



Tuesday 3 February 2009

Port Botany Landside Improvement Strategy – 2nd Industry Briefing



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Port Botany Landside Improvement Strategy – Port Road Taskforce

Presentation by

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Sydney Ports' Vision for the Port Botany Landside Improvement Strategy

To reduce landside delay around Port Botany's cargo terminals and reduce the total cost of road and rail logistics by promoting consistent landside service by all service providers and to achieve efficiencies across the broader logistics chain associated with Port Botany.

From Vision to Action!

- Implementation of a binding performance framework (with associated obligations) that achieves the supply and timeliness of landside Port services.
- Shifting demand through behavioural change from peak to non-peak periods via implementation of a port terminal peak period pricing charge payable by trucking companies thereby spreading demand to match supply.
- Creation of an infrastructure improvement fund.
- Investment of revenues raised to tactically and strategically improve efficiency of the broader supply chain or otherwise reduce the severity of the problems.
- Development of technology capability to support efficiency improvement to ensure reliable and timely information is available to all supply chain participants.

Stakeholder Communications

- Quarterly industry briefings preceding the proposed trial schedules
- CEO Roundtable to engage senior executives on Program progress
- Fortnightly 'Road Taskforce' and ad-hoc 'Sub Taskforce' meetings with stakeholders from across the industry as applicable
- Continual development of the "*Landside Improvement*" section of the Sydney Ports' website which includes minutes from the Road Taskforce meetings, Trial details and Q&A
- Brochures on the *Program Overview* and *Upcoming Trials* have been produced to consult a wider stakeholder audience
- Regular briefings to industry groups on the discussions and proposed actions of the Port Botany road and rail teams

PBLIS Program - Overall:

Progress

- Developed detailed Program Management Plan with key milestones
- Documented initial performance benchmarks for stevedores and transport operators.
- Planning underway for Trial 1 commencing 16th February 2009
- Sydney Ports' pricing group tasked to develop recommendations - commenced work on determining pricing mechanisms
- Commenced ACCC dialogue
- Discussions with NSW Treasury on structure and governance of the infrastructure fund



PBLIS Program Implementation – Key Milestones

ACTIVITY	Jan '09	Feb '09	March '09	April '09	May '09	June '09	July '09	Aug '09
Engagement of ACCC								
Initial Engagement	▶							
Ongoing Engagement		▶						
Pricing - Visioning	▶							
Pricing - Analysis		▶						
Industry Trial 1		▶						
Stage 1 'To-Be' Design for process, performance management and pricing mechanisms			★					
Technology Analysis ('As-Is' analysis and identification of gaps)		▶						
Pricing - Design			▶					
Technology Design (Design of requirements to fill gaps)				▶				
Industry Trial 2				▶				
Refine process, performance management and pricing mechanisms for Stage 1 Transition					▶			
Industry Trial 3						▶		
Refine process, performance management and pricing mechanisms for Stage 1 Transition							▶	
Stage 1 Transition								▶ ★

Note: Dates and duration of trials are subject to change based on external factors

PBLIS Program- Key Activities:

Program Trials an opportunity to validate proposed performance and pricing changes

Trial 1 – Proposed Scope & Objectives

Trial 1 : Baseline of current performance

When: 16 February

Duration: 14 days

- Support greater transparency of industry Supply Chain performance
- Use the Trial to baseline current performance across the Supply Chain including Terminals, Carriers and Empty Parks
- Collect data to validate the proposed performance measures in scope for the Trial
- Use the information collected from the Trial as input into other project activities
- Use the Trial to validate the internal Sydney Ports processes to collect, process and report on performance data
- Use the Trial to refine the communication approach across the industry

PBLIS Program- Key Activities:

Program Trials

Trial 1 – Scope of Performance Measures

- Slot Availability and Utilisation - number available, number utilised
- Vehicle Processing Time - from queuing to out gate
- Early/Late Arrivals and No Shows
- Container Dwell times - impact on efficient terminal operations
- Dual Slot Running - use of dual slots, export / import
- Electronic Processing - gauging benefits of full electronic processing
- Industry Communications - frequent and transparent communications
- Empty Container parks - Empty container park data, capacity, utilisation, stack runs
- Customs - container availability (TBC)

PBLIS Program- Key Activities:

Program Trials

Trial 2 – Proposed Scope & Objectives

Trial 2 : Commercial Pricing around Performance Measures only.

When: Mid April (post Easter long weekend)

Duration: 14 days

- Additional collection of data and refinement of processes (refining recording methods, templates and reports based on 'lessons learnt' from Trial 1)
- Calculate commercial pricing implications around operational performance measures
- Volume test due to Easter timeframe

NOTE: This is subject to legal advice on Trade Practices Implications

PBLIS Program- Key Activities:

Program Trials

Trial 3 – Proposed Scope & Objectives

Trial 3 : Commercial Pricing around peak pricing mechanisms

When: Mid June

Duration: 14 days

- Additional collection of data and refinement of processes (based on lesson's learnt from the two previous trials)
- Calculate commercial pricing implications around peak pricing
- Testing of applicable people, process and technology changes

NOTE: This is subject to legal advice on Trade Practices Implications

PBLIS Program- Key Activities:

Technology Development

ANALYSIS PHASE

In parallel to the work on Operational Performance Measures and Commercial Drivers we are working on identifying the gaps in our technology capability to support the future design:

- Identification of gaps in data capture at the port in order to report on performance measures (e.g., arrival in the queue at both terminals and truck exit time at the out gate)
- Any interfaces required from existing systems (e.g. 1-Stop) to Sydney Ports to collate and report on performance data and any interfaces required from all stakeholders to provide operational information

PBLIS Program- Key Activities:

Technology Development

ANALYSIS PHASE (continued)

- Development of the Sydney Ports' website (e.g. to provide reports on performance and moving towards the provision of real time information)
- Requirements and gaps to implement a billing system (determination of penalties, invoicing, collection of payment, etc...) for money to be paid into the Infrastructure Fund

PBLIS Program- Key Activities:

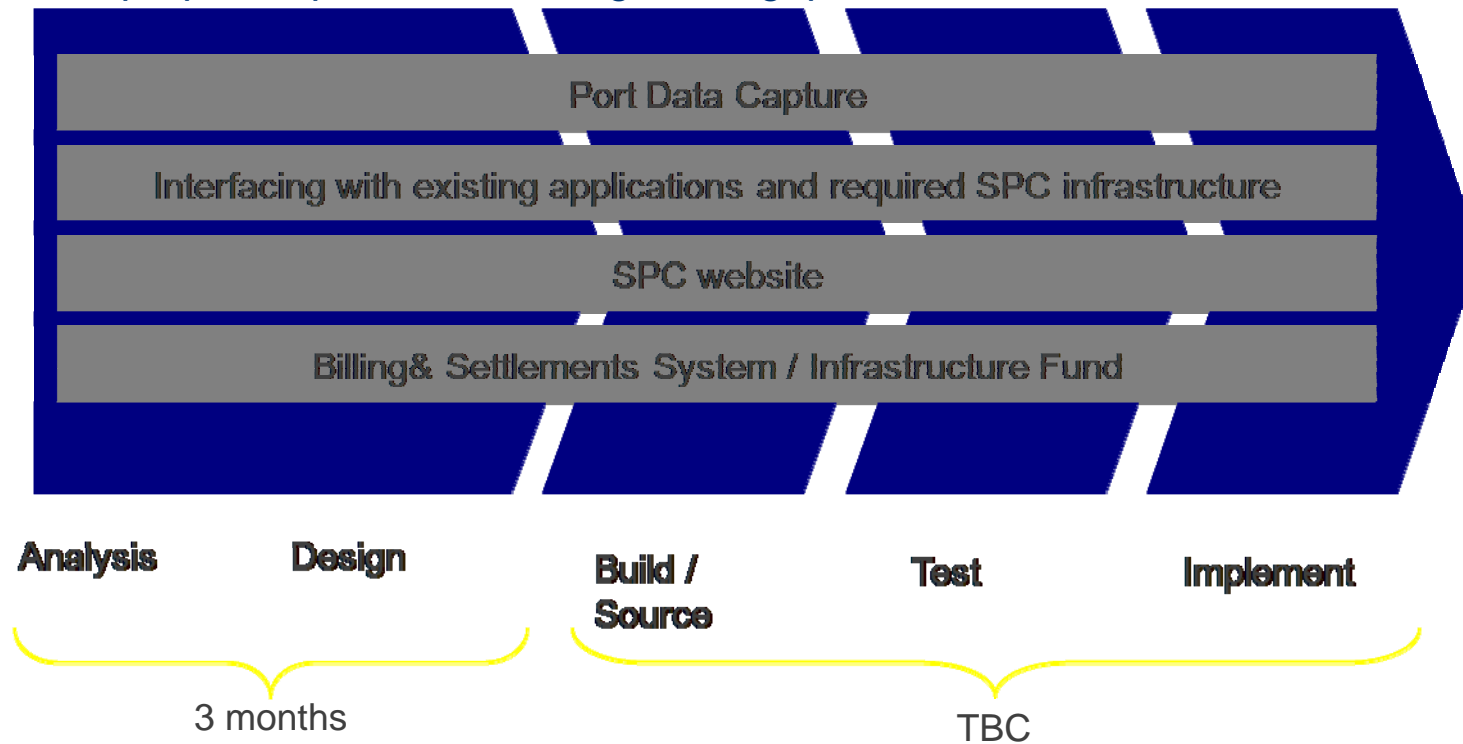
Technology – How are we going to determine the future state and how are we are going to get there?

- Investigate current state of technology within Sydney Ports and the port precinct to understand options to fill technology gaps (i.e. how flexible is the current accounts department to expand to include the billing mechanisms associated with the infrastructure fund?)
- Work with the performance management and commercial drivers teams to understand the gaps in the 'To-Be' solution that need to be filled by technology

PBLIS Program- Key Activities:

Technology – How are we going to determine the future state and how are we are going to get there?

- The proposed process for filling these gaps is as follows:





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Port Botany Rail Update

Presentation by

Michael Evers

Chair, Port Botany Rail Team

Rail Team – Objectives

- Map the rail supply chain for containers between stevedoring terminals and intermodal terminals;
- Investigate how data is exchanged between parties; and
- Establish agreed reporting protocols on performance of the supply chain.



Rail Team – Members

Current

- Sydney Ports Corporation;
- 1-Stop;
- Australian Customs Service;
- Australian Rail Track Corporation;
- DP World;
- Independent Rail;
- Patrick Port Logistics;
- Patrick Terminals;
- Queensland Rail

Future – and Reference Group

- Other rail operators;
- AQIS;
- RailCorp



New Rail Infrastructure

- Rail to new container terminal wharves
- Port Botany Rail Yard, Sept 2009
- Enfield staging roads, March 2010
- Southern Sydney Freight Line, March 2010
- Metropolitan Rail Freight Network operated and signalled by ARTC, March 2010
- Intermodal Terminal at Enfield – 2010/2011
- Intermodal Terminal at Moorebank – TBC



Mapping the Supply Chain - KPIs

Making separate links into a chain

- Train consist data set – agree fields, procedure for data input, data flow, data access, and linkages between 1-Stop and ARTC systems
- Timings along the line – from “port train enters/ exits rail system” to “train unloaded/ re-loaded”
- Empties – called into port, not put by rail operator + regional supply chain
- Customs and AQIS processes to be integrated and timed

Implementation

IT systems development/ adaptation of technology:

- Replace 'manual' recording of train consists at the wharf
- Standard data format accessible to all relevant parties
- Linkages between 3 rail-wide systems – Integrated Cargo System, 1-Stop, ARTC systems
- Single data warehouse, consistent access technology

Business rules, ACCC authorisation:

- Role of Joint Working Group

Timetable

- Mapping – end February
- Train consist – mapped and scope February/ March
- Timings, empties – process mapped February/ March
- KPI and change suggestions – end March (with Reference Group)
- IT and business rules – integrate with Road Taskforce process and ongoing role of Joint Working Group



Thank you

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