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CHANNEL


Northport

Issue 1 November 2014

Northport gets Bunkering

Northport is now the third port in New Zealand to offer a Heavy Fuel Oil (HFO) bunkering facility for visiting ships. Until now HFO bunkering has been available only at Ports of Auckland and the Port of Tauranga.

Daylight bunkering services at the deep-water commercial port are available through the double-hulled bunker barge, Awanuia, chartered by New Zealand oil company Z Energy and owned by Ports of Auckland and Pacific Basin Shipping.

Following successful trials in July this year overseen by the Whangarei Harbour Safety Group, Awanuia transferred several hundred tonnes of HFO to the log ship Thurgau. She is now fully approved to offer both HFO and Marine Diesel (MGO) bunkering facilities at Northport.

Awanuia is based in Auckland and makes the return trip to Marsden Point about 40 times a year to load with HFO and MGO at the Refining New Zealand terminal adjacent to Northport.

Ships or shipping companies requiring bunkering facilities at Northport should contact Z Energy as far in advance as possible to enquire about vessel and product availability.

Northport CEO Jon Moore said the development would enhance the deep-water, common-user facility's status as an international port, enabling customers to save time and money by receiving bunkers while loading and offloading.

Contact Details:

Z Energy Ltd (z.co.nz)

marine@z.co.nz

0800-474-355 (select option 2 and then option 3)

Information Required

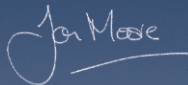
- ETA & ETD
- Quantities of 380cst HBFO &/or MGO
- Vessel Name



SHIP TO SHORE

Channel 19 is the VHF marine working channel used by Northport, New Zealand's northernmost deep-water port. And what you're holding is the first issue of our bi-annual newsletter designed to update our customers, suppliers and other stakeholders with Northport news, profiles and information about our expanding operation.

We hope you find it of interest and if you've got any questions please don't hesitate to contact me on +64-9-4325010 or jon.moore@northport.co.nz



Jon Moore
CEO



NORTHPORT APPOINTS OPERATIONS MANAGER

Northport Ltd has appointed a port operations manager. David Finchett has more than 20 years of experience in senior operations, project and technical roles on high value, safety critical and complex sites. Before joining Northport he was the infrastructure and operations manager at the Trawsfynydd nuclear power station in Wales.

His early career involved working with the Royal Navy's nuclear submarine fleet.

David is a Chartered Engineer and a Fellow of the Institution of Mechanical Engineers, and holds an Honours Degree in Engineering Science from Loughborough University.

"David adds a wealth of technical project management expertise to the team, something that will be of huge value as we write the next few chapters of our growth story," said Northport chief executive Jon Moore.

Growth in cargo volume has already led to several infrastructural developments at Northport. A fully paved and sealed log storage area has been expanded by three hectares while port security, the harbour management control room, security gates and storm-water management system have all been upgraded.

Support across the board

Few businesses have ridden the wave of change that has washed over this country's forestry industry in quite the same way as Northport customer TPT.

The Mount Maunganui-based log and lumber exporter provides port operations, shipping and export marketing services for the entire gamut of forest owners and managers, ranging from large International Timber Investment Management Organisations (TIMOs) through to harvesting and marketing organisations specialising in privately owned forests and fully-integrated forestry and processing companies.



It ships, markets and sells sustainably-forested logs and lumber right across the Pacific Rim softwood markets.

"We're no middleman," director Mark Procter insists.

"We're unique in what we do because of our branded and fully-owned presence - not only up the supply chain into the markets but also down it, working alongside our clients' production and planning teams to align production with shipment timing and market demand. The difference appears subtle but truly sets us apart from others providing access to export markets."

TPT doesn't buy stumpage or at the wharf gate.





Mark's point is that the business is much more deeply integrated with its clients' businesses than that, making the buy/sell transaction only part of a much more significant relationship to develop, sustain and protect long-term value for clients.

"We're there through thick and thin," he says. "In many cases we're sitting alongside clients working with them on everything from export delivery planning right through to long-term planning and budgeting. We operate more like an internal export sales division providing expertise and support."

EXPERTS

Its owned and branded presence extends to all of its clients' major export markets. From Seoul to Shanghai to Singapore, TPT's in-market experts are on the ground working with customers to align their needs to supply from its clients based not only in New Zealand but also in Australia and the US.

About half of the global log trade originating from the Pacific Rim is dominated by just five companies and TPT is arguably the largest of these with export volume in excess of five million JAS per annum.

This scale allows for extensive market coverage and enables TPT clients to benefit from market diversity and significant economies of scale.

Export operations are tailored to match clients' short- and long-term requirements, matching species, age, silvicultural treatment and grade mix to suitable load ports and optimal markets to create the best result for the forest owner. TPT maintains a portfolio of products, species, markets and customers, providing consistent shipping and sales while maintaining the flexibility to manage fluctuating supply resulting from production changes in the forest operations.

Mark said TPT ships about 20 percent of the company's New Zealand log volume from Northport, and TPT represents approximately 30 percent of the total Northport annual log volume, making it arguably Northport's largest log export customer.

INVESTED

"The port has invested significantly in infrastructure over the past decade," he said. "Without that investment there is no way the industry could have contemplated the growth in volume that's been achieved, and for which is being planned from this part of the country.

"Northport is a highly complex operation. It probably has the highest concentration, in terms of numbers, of log exporters of any port in the country and we're well aware of the challenges this presents to the Northport team in terms of cost, logistics, co-ordination and relationship management. But they manage these extremely well."

TPT feels that, on balance the future is bright for Australasian softwood logs to Pac Rim markets but cautions that there will continue to be swings in the cycle like any other business.

It believes that the key to a successful export programme remains in creating and maintaining strong and stable supply channels that have the ability to manage change and volatility.

REFINERY'S 'BIG STUFF' ARRIVES AT NORTHPORT

Northport neighbour Refining NZ is investing \$365 million in a Continuous Catalyst Regeneration (CCR) Platformer to replace its existing petrol-making plant which has been in operation for around 50 years.

This will enable Refining NZ to process more crude oil, and a wider range of crudes, more effectively and efficiently. The project, named Te Mahi Hou (The New Venture) is expected to be commissioned in 2015.

The regenerator was delivered as four modules on board HHL New York and unloaded at Northport.

The regenerator which allows for the continuous regeneration of catalyst, weighs 676 tonnes in total. The biggest of the four modules delivered weighs 304 tonnes and is 45 meters long, eight metres wide and 10 metres high.

The CCR modules were made in South Korea under licence from US specialist provider UOP and shipped directly to Northport.



Heavy lifting. The CCR regenerator unit being offloaded at Northport and transported to the refinery



Guardian. Northport's new work-boat Manaia seats eight people. Her twin outboard Suzuki 150hp four-stroke engines deliver a top speed of 36 knots and a cruising speed of 27 knots

WORK-BOAT TAKES TO THE WATER

Northport has a new work-boat, an 8.5m aluminium catamaran called Manaia, built to the port's specifications by Whangarei aluminium pontoon boat builder Blackdog Cat Boats.

Northport's marine team will use Manaia for on-water maintenance of navigation aids from the harbour entrance to Golden Bay Cement at Portland. She will help the port maintain the Dynamic Under-Keel Clearance (DUKC) system which enables large vessels to cross the harbour entrance safely and approach the jetties and wharves at Refining NZ and Northport itself. The boat will also be used as a hydrographic survey platform and to help staff inspect and maintain other port infrastructure.

The name has strong links with Whangarei Harbour; Mount Manaia, which overlooks it, is named after a local paramount chief. And in Maori legend Manaia is a mythical being, half bird and half fish, the messenger between the earthly world of mortals and the domain of the spirits, the symbol of which is used to guard against evil.

Port Services staff at the heart of it all

With responsibilities covering everything from enforcing Acts of Parliament to manning Whangarei Harbour's commercial radio station, the Port Services Centre is central to everything that happens at Northport.

For most port users the four Port Services Officers who operate the Centre are the face of Northport. In 2013 Paul Friar, Dave Lane, Stuart Marshall and Brian Whimp facilitated nearly half a million movements across the port's boundary and more than 1,300 vessels through Whangarei Harbour. With the exception of Brian, who arrived in 2010, they've all been at the port since it opened in 2002.

Northport is an international port and Port of First Arrival. This means the facility is a Customs and Biosecurity Control Area and has some important responsibilities under the Customs and Excise and Biosecurity Acts. The Port Services team are effectively the country's eyes and ears at Marsden Point. It's a responsibility they take seriously.

MOVEMENTS

They're responsible for monitoring all land-based movements of traffic and people – both into the port and out from it – ensuring that all Customs and Security documentation is in order and that people 'inside the fence' are there on port-related business. They also facilitate Customs clearance for any vessel other than Northport or Refining NZ ships by liaising between them and shore-based Customs staff.

The team is responsible for ensuring that Northport complies with the Maritime Security Act and, with over 1,315 gate movements daily, this is no small feat. A state-of-the-art control desk gives them oversight of the entire facility and keeps them in touch with all marine traffic entering and exiting Whangarei Harbour.

Northport operates the harbour's shipping operations centre in close liaison with the Whangarei Harbour Safety Committee, a user-group comprising organisations with commercial interests in the harbour. So when you call Whangarei Harbour Radio (ZMH56 on VHF channels 16 and 19) it'll be Paul, Dave, Stuart or Brian you're speaking to. One of them will be there 24 hours a day, every day.

NAVIGATION

Navigation is another crucial aspect of Northport's operation that falls under the control of the Port Services Centre. The team is responsible for informing all vessels of any traffic movements, weather warnings or marine hazards. They also ensure that the port's wave-buoys and weather monitoring systems remain operational, and that the Northport website is displaying the most recent shipping data available.

Emergency response co-ordination is a primary function of this team. If something was to go 'bang' it would be the Port Services Centre that contacted emergency services and co-ordinated rescue and response efforts until the arrival of paramedics, the fire service or the police.

On a less dramatic but equally important level this is the team that ensures Northport is complying with its Consent obligations at any particular moment. Oversight of dust, noise and environmental pollution is firmly within their remit.

The Port Services Centre is front and centre of the Northport operation, vital to the effective, smooth and safe operation of the port. And to the relationship between the port users and its neighbours. It's a part of the business we have invested in heavily and will continue to do so as Northport plays an ever-more important part in the growth and development of the region.

