports around Australia to sign-up to the EcoPorts initiative – a number are preparing to do so in 2019

### Q&A

- RFJ mentioned the efforts to declare a climate change emergency in the UK and advised that shareholders here in Australia needed to understand the need to adjust. He noted that climate change was not covered in PON's strategy. RFJ also highlighted that the [City of Newcastle had passed an alternative motion](#) that there is a 'global climate emergency' and 'urgent need for real action on climate change'. The [City of Sydney](#) has also formally declared a 'climate emergency' and were reviewing their emissions reduction and renewable energy targets.
- RFJ noted that PON should be looking at its own emission reduction and renewable energy targets with hard dates such as 2030 for zero net emissions.

- JS advised that climate change would be a key part of an Environmental, Social and Governance (ESG) Strategy now in development
- CC further advised that ESG was now a key part of the Port's strategy, which was about to be launched to staff within days. CC noted that PON was reliant on foreign capital, so there was a need to improve the port's ESG credentials by focusing on tangible projects. These will be announced in 2019.

## 7. General questions

- Adani mine
  - RFJ noted that Adani's Carmichael mine was back on the agenda and close to approval. He asked about the impact on Port of Newcastle.
  - CC advised that Adani would bring more thermal coal into the market, however it was heavily subsidised which gave it an unfair advantage against Hunter coal.
  - Trudie (Port Waratah Coal Services) advised that Japan represented 50% of trade from its two coal terminals and the rest was to South-East Asia. Adani's market was not competing with Newcastle coal.
- Coal forecast
  - RFJ asked whether predictions of peak coal occurring in 2020 were on track and requested more insights.
  - Nathan Juchau (NCIG) said the market was hard to predict. He noted the energy mix was changing and the coal market had softened.
  - RFJ requested a breakdown of thermal vs coking coal in Hunter.  
**ACTION: PON to take this question on notice for the next meeting.**
- Decarbonisation and new energy
  - JH referred to decarbonisation efforts locally, discussing the benefits of hydrogen and other renewables and wanted to include the group in these discussions.
  - Tanya McDonald (Port of Newcastle) thanked John and expressed an interest on behalf of the group in understanding more about the local efforts to which John referred.  
**ACTION: John to provide details to SK for distribution to the CLG. Complete.**
- Cats on Stockton breakwall
  - Sarah Kiely (Port of Newcastle) advised that efforts were being renewed to manage feral cats on Stockton breakwall. Port of Newcastle is re-engaging City of Newcastle on this issue to agree on a suitable approach. She noted this had been an ongoing issue and flagged an intention to work closely with key stakeholders to deal with the problem.
- Port of Newcastle branding
  - Sarah Kiely (Port of Newcastle) noted that the Port was looking at its branding and invited members to participate in a survey to get their insights into iconic imagery that might be used in future branding. A link is to be provided to members.  
**ACTION: Sarah to forward survey to CLG members. Complete.**
- Environment workshop
  - Richard Finlay Jones noted a recent environment workshop with University of Newcastle and will provide details to CLG members.  
**ACTION: [Click here for more information.](#) Complete.**

## 7. Meeting close

**Next meeting**

26 August 2019

Venue: Wharf Road, Newcastle

\*\* Attendance is by Port of Newcastle's invitation.