MALITE WĀPU

From the Wharf | Community Newsletter



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CHANGING GEARS

Tēnā koutou katoa.

It is the end of another calendar year and always a good time to reflect on what has been occurring on the wharf over the past 12 months. In recent times the cargo flows through the Port, to be fair, have been 'lumpy', fluctuating with market conditions offshore which have been impacted by a number of factors including pandemics, climatic conditions, and unfortunately conflict. Despite this 'lumpiness' the volumes are tracking where we would expect them to be at this time of year.

Locally we have had a particularly wet spring which has had a negative impact on the amount of available feed in the region leading to an increase in stock food coming into the Port. Fortunately for the dairy industry (and for the Port) this has come at a time when the projected dairy payout is expected to be at an all-time high, which will help to cushion the additional cost applying imported feed on farm.

Another cargo performing well in comparison to the previous 12 months is woodchips. Refer to the story enclosed which highlights a record shipment and the first vessel to take full advantage of the 10.7m draft, that was declared in October.

In recent years we have looked to create more resilience in the marine department, increasing the number of pilots and holding onto a third tug. This year we have now also purchased a back-up pilot vessel out of Australia which hopefully will be in service in early 2025, providing additional resilience to this aspect of our operation – refer also to story enclosed.

Internally, there has been a number of large projects that have been completed in 2024, including the installation and commissioning of a new accounting system, a property masterplan, a technology pathway and the publishing of our first climate related disclosures document.

These projects are to enable the Port to provide better information for decision making and to help provide a pathway for the Port to be more successful in the future.

Probably the most important event for 2024, however, is that the New Zealand Aluminium Smelter is to remain operational for up to another 20 years. This decision has now provided the confidence for the region and the Port to invest in the future, allowing the local economy to grow, which is exciting for all.

Finally, it is a big thank you to our staff, customers, contractors, and the community. Without their support South Port would not be a successful company.

All the very best to all for a Merry Christmas and hopefully some quality time with your whānau.

Ngā mihi nui Nigel Gear Chief Executive Officer

CONTAINER DIVISION:

CELEBRATING 10-YEAR ANNIVERSARIES

Alastair McKerchar, Mike O'Hara, Zaul Pirangi, and Floyd Karetai have each recently completed 10 years of service with the Company – a definite cause for celebration!

Alastair McKerchar ("Shorty")

While his current stint with South Port has been 10 years, Shorty's total time with the Company is 16 years with a small gap in between. Shorty started in the Dairy Warehouse before moving over to the Container Terminal. While his first trip up the mobile harbour crane was a white-knuckle affair, he quickly gained proficiency and became known as one of the top crane drivers on-site.

Eventually, Shorty transferred to the Intermodal Freight Centre (IFC), first as an operator before he put his hand up for the Supervisor role in 2020. Since then, Shorty has gone from strength to strength leading the IFC team from the front.

Mike O'Hara

Mike is a Bluffie through and through. He started his career at South Port as a Dairy Warehousing operator, working for 5 years before moving over to the Container Depot in 2019. Mike wears many hats, juggling his roles as a Team Leader, heavy machinery operator, qualified container surveyor, and union delegate.

Mike is someone who demonstrates our Values – he is very focused on Safety First and known for his positive attitude, showing care and support for his workmates and frequently going the extra mile.

Zaul Pirangi

Zaul started in the old Foreshore Road Cold Stores, originally as a labourer, and quickly advanced through to the sorting crew and then onto the forklifts. Zaul transferred to General Cargo in 2018, where he continued to hone his forklift driving skills while loading aluminium.

Zaul has now worked his way up through operating the Port's heavy machinery fleet, including the mobile harbour cranes. His handling of the different machines makes Zaul an essential part of container vessel exchanges.

Floyd Karetai

Another Foreshore Road Cold Stores alumnus, Floyd Karetai started as a labourer and forklift operator in the freezer before moving to General Cargo in 2017. After spending time loading aluminium and familiarising himself with container operations, it didn't take long for Floyd to get the hang of operating container handlers and cranes. Floyd is a skilled operator and his enjoyment of handling heavy machinery certainly comes through in his work.

Congratulations, guys – we look forward to celebrating more milestones with you in the future, keep up the great work!







ENVIRONMENTAL UPDATE

Syncrolift Dredging 2024 Campaign - Water Quality Monitoring

Between July and September this year, South Port dredged the seabed below the Syncrolift platform on the Island Harbour. The environmental impacts were controlled by monitoring water quality 200m upstream and downstream from the dredged material discharge site.

Monitoring is a condition of the coastal permit, and includes assessing the following parameters:

- Conductivity (µS/cm)
- Dissolved oxygen (%)
- Turbidity (NTU)
- pH
- Temperature
- Clarity

In addition, South Port included the discharge site and the dredging site in the monitoring, with the same criteria imposed by the coastal permit. The results showed that the operation was carried out in accordance with the requirements, including on the two additional sites, which was excellent.

Improving the GHG (Greenhouse gases) Emissions Inventory

As a listed company, South Port is considered a climate reporting entity (CRE) and is required to report under the Climate-Related Disclosure (CRD) regime, which aims to provide stakeholders with visibility of the impacts caused by climate change.

The CRD makes accounting for greenhouse gas emissions mandatory, making the GHG emissions inventory a fundamental part of the impact management and decarbonisation strategy. The inventory will be subject to assurance for FY25, based on the current requirements.

South Port recently contracted Diligent Corporation's GHG emissions accounting management platform to improve inventory data collection, calculation, and reporting. The platform allows multiple data entry forms, checks consistency, tracks emission factors,* and has a dashboard for presenting the results, including an area for documentation and auditing. A breakdown of this can be seen below.

We are in the implementation process, which consists of system configuration, baseline entry, and system operational and management training. Once implementation is complete, South Port will handle the FY25 inventory and supplier engagement. It is expected that the inventory will be 100% operational in time for the first audit (assurance), which should occur between July and August 2025.

* Emission factor: a coefficient that presents the rate at which a given activity releases greenhouse gases (GHGs) into the atmosphere.





STAFF PROFILE: DONNA GOODMAN

Donna is a proud Bluffie who originally started at South Port What do you do outside of work? in 1990 as a Receptionist/Typist where she operated the PABX phone system as well as preparing accounts, typing, and looking after customers.

She left the Port in 1995 to start a family and continued working in part-time roles while her two children were young. In 2008, she felt ready and motivated to come back to the Port, bringing the experience she had gained and a great attitude to join the finance team.

What do you think has been the biggest change you have seen at the Port?

Technology! When I first started, we used an electric typewriter for invoices and letters - there were no computers. Correspondence was mailed or faxed - there was no email or texting. It seems like the dark ages compared to now.

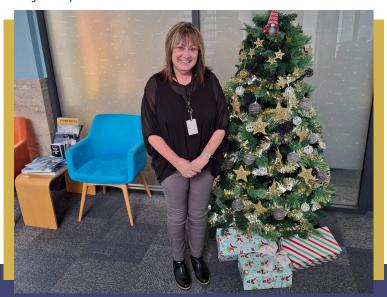
The Port is so much busier now than back then, with so many more staff and cargo coming in and out. It's great to see the cruise ships visiting our wee town during the cruise season.

What do you enjoy most about working for South Port?

The people I work with - we are blessed with some wonderful staff at South Port. I get to work in the most awesome team of five in the finance area under Lara Stevens, the Chief Financial Officer. My team all have similar personalities, a sense of humour and the ability to work together to get the job done – which is probably good as the five out of the six of us share an office! We recently worked out all our years of service at South Port totalled over 100 years - a great achievement.

My husband, Rangi, and I are Gold star members of Bluff Fire brigade having been with them for 37 years. Our son Jesse is also a member. The Fire brigade are like a second family to us. Rangi has been one of the firefighters to join more than 750 firefighters from across the country fundraising for the Firefighter Sky Tower Stair Challenge in recent years. In May 2025, he'll be doing it again with Jesse, Mike Haines, Jack Kini, Thaeya Hoyle and Justin Sutherland - racing up 1,103 stairs wearing 25 kilograms of gear. Not me though, I'll be in a supporting role!

I also love spending time with my family and friends - my 14month-old granddaughter Macie is the apple of my eye. Being a Nana is the best. I am definitely looking forward to more grandchildren in the not-too-distant future (a wee hint to my kids!).



RELIEF PILOT VESSEL

The search for a second pilot vessel began in 2023 to provide resilience to South Port's pilotage fleet. The Takitimu pilot vessel has been performing consistently for over 18 years, and the need for a second vessel became apparent. The main role of the pilotage fleet is to deliver the pilot to and from the pilot boarding area in the Foveaux Strait. South Port's marine pilots are the local experts in navigating the harbour, safely maneuvering ships in and out of Port.

After an extensive search across New Zealand and Australia, a suitable second-hand vessel was found that met the company's requirements, including the necessary characteristics to be converted to a pilot vessel and satisfy Maritime New Zealand. The alternative would have been to build a new boat at a significantly higher cost.

There were considerable challenges getting the vessel from Australia to New Zealand but arrangements were finally made to transport her from Hobart to Bluff on a ship that transports fish feed. Since her arrival in early March 2024, the vessel has been undergoing significant refurbishment to align with New Zealand safety standards for pilot vessels. The final part of this refurbishment is the painting and an internal refit, after which she will undergo sea trials for certification by Maritime New Zealand, and be put into commercial service.

"This refurbishment project underscores the complexities and challenges of maintaining and upgrading essential maritime equipment, but it also highlights the dedication and resilience of our marine team and support from local contractors in ensuring the highest standards of safety and performance," commented Sam Moore, Marine Operations Manager.

The vessel has been named 'Murihiku', a name gifted by Tā Tipene O'Regan, the former long-serving Chairman of the Ngāi Tahu Māori Trust Board. A launching ceremony will be held in the New Year, when she will take her place in South Port's fleet.







CHRISTMAS GIVING

Each Christmas since 2019, South Port staff have joined together to donate food and gifts to selected Bluff families in need. In November 2024, Bluff School, St Teresa's, Te Rourou, and Bluff Kindergarten each nominated the recipients, detailing the ages and genders of those selected.

This enabled the South Port team to make a donation with a specific family member in mind, or give something suitable for them all. The generosity of the South Port staff has been overwhelming this year.

As at the time of writing, two schools have received the donations for their nominated families. The other two schools will receive their donations before Christmas.

St Teresa's (Top)

South Ports Financial Accountant, Sarah Smith on the left, flanked by Marine Administrator Jenny Phillips, Administrator Monique Ackerman, and Container Operations Manager Hayden Mikkelsen, alongside students at St Teresa's School.

Bluff School (Bottom)

Bluff School Principal Desiree Alapaki (second from left), takes receipt of the goodies from South Port Health & Safety Manager Charlotte Melvin, Chief Financial Officer Lara Stevens, Finance Assistant Donna Goodman, and Commercial Support Sam Withey.



Ngā Kete Mātauranga Pounamu Charitable Trust

In lieu of giving Christmas gifts to our commercial customers, South Port is donating \$5,000 to Ngā Kete Mātauranga Pounamu Charitable Trust for the second year. This donation has been used to gift food parcels to whānau in need. Ngā Kete has also made a contribution, which will provide 100 food parcels across Southland, with at least 35 being distributed in Bluff.

Lara Stevens, Tracey Wright-Tawha (CEO), Nigel Gear (CEO), Kim Diack, Sarah Wilson.



CRUISE VESSEL SEASON

The cruise vessel season has just begun, with Bluff already welcoming three vessels. The first vessel to call Bluff this season was the Scenic Eclipse II on the 19th of November. At 168m long, she can accommodate approximately 228 passengers. The Silver Muse was the second vessel, calling on the 30th of November, she was one of the larger cruise vessels at 213m long and holding approximately 411 passengers. This vessel was heading towards Milford Sound with both a senior and trainee Bluff pilot on board. Keep an eye out for Silver Muse's sister ship, the Silver Nova, which is due to arrive in January. The third vessel was the Heritage Adventurer, which called Bluff on the 4th of December. The Heritage Adventurer is 123m long and can accommodate 184 passengers, and it is due to call into Bluff another 4 times between late December 2024 and March 2025. All these vessels visit Milford and other Sounds while down South.

PROJECT CARGO

South Port has been the Port of choice for the import of project cargo destined for the southern region for a number of years. This has included gold mining equipment, machinery for the 2nd tailrace construction at Manapouri, boats, dairy plant, tanks, wind farm gear, and transformers. Due to the variety of projects that we handle through the Port, we have built up some excellent internal expertise, especially when it comes to the planning and execution of the heavy lift both off the vessel and onto specialised transport for the journey to the final destination.

As an example, three transformers have recently discharged at South Port with the assistance of our mobile harbour cranes. These transformers have been imported by Meridian Energy and Transpower New Zealand and weigh up to 104 tonnes each. This weight requires a tandem lift using both our Liebherr cranes and a lifting beam to keep the crane booms apart. A typical lifting arrangement can be seen in the photo opposite.

Hayden Mikkelsen, South Port Container Operations Manager, said, "the South Port crane team provide an excellent service to customers by providing a safe, efficient operation when heavy lifts occur. A lot of time and effort goes into each heavy lift to ensure it is completed safely and efficiently to the customers satisfaction."

It is expected now with the news that the New Zealand Aluminium Smelter is to remain open for another twenty years that we will see an increase in project cargo coming through the Port, especially to support the extra power generation that will be required in the region to meet the growing demand for electrification and expansion of industry.





BERTH 11 BLASTING

In addition to the Kia Whakau capital dredging campaign last year, we also completed maintenance dredging at Berth 11 (Petroleum Berth). During this operation we discovered a pinnacle of rock which has the potential to restrict the draft of vessels using the berth. As such, the decision was made to remove this rock outcrop.

We completed the first stage of blasting in October 2024 with a second blast expected early in 2025.

The challenges with the project was blasting within 30m of a 150 year old wharf. The Port engaged Ocel Engineering for the blast design and to undertake vibration monitoring during the blast. Bay Underwater Services were engaged to complete the drilling and blasting operation. The work involved drilling 34 holes at 1.5m centres and up to 2.0m in depth which took approximately 1 month to complete.

Following the blast the rock was removed by a mixture of 'blading' and floating the rocks using divers. The area was continually surveyed during the project to ensure required depths were always maintained and vessel safety was not compromised.

The aim of the project is to lower the rock outcrop by 1.5m. 1.0m was achieved following the October blast and we are aiming to remove the remaining 0.5m during the next blast operation in early 2025.



RECORDS BROKEN

In early November, the 'MV Forest Harmony' departed Bluff carrying 41,905 metric tonnes of woodchips destined for Japan.

She was the first vessel to utilise the full 10.7m of draft in the channel. It's an exciting chapter in South Port's history, which was duly marked by Nigel Gear (South Port Chief Executive, fourth from left) presenting Hal Takeda, (Southwood Export Managing Director) a plaque to recognise this momentous occasion.

Representatives from South Port, Southwood Export, Itochu, Southland Plantation Forest Co and the Captain attended the presentation.

SUN SMART

At South Port, the health and well-being of our team is always a top priority, especially as we approach the warmer months. Recognising the importance of sun safety, we are taking proactive steps to ensure our people stay safe and healthy while working outdoors.

To support this initiative, we will be providing electrolytes to help our team stay hydrated in the heat, as well as offering a range of hats to suit individual preferences and ensure maximum sun protection. Sunscreen is also readily available across all work areas to encourage consistent application throughout the day.

Alongside these practical measures, we're working on promoting awareness around sunsmart practices internally. Through toolbox talks, notices, and Facebook Posts, we intend on reminding everyone about the importance of staying hydrated, wearing appropriate protective gear, and reapplying sunscreen regularly.

Charlotte Melvin, South Port's Health and Safety Manager says "By prioritising sun safety, South Port is committed to fostering a safe and healthy workplace, ensuring that everyone can enjoy the summer season while staying protected from the risks of sun exposure. Together, let's lead by example and make sun-smart habits a part of our everyday routine."

So, lets "Slip, Slop, Slap and Wrap" this summer!





ISLAND HARBOUR WEST TIP DEVELOPMENT

South Port has recently initiated a project to upgrade the western tip of the Island Harbour in preparation to receive wind farm equipment for Stage 2 of the Kaiwera Downs wind farm, scheduled to arrive in November 2025.

The upgrade includes constructing an asphalt layer, installing necessary lighting, and drainage systems. When not being used for project cargo, it will provide a multi-use storage area for a variety of other cargoes.

Of the two zones included in this upgrade, the first was constructed five years ago with asphalt in mind for the future. As part of that construction, it was built to the correct levels and grades.

In November local contractor, Jim Bates Contracting Ltd went back into this area and started gravel construction followed by Fulton Hogan Ltd which has been asphalting since 9 December, expecting to have it completed by 20 December.

The second zone, which is not currently being utilised and is undeveloped, will require considerably more preparation before it is able to be asphalted. This work has begun and is expected to be finished early in the New Year.

"With the impending delivery of the wind farm equipment and the escalating costs of construction, there will not be a better time to get this work done," said Jason Paul, Project Engineer. He went on to say, "we knew there would be a short window of time to get this job done over summer, but the weather has proven to be so unpredictable it has been a case of just carrying on to get the job done."