

\$120 million investment to boost rail capacity at Port Botany

NSW Ports is set to invest in 'on-dock' rail infrastructure capacity at each of the three container terminals at Port Botany, commencing in 2019. Investment will be staged, with stevedores being required to invest in rail operating equipment to meet target terminal capacities.

Marika Calfas, Chief Executive Officer, NSW Ports said "The growth of containers on rail is a key objective in NSW Ports' Masterplan, to cater for the growing trade needs of NSW. This investment will build greater rail capability at the port, supporting the Government's investment in completing the Port Botany rail duplication and ongoing investments in large scale intermodal rail logistics centres at Enfield and Moorebank".

"Over the next four years, NSW Ports will invest \$120 million on Stage 1 of this uplift to create new on-dock rail capacity at Patrick's Port Botany Terminal. The new rail terminal will ultimately deliver 1 million TEU capacity. In time NSW Ports will invest at the other two container terminals.

"Increasing rail capacity at the port means a faster, cheaper, more sustainable way for exporters and importers to get their product to market." Ms Calfas said.

The investment will reduce the growth in truck movements around the port. When fully operational this investment will reduce truck kilometres travelled in Sydney by at least 10 million per year. This will save over 2 million litres of diesel per year which is the equivalent to a net reduction in CO₂ emissions of more than 5,400 tonnes a year.

Michael Jovicic, Chief Executive Officer, Patrick said: "Patrick currently handles a large volume of rail based containers and is focussed on growing and optimising our rail offering. NSW Ports' investment in rail infrastructure will be accompanied by Patrick's \$70 million investment in operating equipment and systems to deliver 1 million TEU capacity. Our agreement with NSW Ports will significantly increase our terminal's rail capacity and enhance productivity and efficiency in container movements at the port".

To fund the investment, NSW Ports will implement a modest increase of \$3.08 per TEU in wharfage fees on full imports and exports from 1 July 2019. This has been spread over the long term to minimise the wharfage increase and will be removed once the cost of the investment has been recovered.

Work will begin next year and is planned for completion by 2023. Rail operations at Patrick are expected to continue during the construction period.

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About NSW Ports

Our vision is to be a world class port and logistics manager driving sustainable growth.

NSW Ports manages Port Botany and Port Kembla, key export and import gateways connecting to global and domestic markets, and the Enfield Intermodal Logistics Centre and the Cooks River Intermodal Terminal.

NSW Ports is a private consortium of leading institutional investors: IFM Investors (including Cbus, HESTA and Hostplus), AustralianSuper, Tawreed Investments Limited and Q Super. Our shareholders represent over six million Australian superannuation fund members and are long term investors with interests in a range of Australian infrastructure assets.

Media contact: Paul Matthews: paul.matthews@nswports.com.au; 0458 566 179