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The Bluff

portsider

INSIDE ►

Changing Gears

MILESTONES

Bluff Focus on:
NZAS' HALF CENTURY

Port Infrastructure
Projects

Breaking Records



TIWAI

▶ CHANGING GEARS ▶ MILESTONES



▶ Chief Executive, Nigel Gear

Half a century is a significant milestone in anyone's lifetime, however in business there are not many relationships that stand this test of time. This year however we celebrate a 50-year partnership with

the New Zealand Aluminium Smelter (NZAS), that began producing and exporting aluminium in April 1971.

NZAS is an important part of our business representing 30% of our cargo throughput and approximately 20% of our Net Profit After Tax (NPAT). In recent times the future of the NZAS has been 'up in the air' however it is pleasing that there is certainty until 2024 and hopefully a life thereafter for years to come.

Sticking with the theme of milestones Peter Cade reached 40 years' service with the Company in June. Peter has been an integral part of our operational structure in the Port over the years performing a number of supervisory roles during this time. He has freely shared his knowledge and has helped the Leadership Team learn a few tricks along the way (including the writer) which is hugely appreciated.

Ernslaw One celebrated 30 years with South Port recently at an event involving

the Company's Leadership Team and also South Port's Board. It is fair to say that Ernslaw One has been with the Port through the good times and bad and most notably was the only log exporter operating at the Port in 2005. One of the pleasures in working in the port industry also is the great relationships / friendships you build along the way, and this is definitely the case with Phil De La Mare and his team at Ernslaw One.

As I write this there have been positive cases of Covid-19 found on board a container vessel calling at the Port. It is important for the ongoing success of the industry, both in New Zealand and internationally, that crew members and port workers at risk are vaccinated. Until extensive vaccinations are completed in the industry we will continue to face challenges of dealing with infections at the border, which will continue to disrupt the supply chain.

Nigel Gear

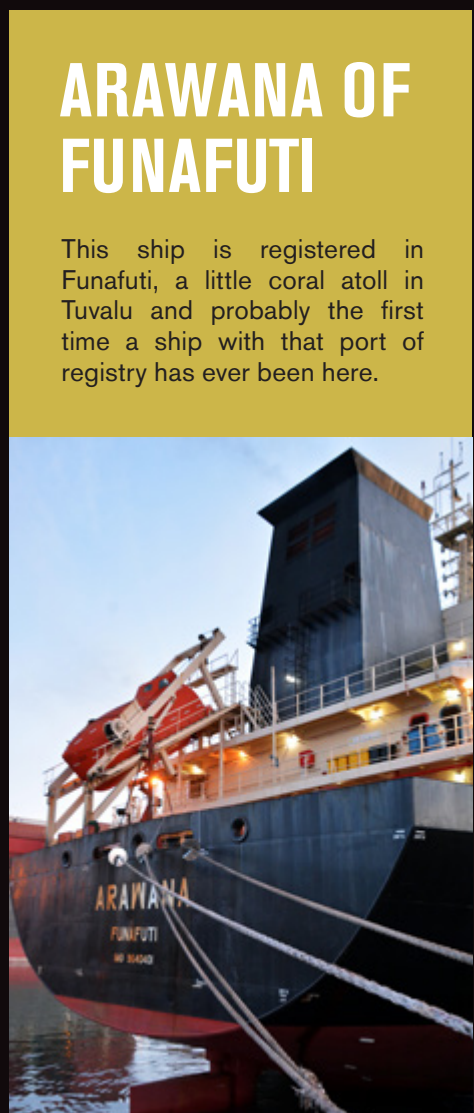


30 YEARS' ERNSLAW ONE

South Port recently had the pleasure of celebrating with Ernslaw One acknowledging 30 years exporting logs through the Port. It has been an interesting exercise tracking when our customers commenced business through Bluff with many long-term relationships noted for us to acknowledge in the future.

Ernslaw One representatives Russell Kerr (left) and Phil De La Mare (centre right), pictured with Rex Chapman and Nigel Gear have been with Ernslaw One for the entire 30 years; an amazing achievement.

It was a great evening and the South Port team enjoyed the opportunity to mark the anniversary with Ernslaw One and look forward to many more to come.



ARAWANA OF FUNAFUTI

This ship is registered in Funafuti, a little coral atoll in Tuvalu and probably the first time a ship with that port of registry has ever been here.

South Port NZ

▶ **COVER:** The Tiwai stack (chimney) illuminated as part of its 50 year celebrations.



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▶ CLIMBING THE LADDER

The *Portsider* took the opportunity to sit down with Mark Saunders, Corey Madill and Ray Tull to talk about their recent achievements, what makes Bluff such a unique Port and why they chose piloting as a career path.

Mark has become South Port's newest Unlimited Pilot after working his way through the grades. He started in Bluff February 2018, after 16 years working in the industry, spending at least half this time at sea. "I wanted to take up piloting to take the next step in my maritime career and challenge myself, and Bluff has certainly given me a lot of that!"

"It was great to be able to stay local, but still be involved with ships and shipping, which has made up the majority of my working life."

"The biggest challenge Bluff has is the small margin of error that exists. Team that up with the pretty adverse (weather) conditions that prevail regularly down here, getting on, off and piloting large vessel into the Port certainly keeps the adrenaline levels up!"

Corey began working at the Port in December 2018 and has just achieved his A-Grade Pilot Licence. Having previously worked entirely on the NZ coastal shipping trade, where like Mark has spent almost half his life at sea, welcomed the opportunity to "move ashore" to spend more time with his young family and it was the "logical career move" looking towards the future.



▶ South Port Pilots, from left to right, Ray Tull, Mark Saunders and Corey Madill.

Like Mark, Corey cites the weather as the most challenging part of working in Bluff, especially when the conditions are close to the limits of operating.

Corey's philosophy about piloting is adopted from a book he read recently, "Never think about a job before you get on the pilot ladder and forget about it once you let go of it".

Ray Tull is South Port's newest recruit having obtained his C-Grade Pilot Licence.

"Gaining my C Grade Licence has meant achieving a professional and

personal goal that I have always had and now look forward to working towards my next licence."

Ray began working at South Port in July 2020, but is no stranger to the maritime industry having worked at sea since 1999. Having strong family connections to Bluff and the Port, "my career goal was one day to work in Bluff. After attaining command in the offshore industry, the timing was right to come down south".

When asked about the challenges of working in Bluff, Ray was quick to advise, "the unique hydrodynamic properties of the channel and harbour leave very little room for error which can never be underestimated or taken for granted."

These are fantastic achievements, well done team and keep up the good work.

▶ 40 YEARS OF SERVICE – PETER CADE



During July, the *Portsider* sat down with Peter Cade to congratulate him on chalking up an impressive milestone of 40 years' service at the Bluff based Port Company.

Wind the clock back to the late 70's and a 'younger' Pete was working at the Southland Co-op

Phosphate Company pondering what his next career move would be. That move was a one way trip to Australia with a bunch of friends to have a holiday and pick up some work. The working plans never eventuated so he headed back to Invercargill and secured a role at New Zealand Railways. Whilst this job paid the bills, when a job opportunity arose at the (then named) Southland Harbour Board as an electrician it got his attention. The job was right up Pete's ally, he applied, secured the job and the next 40 years is history!

Pete continued on with the electrician role for approximately 10 years before experiencing one season in the cold stores, commenting "it was far too cold for my liking" promptly finding his way into a general cargo operations role which he still works in today.

Over the years Pete has experienced a number of challenges and changes in the Port industry. He recalls South Port's introduction into the container game, specifically some of the

machinery the Port used to handle containers. "When we were handling 20' and 40' units we had to get out of the forklift to manually change the spreader to suit the container size, it wasn't a case of pressing a button in the cab. The move to a 24-hour operation has been one of the biggest changes I have seen over the years. When I started we never worked on a Sunday!"

Several colleagues have had a positive influence over Pete in the 40 years including Henry "Hawk" Williams, Bob Blackie, Brent Christiansen, Brent Dimond and Nigel Gear, with the latter three still associated with the Port today.

Outside of work, Pete's passions are his family including his four grandchildren, and like several Southern men, rugby, racing, beer (and bowls)! The list might not be in the correct order as Pete advises the *Portsider* of his involvement in the 'Bluff famous' BBC syndicate. The BBC (Bluff Bowling Club) syndicate has raced a number of quality standardbreds over the years having enjoyed winning success in more than 40 races. At present the syndicate has an interest in two pacers and two trotters trained locally by Brent Shirley and Shane Matheson.

Thank you for all of your hard work over the years Pete.



► Construction camp.

► BLUFF FOCUS ON NZAS' HALF CENTURY

This year New Zealand's Aluminium Smelter (NZAS), based at Tiwai Point, is celebrating fifty years of producing some of the world's highest purity lowest carbon aluminium.

The smelter's origins date back to 1955 when huge deposits of bauxite, the raw material from which aluminium is produced, were discovered by

the *Shinyo Maru* on 22 April 1971. Electricity from the Manapouri scheme was first generated in 1969, the first aluminium produced in 1971 and the first export shipment left aboard the *Port Albany* in October 1971.

NZAS is now owned by Rio Tinto (79.36%) and Sumitomo Chemical Company (20.64%). Around 950 employees and



► 1971 - NZAS Aerial.



► First alumina shipment arrives.



► Wharf and Ship Unloader.



► Billet.

Consolidated Zinc Proprietary Ltd (ConZinc) on the Cape York Peninsula in northern Australia. While alumina could fairly readily be obtained from bauxite, to reduce this into aluminium required a large, reliable source of electricity and the hydro-electric capacity of what became the Manapouri Power Station provided a solution, with the New Zealand Government eventually building the power station and ConZinc the smelter.

South Port's predecessor, the Southland Harbour Board, was responsible for building the Tiwai Wharf and its long approach measuring 1.5 kilometres, by far the longest causeway in New Zealand. The first ship to discharge at Tiwai was

contractors work on site, producing the purest aluminium in the world (99.98%). Tiwai has one of the lowest CO₂ footprints per tonne of aluminium of a smelter anywhere in the world; accounts for 6.1% of Southland's GDP and generates export earnings of more than \$600 million annually.

A number of events have taken place/scheduled to celebrate this special milestone including a retro-themed family event and golf tournament for employees and contractors; illumination of the Tiwai stack (chimney); a dinner with key local stakeholders. An on-line digital exhibition celebrating the smelter's people, history and technology has also been launched.



► Ingot.

► TOWN WHARF PETROLEUM PROJECT

FAST FACTS:

We would like to share some fast facts in relation to the Town Wharf Petroleum Project that is underway.

- **Project Cost** – In the region of \$10M.
- **Programme** – Contractor has established on site and is scheduled to be completed by the end of March 2022.
- **Foreshore Road Closure** – Foreshore Road is closed while the project is being undertaken. Detour in place.
- **Piling** – Piling began early June. Only permitted between 8am and 6pm Monday to Saturday. Will not occur every day. Only expected to be for 26 days over the period 24 May 2021 to 31 March 2022. Piling activity will be able to be heard around Bluff. When piling they will complete 2 piles in a day. Each pile will take approximately 1 hour to drive.
- **Contractor** – Brian Perry Civil – Christchurch.

This project is underway and progress is now quite visible on the petroleum berth upgrade.



► Brian Perry Civil crane on a new section of the berth approach.



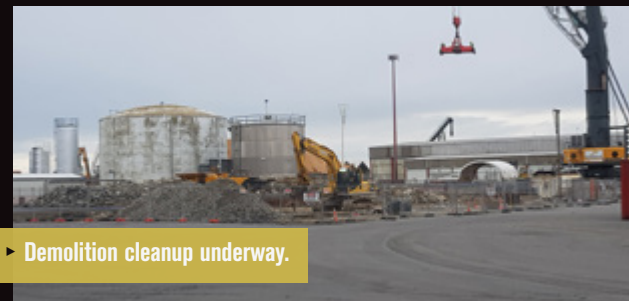
► A new section of steel visible.

► SHED 6

The Shed 6 demolition and pavement development will enable the container terminal to expand its footprint to meet the recent container growth at South Port. This new area will increase the storage space for both dry and refrigerated containers and will also enable a new container repair location to be developed to improve both the safety and efficiency of that operation. This new area combined with an additional empty container handler and new staff will enhance the Port's container capabilities to better serve the region's valued container cargo customers.



► Shed 6 standing.



► Demolition cleanup underway.

► CHANNEL PROJECT

The Resource Consent for the channel project was lodged on 17 May 2021. A lot of work has been undertaken in preparing the consent which is now being processed.

The below provides some quick facts on the project.

- Increase draft from 9.7 metres to 10.7 metres
- Removing high points within the channel
- Project start time is subject to consent process and contractor availability
- The project timing proposed is during the winter months where marine animals are less frequent in Bluff
- Increase the safety margins for shipping movements
- Improve loading and unloading efficiencies at the Port
- Larger vessel loading – eliminating multiple calls in the case of logs (one port call) equals lower carbon per tonne of cargo
- Estimated project cost between \$15M and \$20M
- 120,000 m³ of sand and silt removed by suction dredge (berth pockets and swinging basin)
- 30 – 40,000 m³ of rock which is removed by drilling, blasting and backhoe dredging
- Carried out extensive consultation with stakeholders.
- Completed a number of environmental assessments, i.e.
 - Assessment of Marine Environmental Effects
 - Marine Mammals Assessment of Environmental Effects
 - Natural Character, Landscape and Visual Effects Assessment
 - Bird Survey Report
- Project information will be available on the South Port website.

► RECORDS BROKEN AGAIN

When the container ship *Wieland* arrived in Bluff on 1 April 2021 she became a record setter at the Port. At 48,385 gross tonnes she became the biggest ship of any kind in terms of gross tonnage to visit the Port and her container capacity of 4,957 TEU is the largest we have seen to date. She also has the greatest beam of any container ship to call here but is not the longest, that distinction remaining with the *Tejas*. Built in China the *Wieland* was completed in 2014 for German owners but her port of registry is Madeira and so she flies the Portuguese flag.



► Stirling Point dwarfed by the inbound *Wieland*.

► NEW SHIPS FOR HERITAGE



► The *Heritage Explorer* in a scenic setting.

Photo by Heritage Expeditions

New Zealand's own adventure type cruise company Heritage Expeditions is acquiring two new vessels to enhance the already wonderful experiences enjoyed by its guests. Establishing new standards for adventure cruising around New Zealand is the *Heritage Explorer*, a fully featured expedition yacht carrying just 18 guests on the adventuresome itineraries for which Heritage Expeditions is renowned.

Carey's boatyard in Picton, notable builders of high quality wooden boats, completed the thirty-metre *Heritage Explorer* in 2004. Featuring ten cabins arranged on three decks, a dining room with panoramic views, a lounge and library, guests have plenty of room to relax on board between wildlife

adventures in kayaks or the ship's two tenders.

The *Heritage Explorer* is equipped to a standard usually only found on larger ships including twin engines, bow thruster, fin stabilisers, air conditioning and a hydraulic ramp aft, while an open bridge policy will be in place allowing guests to mingle freely with the New Zealand captain, crew and expedition staff.

Also joining the fleet is the polar exploration ship *Hanseatic* which will be renamed *Heritage Adventurer*. Built in Finland as the *Society Adventurer* she was always intended to navigate in polar regions and was constructed to '1A Super Ice Class', the highest ice class accorded ships designed to

operate in difficult ice conditions without icebreaker assistance. In 1992 the *Society Adventurer* became the *Hanseatic* when bought by Hanseatic Tours which subsequently merged with Hapag-Lloyd Cruises, a company whose cruise ships are often seen in Bluff enroute to or from Antarctica.

Before entering service with Heritage Expeditions, the new ship will be extensively refurbished including a reduction in passenger capacity from 184 to 140 to provide a more comfortable shipboard experience. Expected to enter Heritage service in May 2022 her first cruises will be in the Russian Far East before heading south for the southern summer season. We look forward to welcoming her to Bluff.

WISDOM MARINE GROUP



► Wisdom Line funnel colours.

Most island nations are also maritime nations and the island of Taiwan is no exception. Included in its maritime portfolio are two of the world's top ten container lines, Evergreen Marine Corporation, ranked at number seven, and Yang Ming, the ninth largest, as well as two of the largest regional container lines operating in Asia, Wan Hai and TS Lines. Liner services to and from Taiwan are therefore well catered for and are complemented by a similar number of companies engaged in the dry bulk trades of which the largest is Wisdom Marine Group.

Wisdom Line was founded in March 1999 and was listed on the Taiwan Stock Exchange on 1 December 2010. Growth of the company can only be described as phenomenal with the fleet numbering 148 ships in late 2020 but this is a figure that changes frequently as the company continues to expand. So far this year four new ships have been delivered with the delivery of two more imminent, one of them being an LPG carrier, just the second such vessel in the fleet. Five further bulk carriers are scheduled for delivery in the first four months of 2022 with this programme of renewal keeping the average age of the fleet to about six



► First Wisdom Line ship to visit Bluff, the *Genius Star I*, inbound.

years old. The Wisdom Group employs more than 2,600 seafarers and about 150 shore side staff.

The man behind the company is Lan Chum-Sheng (James Lan) who has about 40 years' experience in the shipping industry having served as President of Shin Wei Navigation Company, another Taiwanese shipping company whose ships are a familiar sight here. From 1985 until 1993 he then transferred to First Steamship Group as President until 1999 when he founded Wisdom Marine Group. Overseeing the development of the company is a Board of Directors with wide experience in all aspects of ship ownership and operation, including a similarly qualified management team to resolve the myriad of matters that require attention in such a large company.

Unlike many newly formed shipping companies that rely on the sale and purchase market to enter ship-owning, Wisdom Group looked to build to its own requirements right from its inception and

virtually the entire fleet came from Japanese shipyards with the few that didn't generally being built in Japanese-owned shipyards located elsewhere, such as Tsuneishi, Zhoushan. This ensures the highest possible build quality making the ships popular with charterers and keeping insurance premiums as low as possible. All but a few of the fleet are bulk carriers with Supramax, Panamax and Handy-size types predominating but including three Capesize, the largest 208,000 tonnes, about two dozen small handy bulk/general cargo ships, the two LPG ships already mentioned, a vehicle carrier and a container ship, the *Wisdom Grace*, which, as far as we could ascertain, is unique in being a second-hand acquisition. Having been completed in 1998 she is also the oldest ship in the fleet.

Of the three dominant size groupings the 27 Supramax ships all carry names having the first word *Amis*, the Panamax class of 24 ships nearly all have the first name *Sakizaya* while *Bunun*, *Daiwan* and *Poavosa* are the most popular for the Handy-size fleet. Other than a group of seven bearing names starting *Genius Star*, the smaller ships have a variety of names. The majority of the Handy size ships are log-fitted so are ideal for the New Zealand trade, however the first Wisdom Line ship to visit Bluff was the small Handy size cargo ship *Genius Star 1* arriving on 21 November 2010. All subsequent visits have been by handy-size bulk carriers. With the fleet continuing to expand, ships of the Wisdom Marine Group are likely to continue being a familiar sight in the Port of Bluff for many years to come.



► The *Poavosa Wisdom VII* discharging alumina at Tiwai.