Hello Nicole

- We have not yet heard back from PDL about the costs of the trial – this is not unexpected.
- We are likely to ask PDL to prepare a revised proposal on a more commercial basis – a ship carrying a reasonable quantity of freight – with contingencies if the cargo barge does not work out.
- Undertaking a container handling trial is agreed to be a high priority and so:
  - Eric will convene his sea freight working group to identify the details of what needs to be trialled and how success/failure will be determined. This will likely occur on Thursday.
I have briefed about the concept of the trial and the planned conversation with Council.

Regards,

Hello Nicole

This is to update you on action being undertaken to respond to the developing issue with sea freight.

- Pacific Direct Line (PDL) have costed a trial of ship to shore container transfer at Cascade, including hire and of a barge. In contrast to the conversation on 16 December (below), they appear to be now seeking funding from the department. HED is clarifying this.
- PDL’s proposal requires us to give them the go-ahead by Wednesday 8th January and the costs appear to be about $235K.
- HED is advising PDL and others involved in responding to the issue that:
  - the Department will not be able to commit to a trial by 8th January
  - funding is not readily available
  - we believe that an on-Island trial of container handling should be carried out before a ship to shore trial is initiated
- The Administrator’s office, Consult Marine and Grosvenor (ports management strategy) are involved in these discussions.
- Amanda and I have a telecon tomorrow with Fiona Anderson at which we will work through the concept of a container handling trial, focusing on who will be involved, how we should communicate it and how success/failure will be determined. I believe that we should bring NIRC into this discussion and will seek Fiona’s input on this tomorrow.

Happy to discuss,

From: 
Sent: Monday, 6 January 2020 3:48 PM
To: PEARSON Nicole <Nicole.Pearson@infrastructure.gov.au>
Subject: Update on response to sea freight issue [SEC=OFFICIAL]

OFFICIAL

From: 
Sent: Wednesday, 18 December 2019 11:40 AM

OFFICIAL
Pacific Direct Line and Neptune Pacific are working together to find a motorised barge that can be trialled with a container ship using 20 foot containers. The temporary groyne at Ball Bay could be used in the period between February and May 2020, with some maintenance works and an adjustment to the permit conditions.

Key points following on from the teleconference are:
- PDL and Neptune are committed to servicing Norfolk Island and seeking to do this without government subsidy.
- PDL are working with Consult Marine to arrange a trial of a cargo transfer barge with one of their container ships and the Cascade port, using the dock crane.
- PDL are intending to arrange and fund the sea trial themselves, with a target date of mid- to late-January.
- This trial will check the feasibility of a 20 foot container and may also test smaller containers, if the larger option appears to be unsuitable.
It is recommended that the Department:

- support trial(s) of containers at the Cascade port, providing liaison and logistical support.
- work with the Administrator’s office to facilitate the trial(s) and to communicate information about them, when the plan has been defined.

Regards,

OFFICIAL
From: Jarrod O'Reilly <j.oreilly@consultmarine.com.au>
Sent: Tuesday, 7 January 2020 4:12 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: RE: Short Term Paper for public distribution [SEC=UNOFFICIAL]
7 January 2020

Dear Sir,

NORFOLK ISLAND SEA-FREIGHT
Short Term Options for Shipping

Dear Sir,
9 Summary of Sea-Freight Options for the next 2 years

- PDL/Neptune are keen to move away from break bulk cargo and trial ship to shore transfer of 20 foot containers at Norfolk Island, and are looking to the Commonwealth to assist with funding of a motorized cargo transfer vessel to undertake the trial. PDL are also trying to source a cheap motorized barge for the trial.

The nature of infrastructure development will be highly dependent on the outcome of a container barging trial.
11 Salutation

We trust the above is self-explanatory, please do not hesitate to contact the undersigned if you have any queries.

Yours faithfully,

Simon Batt
Consult Marine Pty Ltd
Principal and Director

Attached:
Barge Fact Sheets for MDT1501 and PM South
Photo of Teras Bandicoot
**VESSSEL:**

**MDT 1501**

**CLASSIFICATION:**
Dumb Barge
DNV GL 1A1

---

**TECHNICAL SPECIFICATIONS**

| **BUILT:** | 2006 |
| **HULL:** | Steel |

**CLASSIFICATION**

| **CLASSIFICATION:** | DNV GL 1A1 |
| **FLAG:** | AUSTRALIAN |
| **OFFICIAL NUMBER:** | 859915 |

**DIMENSIONS**

| **LENGTH:** | 43.89m |
| **BREDTH:** | 15.24m |
| **DEPTH MOULDED:** | 3.05m |
| **GRT / NRT:** | 516t / 155t |
| **BULKHEADS:** | 5 Transverse + 1 Longitudinal |

**CAPACITIES**

| **DEAD WEIGHT:** | 1235t |
| **DECK AREA:** | 520m² |
| **DECKSTRENGTH:** | 5t/m² (10mm plate) Concrete Deck Protection |

**DECK EQUIPMENT (CONT.)**

| **STANCHIONS:** | Cattle Rails (Around all sides) |
| **BOW DOOR:** | Yes |

| **MOORING:** | 4 Point Mooring System (Optional) |
| **FAIRLEADS:** | Rotating Fairleads |
| **ANCHORS:** | 4 x 2t Anchors |

---

While every endeavour has been made to provide accurate information in this brochure, Bhagwan Marine will not accept any liability for errors, inaccuracies, omissions or misprints published herein.
## MAIN PARTICULARS

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## CAPACITIES

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Hi

Please see below, questions for the freight working group meeting Friday 10/1.

Internal questions:

Q: Who will document outcomes of the trial?
Q: Who will film the trial and who will review the footage?
Q: Who will commence working up media release relating to the container trial Cascade?
Q: Should we send Jarrod over to document the outcomes and provide engineering advice, re crane capability and PMS?
Q: Will we trial a 20f and smaller container if available on NI?
Q: Who will be the facilitator of the trial?
Q: Who will manage the WHS of staff participating in the trial?

Freight Group questions:

Q: What do you expect as an outcome for the container / crane trial at Cascade?
Q: If the trial is a success, how do you see the sea freight movements in the future?
Q: If the trial is a failure, how do you see the sea freight movements in the future? Next steps – suggestions.
Q: Due to no scheduled service between Jan-Mar do you see this as a major issue? If so what is the impact? How many scheduled services do you feel would be the appropriate number (breakbulk) services for the 2020 calendar year.
Q: If containerised cargo is trialled, how many runs would NI require in a calendar year?

I am sure there are many more questions but we can have a discussion later this afternoon.

Thanks

OFFICIAL

From: 
Sent: Thursday, 9 January 2020 1:20 PM
To: 
Subject: FW: 20ft Container and Side loader [SEC=OFFICIAL]
By way of update, I am forwarding the preceding emails from NIRC. Freight working group meeting scheduled for 9.00 am Friday 10 January. We will provide a summary document at the end of the week and would greatly appreciate your advices on any particular questions or information you would like us to obtain from the freight working group, additional to what has already been discussed (proposed freight trial - what would success look like?).

Kind regards, Fiona

---

From: \[nirc.gov.nf\]
Sent: Wednesday, 8 January 2020 12:41 PM
Subject: RE: 20ft Container and Side loader [SEC=OFFICIAL]

Hi

Thank you for this. If at all possible, we would also like to test a smaller container.

Kind regards,
using containerised cargo.

It’s requested that we provide a 20ft container and transport to facilitate this test. Could you please liaise with Boral to see if it’s a possibility to use one of their 20ft containers and a side loader?

If possible the whole operation from pick up airside to return would take approx. 2 hours to complete.

Sometime in the next week would be ideal if possible.

Thank you,

[Signature]

| State Services Delivery Coordinator |
| Norfolk Island Regional Council |
| PO Box 95, Norfolk Island 2899 | New Military Barracks, Kingston, Norfolk Island |
| T (+6723) 22001 (ext. 121) | www.norfolkisland.gov.nf |

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Please consider the environment before printing.
OFFICIAL

From: Benjamin Ford [mailto:ben.ford@nirc.gov.nf]
Sent: Friday, 10 January 2020 3:28 PM
To: OFFICE.ADMINISTRATOR
Cc: 
Subject: RE: Desktop exercise

Thanks

The suggestion of a table top exercise was a response to the Office of the Administrator informing NIRC of PDL’s proposed container trial, it was assumed this response would be carried out with yourself and your team. So that’s perfect.

As your team has a cruise vessel due next week, I suggest a meeting 1030am Tuesday. Location TBC, if everyone could please inform of their availability?

The intention is to facilitate the tabletop exercise to map out the operational requirements from vessel arrival, cargo handling, discharge, handling on shore, container storage (or not) and then return of containers to vessel, securing for sea. Along with suggested workforce requirements (NIRC workers required / or not).

Understanding that the test voyage will not be a function controlled by council, this tabletop exercise is a process / risk management exercise to confirm the viability and stress test the methodology before any financial commitments need be made by any party. If we are all reading from the same page at the end of
the exercise then the chances of success will be greatly improved and risks will be appropriately managed within the various legislative compliance frameworks that may apply.

Commercial in confidence, NIRC requests that Transam, at the meeting, please provide vessel and crane specifications, along with the landing barge specifications, as they will be an essential tool for understanding the operation and discussing process.

We are looking forward to mapping this out and moving forward on a trial run for this operation with a bit more clarity,

Kind regards,

From: [Redacted]
Sent: Friday, 10 January 2020 1:48 PM
To: [Redacted]
Cc: [Redacted]
Subject: Desktop exercise

HI

I would like to offer both services & for your proposed desktop exercise for the proposed container trial.

I have 6 years experience with container logistics around the Pacific during the time I worked for Pacific Direct Line in Auckland

And, there is the Churchill Fellowship I was awarded in 2012 to look out the handling of containers from ships at isolated Islands.
I investigated the barge/container operations in Easter Island, Ascension Island, St Helena Island, Cocos (Keeling) Islands & Christmas Island

[Redacted]
as you are involved in ports management I am forwarding some information to you about the preparation for a trial of container handling at Cascade. This trial would be carried out on the pier with a container already on Norfolk Island, using the dock crane. It would be a precursor to a sea trial which may be carried out if the container handling trial was successful.

These were provided to yesterday evening and, based on our conversation this morning, I think it is important for you to be aware of the types of conversations were are having.

Internal questions to resolve before the container handling trial:

- Who will document outcomes of the trial?
- Who will decide recommendations for future action and write these up in a report?
- Who will write the plan for the trial and runsheet for the day to make sure that we test all of the things we want to test?
- Do we need a checksheet and/or a list of questions to support reporting?
- Who will film the trial and who will review the footage?
- Who will commence working up media release(s) relating to the container trial at Cascade?
Should we send Jarrod from Consult Marine over to provide engineering advice, re crane capability and the port? Is there someone from Council of the local industry who would be better suited?

Can we trial both a 20’ and smaller containers?

Who will be the controller of the trial on the day?

Who will manage the WHS of people participating in the trial?

What are the additional costs of the trial which the Commonwealth is being asked to pay?

Questions for the freight group:

What does a successful container handling trial look like? What needs to be tested to show success or failure?

Who needs to participate in and who needs to observe the trial?

What do you expect as an outcome from the container / crane trial at Cascade?

If the container handling trial is a success, what do you see as the next steps?

If the trial is a failure, what do you see as the next steps for sea freight movements?

Due to the lack of scheduled service between Jan-Mar, what sectors and businesses will be most impacted? Of these, what import needs can’t be met by air freight during this period?

Regards,

s22
Hi,

As discussed earlier, please see attached sea freight discussion minutes (PDF/Word).

**Key Points**

- No party has yet made a decision or confirmed the next steps, we need to progress action quickly – if we can assist Council in doing so, it would greatly benefit the development of a short to mid-term solution.
- It’s highly probable that the lack of freight is going to impact small business on island, and possibly impact tourism too (i.e. experience).
- It was highlighted by attendees that communication to the community would assist, to assure that there is work being done in the background. It may be best placed coming from Council as opposed to Department. I’m not sure about your thoughts on this?
- Attendees were mostly in agreement the short term paper should be made available to the public to view

Let me know if you need any assistance. I am on island until Friday and then on leave next week in Australia.

Thank you,
Sea Freight Discussion Meeting

DOCUMENT VERSION CONTROL: 1

DATE 10 JANUARY 2020

Authored by: Office of the Administrator
Meeting Minutes

Sea Freight Paper / Initial Background / Current Situation

- PDL has proposed to remediate and assist in testing a shipping scenario/feasibility test.
  - It is proposed to conduct a shipping to shore trial using a ship capable of using a freight platform to unload the cargo. There is an identified vessel in the Cook Islands that could be suitable for this type of unloading.
  - It was further highlighted ‘whom’ is paying for this trial? It was generally agreed that this is a private enterprise opportunity to trial this and move freight from Australia or New Zealand to Norfolk.
- Discussed that PDL (Pacific Direct Line) are agreeable to test/trial logistics, it was highlighted by Council that a desktop feasibility study should take place in the first instance, this would map processes. A presented challenge is Work Health Safety, ensuring that the platforms utilised and safety of freight unloading is feasible given the human resources required to perform the task.
  - A desktop study should be progressed by Council as soon as possible to ensure the proposal of this method is feasible and a Work Health Safety plan is in place.
Additional matters raised

- If the trial does not work or poses a great safety risk, it can still ultimately be ‘broken down’ as break bulk cargo, so there is a contingency should the trial option not work. However, it does possibly increase commercial risk for time delays.
FW: NIRC Contingency Sea-freight options and [SEC=OFFICIAL]

OFFICIAL

FYI, documents presented yesterday at the meeting.
Thank you,
NORFOLK ISLAND PREVAILING WEATHER BY LANDING PLACE

| Prevailing wind as % | N    | NNE  | NE   | ENE  | E    | ESE  | SE   | SSE  | S    | SSW  | WSW  | W    | WNW  | NW   | NWW  |
|----------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| N                    | 2.5% |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| NE                   |      | 5.0% |      |      |      |      |      |      |      |      |      |      |      |      |      |
| ENE                  |      |      | 5.0% |      |      |      |      |      |      |      |      |      |      |      |      |
| E                    |      |      |      | 30.0%|      |      |      |      |      |      |      |      |      |      |      |
| ESE                  |      |      |      |      | 12.5%|      |      |      |      |      |      |      |      |      |      |
| SE                   |      |      |      |      |      | 7.5% |      |      |      |      |      |      |      |      |      |
| SSE                  |      |      |      |      |      |      | 7.5% |      |      |      |      |      |      |      |      |
| S                    |      |      |      |      |      |      |      | 7.5% |      |      |      |      |      |      |      |
| SSW                  |      |      |      |      |      |      |      |      | 7.5% |      |      |      |      |      |      |
| W                    |      |      |      |      |      |      |      |      |      | 2.5% |      |      |      |      |      |
| WNW                  |      |      |      |      |      |      |      |      |      |      | 2.0% |      |      |      |      |
| NW                   |      |      |      |      |      |      |      |      |      |      |      | 1.0% |      |      |      |
| NWW                  |      |      |      |      |      |      |      |      |      |      |      |      | 1.0% |      |      |
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Favourable wind for safe working vessels

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Note - Spreadsheet prepared by Benny Ford - NIRC as a guide and guide only to evaluate prevailing weather conditions to determine suitable access points to Norfolk Island - Other factors are also have to be taken into account such as undercurrents, tidal influence, sea swells and force as a guide.
## Contingent Sea freight Options – Norfolk Island

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<td>Trial container freight delivery at sea by Ship/crane/landing barge/cane.</td>
<td>This reduces the risk of option 1 and may well have merit if the trials prove satisfactory but still has a high element of WPH&amp;S risk.</td>
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### Outcome of discussion with NIRC and Office of the Administrator – 13/1/2020

Proposal worthy of trials.

Progress with desktop process analysis, risk analysis and subsequent trial to progress the option.
From: [email protected]
Sent: Monday, 13 January 2020 3:52 PM
To: 
Cc: 
Subject: RE: Meeting Minutes, Sea Freight Discussion - 10 January 2020 [SEC=OFFICIAL]

OFFICIAL

From: [email protected]
Sent: Tuesday, 14 January 2020 7:40 AM
To: 
Cc: 
Subject: RE: Meeting Minutes, Sea Freight Discussion - 10 January 2020 [SEC=OFFICIAL]

OFFICIAL

From: [email protected]
Sent: Monday, 13 January 2020 3:52 PM
To: 
Cc: 
Subject: RE: Meeting Minutes, Sea Freight Discussion - 10 January 2020 [SEC=OFFICIAL]
Hi

I attended a meeting this afternoon between Office of Administrator (Eric Hutchinson), Fiona Anderson, Bruce Taylor, Benjamin Ford and Murray Thompson.

Next Steps/action items

- Council are preparing a desktop feasibility of the proposed ‘shipping trial’, and whether this will work. To be prepared by Friday this week and supplied (to OoA), I’d imagine this will be shared with DITCRD too.

Let me know if any points unclear.

Thank you,
Hi Amanda and Teresa,

Happy New Year. Just letting you know that I’ll be back from annual leave on Monday 20/1 and I’ll also be in your Canberra office on Wednesday 22/1 for a Kingston Pier Channel Construction project kickoff meeting. I’d be happy to meet up with you after the Kingston Pier meeting on Wednesday 22/1 or on Thursday 23/1 if you’d like to discuss any aspect of the Port Management Report or the short term options for shipping.

Regards
Simon Batt

Sent from my iPhone

On 14 Jan 2020, at 4:17 pm, Giles Jephcott <pdl123.co.nz> wrote:

Hi Teresa

The proposal was that a trial be organised to prove that containerised shipments to Norfolk Island are achievable and that this be a suitable way forward for freight to be delivered to the community.
nor afford to fully fund such a trial
Hi

Thanks for your reply.

Further to below the costs mentioned are AUD 170k for the vessel charter itself and around AUD 65k to source and lease a barge in for the operation. I have discussed further with our board today, and they would be prepared to split the cost of the barge fee of AUD 65k in two so that we absorbed 50% of this cost. This would mean funding by the Department to an amount of approximately AUD 202,500 and hopefully less if we are able to reduce the time for the operation.

The local charges in Norfolk (highlighted in yellow) that we as operators are normally subject to and that I have averaged below, would actually be much less as we are talking only trial amounts of cargo of say 100m³, rather than the usual 1200m³ of cargo that these average costs are based on. My suggestion be that these local costs be invoiced to the local NI Council in order to share the costs of this trial container run.

Brgds – Giles
Hi Giles,

and I returned from leave today (Monday 6/1) and are requesting additional information from you regarding the costs of a trial run (vessel + barge) proposed to be funded by the Department. Could you please confirm the estimated total amount that you would be seeking? Unfortunately we do not have readily available funds of the scale which appears to be suggested in your email and this means that it will not be possible to commence arrangements by 8 January 2020.

We have a meeting planned for further internal discussions tomorrow (Tuesday 7/1) to map steps and processes. In particular, we will be talking about a trial of container handling at Cascade. We believe that this is an important exercise that should be carried out before a ship to shore trial occurs. We will keep you informed on our progress.

Please advise when you have the cost information available and we will certainly keep the momentum of this trial moving.

Thanks and regards

Heritage and Economic Development
Norfolk Island and Mainland Territories Branch | Territories Division
Department of Infrastructure, Transport, Cities and Regional Development
GPO Box 594, Canberra ACT 2601

www.infrastructure.gov.au
Further to our discussions and specifically with regards to a trial run for containers...

Capitaine Wallis is available in January for the trial run, unless required for an unforeseen spot charter elsewhere.
From late month she is likely to be deployed on another trade permanently so we would be looking at alternative tonnage for this trade going forward.
The sooner we can organise and complete a successful trial run and agree on the way forward, the sooner we can take the next steps to put firm plans in place for the Norfolk Island service.

To run the Capitaine Wallis up to Norfolk Island from Auckland and back would be AUD 170,000 (USD 118k)

This includes:
- Vessel charter, crew etc...
- Bunker (Low Sulphur Fuel Oil) consumed
- Port call costs in Auckland, including loading of some ‘trial containers’.
- Half a day in Auckland for load & return discharge of empties readiness & 48 hours in Norfolk for discharge

This does not include:
- Cost of operations in Norfolk
- Any additional waiting time for discharge due to bad weather
- The cost of sourcing and leasing barge for the voyage
- Receiving and packing / delivery of trial cargo and container costs

In Norfolk, the average cost to Capitaine Wallis over 5 voyages in 2019 was as below, but of course we would have little actual cargo on this trial run so the cargo related costs in the form of tally/crane driver/supervisor/stevedores/lighterage would be greatly reduced accordingly:

<table>
<thead>
<tr>
<th>SUMMARY - AVERAGE OVER 5 CALLS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agency Fee</td>
<td>$750.00</td>
</tr>
<tr>
<td>Tally Wages</td>
<td>$4,024.00</td>
</tr>
<tr>
<td>Crane Driver Wages</td>
<td>$2,516.00</td>
</tr>
<tr>
<td>Supervisor Wages</td>
<td>$1,899.00</td>
</tr>
<tr>
<td>Stevedores Wages</td>
<td>$30,395.23</td>
</tr>
<tr>
<td>Ship to Shore Lighterage</td>
<td>$264.00</td>
</tr>
<tr>
<td>Vessel Hire</td>
<td>$960.00</td>
</tr>
<tr>
<td>Penalty Rates Lighterage</td>
<td>$5,515.32</td>
</tr>
<tr>
<td>Total</td>
<td>A$46,323.55</td>
</tr>
</tbody>
</table>
Vessel demurrage, over and above the 48 hours allowed for discharge trial and backload of empties would be levied at USD 6500 per day pro rata. Equally if the trial duration was less than 48 hours in Norfolk, then despatch of USD 6500 per day pro rata would reduce the total cost of the trial.

We have a barge in mind which is currently located in the Cook Islands. The earliest we could get it to Auckland would be around the 22nd Jan and we would need to load it out of Rarotonga on a ship calling there on the 09th January. Costs would be in the region of AUD 65,000 to have it freighted in/out and leased for the trial run. Of course we would look at options for NZ (or other) sourced barges that could do the job earlier or better, but we would need to make a call on this unit available in the Cook Islands by Wednesday 8th Jan to ensure she is ready and booked to load out or miss the opportunity. The reality is that this cost is not too far removed from the cost to build a new one in NZ or AU.

The other consideration is cargo readiness for the trial, which would presumably take at least a week to organise by Foodlands or other.

Our proposal is that AU Dept. of Infrastructure cover the cost of trial run (vessel +barge) but of course no freight would be charged on the cargo that was delivered by this means. Receiving and packing / delivery of trial cargo in Auckland and container costs for the trial would be for our account.

I am travelling domestically on Monday 6th so availability will be limited, however in our Auckland office for the remainder of the week.

Brgds – Giles

Giles Jephcott
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Thanks for sending the minutes of our meeting – Monday 16 December 2019.

FYI – we will be best placed to commence working up a plan for the trial in the week of 6/1/20 due to staff leave over the Christmas period.

Jarrod and myself will be available for discussion in that week and will make contact as soon as we return.

I hope you have a lovely Christmas and New Year and look forward to working with you in 2020.

Thanks and regards

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Way forward:

- PDL will price up cost for CWA + barge to do the trial run early Jan with say 5-10 containers of actual cargo. Mix of weights and a couple of 10’ and 6’ as is possible.
- Other option of using SMO to drop a few container with barge en route to Noumea was dismissed as trial should be done properly and not just most economically.
- AGW we look at a full voyage of containers at end Jan. H&S to prevail on equipment type and weight.
- NIO + DOI to revert back on request re preferred vessel POL, frequency and annual cargo requirements for NI
I will send through budget figures for the container trial voyage through today or tomorrow. We do need to make decisions quickly on this trial run as it would need to be put into place for week 2 ideally to then allow importers time to organise cargo for the end of the month / week 5.

Thanks – Giles

Giles Jephcott
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Hi

Thanks for your email, it’s good to keep informed of progress on island.

I’m going to be in your office tomorrow, with the Kingston Channel Construction project kick off meeting happening in the morning.

If you wanted to meet anytime the afternoon tomorrow to discuss any aspect of the port management project, I’d be happy to meet with you, just let me know.

Regards
Simon Batt

Sent from my iPhone

On 20 Jan 2020, at 9:07 am, wrote:

Council are planning a desktop exercise as the first part of a container trial and they are well involved, together with the sea freight working group and the Office of the Administrator. The short term shipping paper has been shared with these people.
I understand that they are seeking to make any sea trial a commercial venture, bringing a sensible amount of cargo on a container ship, with contingencies in case the cargo can’t be unloaded at Cascade.
Regards,