

Port Capacity Enhancement Program (PCEP)

PCEP is a significant potential infrastructure project, aimed at creating a long term future for Tasmanian Trade Terminals & Developing a Webb Dock North Container Terminal. The information in this pack is current as at 10 August 2022, but is subject to further planning and potential changes.



PROJECT OBJECTIVES - Creating a long term future for Tasmanian Trade Terminals

- **Enabling the development of Webb Dock North Container Terminal:** Current container trade projections indicate that the Port will require additional capacity around 2030. This next tranche of container capacity has been identified at Webb Dock North which requires the relocation of the existing Tasmanian Bass Strait operations.
- **Securing the future of the Tasmanian trades:** Redeveloping the Appleton / Victoria Docks into purpose built terminals for the Tasmanian trade to provide long-term security and certainty for the Tasmanian trade operations through the Port of Melbourne.

RELEVANT STAKEHOLDER INTERESTS

| Tenants | Shipping Lines | Cargo Owners | Transport Operators | Intermodal Operators | Rail Terminal Operators | Empty Container Parks | Government | Community |
|---------|----------------|--------------|---------------------|----------------------|-------------------------|-----------------------|------------|-----------|
| HIGH | HIGH | HIGH | MEDIUM | LOW | LOW | LOW | HIGH | LOW |



PROJECT OBJECTIVES - Developing a Webb Dock North Container Terminal

- **Maintaining capacity to meet forecast demand:** A key requirement of the Webb Dock North Container Terminal will be to provide additional container terminal capacity.
- The new Webb Dock North container terminal is proposed be developed in the current Tasmanian terminal location. This terminal is expected to provide two new container berths and will be able to handle container vessels up to 367m LOA and 51m beam (approx. 14,000 TEU).
- The terminal will be designed to be directly connected to a potential on-port rail terminal which may be developed in future to provide a direct rail connection via the proposed Webb Dock Freight Link.

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| HIGH | HIGH | HIGH | MEDIUM | MEDIUM | MEDIUM | MEDIUM | HIGH | HIGH |

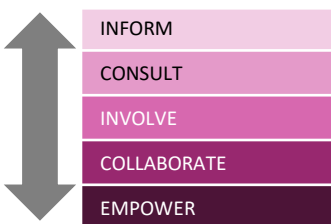
This program has a significant stakeholder engagement process. Current aim is to commence this consultation in Q3 2022 on the inputs to a Cost Benefit Analysis, to be prepared by an independent expert engaged by PoM, on providing or not providing container capacity.

Engagement Overview

- PoM engages with a broad range of stakeholders on a range of operational, management and project matters.
- We recognise that there are a number of touchpoints across different stakeholder organisations.
- In the interests of transparency and to ensure alignment of understanding of expectations, we have mapped out the current and forecast engagement activities.
- The engagement has been planned in line with the IAP2 engagement principles and will comply with the Pricing Order Engagement Protocol (once finalised).

**Timing is indicative and subject to change*

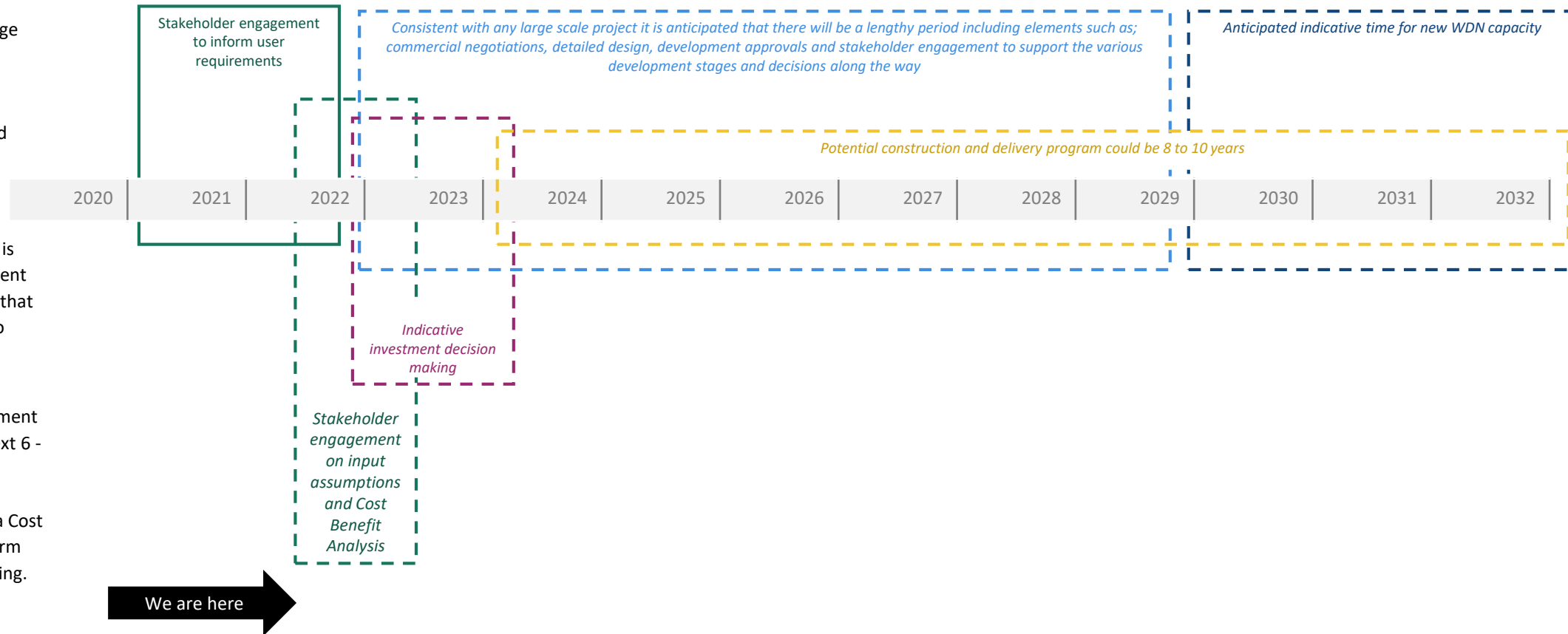
IAP2 Spectrum of Engagement KEY



| WHAT we are engaging on | WHY we are engaging | WHO we are engaging | WHEN we are engaging* | HOW we will engage | HOW we will gather & consider feedback |
|--|--|--|---|--|---|
| PROJECT Investment planning for PCEP | CONSULT We will engage an independent expert to conduct a Cost Benefit Analysis (CBA) in accordance with industry practice to inform our decision-making. We will consult on the input assumptions and outcomes of the CBA and will seek industry feedback to ensure that the CBA is appropriate to support our decision making. | Port Users Stakeholders Shipping Lines Stevedores | TBC [Sept – Oct 2022] on inputs TBC [Dec 2022 – Mar 2023] on outputs | Materials: PoM will publish: Independent expert reports and summary information Industry Workshops | Written submissions to PoM PoM will consolidate and consider feedback on the inputs and on the CBA and its outputs |
| OUR APPROACH Pricing Order Engagement Protocol | CONSULT We will seek stakeholder feedback on the Pricing Order Engagement Protocol to ensure it meets compliance requirements and Port User reasonable expectations. | Port Users | September / October 2022 | Draft Protocol published on PoM web site Written submissions to PoM 1:1 meetings (if requested) | Written submissions to PoM PoM will consolidate and consider feedback |
| OUR APPROACH TCS & Industry Update | CONSULT We will consult with stakeholders on what is important and use this to frame the scope of engagement and engage with stakeholders as input to the Tariff Compliance Statement. | Stakeholders | Start in December 2022 and will run through to April / May 2023 | 1:1 meetings Industry forums Written submissions to PoM Forum feedback | Written submissions to PoM PoM will consolidate and consider feedback |

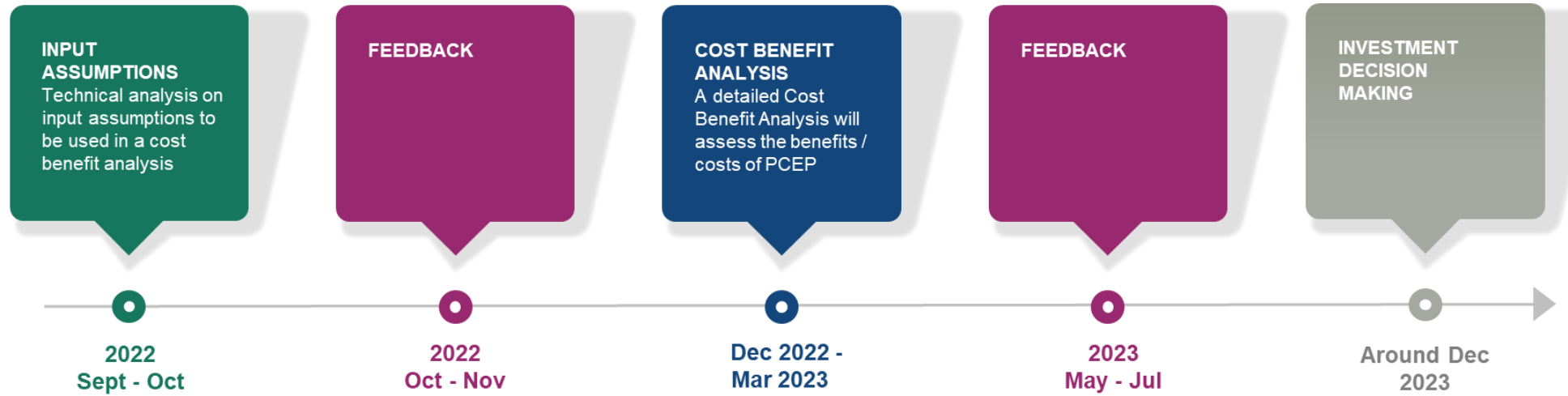
PCEP Engagement Overview

- The complex nature and scale of port projects typically have long lead and delivery times.
- At this stage of planning a large project such as PCEP, the engagement, approvals and delivery timing can only be indicative and will change and evolve based on progress, stakeholder feedback and progressive decisions.
- Even at this early stage, PoM is committed to open engagement on our approach recognising that many elements are subject to change and are shown as indicative at this stage.
- Our immediate PCEP engagement program is focused on the next 6 - 8 months as we engage with stakeholders on our input assumptions and outputs of a Cost Benefit Analysis that will inform our investment decision making.



PCEP Assumptions Engagement

- Our near-term engagement activities are focused on the input assumptions and outputs of a Cost Benefit Analysis which will be used to inform PoM decision making.
- The immediate next stages have been designed to engage on the key input assumptions.
- Further engagement stages and timing will be informed by our engagement on input assumptions, stakeholder feedback and timing of analysis and material preparation.



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|----------------------|--|---|--|
| Engagement Channels | Published engagement materials Facilitated industry workshops | PoM will respond to each written submission – this may also need to identify any questions of clarification | <p>Future engagement will be informed from early engagement and will evolve in response to stakeholder feedback and needs to ensure that:</p> <ul style="list-style-type: none"> Engagement channels will be selected that provide the greatest opportunity for engagement that is appropriate to the matters of engagement Engagement materials provide appropriate information to enable stakeholders to make meaningful contributions, outlining the purpose, form and content of engagement Key messages and materials will be prepared to meet the needs of relevant port user groups and individuals Engagement materials will be clear, accurate and timely Stakeholders will be requested to provide written feedback through each engagement activity PoM will publish a stakeholder engagement report to summarise the issues raised and feedback received from stakeholders and how PoM has taken into account the views of stakeholders in making any investment decision. |
| Engagement Materials | Technical reports (trade, ship fleet & capacity) Summation materials & feedback questions | Published Stakeholder Engagement Report | |
| Feedback Channels | Written submissions to PoM Consolidation of facilitated workshop discussions | Report published on PoM WebSite Industry update communications | |

PCEP Engagement Overview

- Recent feedback has demonstrated a strong interest in and different views on PoM's key input assumptions.
- The PCEP engagement program is focused around these key input assumptions as input to PoM's investment decision on the next tranche of container capacity.
- Broad industry engagement will be undertaken across aspects relevant to PoM's decision, including by publishing key analysis by PoM and independent experts and seeking written feedback on the assumptions.
- In addition, PoM will host facilitated workshops with key industry interests on the **ship fleet** and **capacity assumptions**.
- The objective of these facilitated workshops will be to test the input assumptions by reference to feedback, assess industry points of difference (where possible) and explore reasonable scenarios to test.

