

Eastland Port Log Storage Policy

Suppliers storage volume allocation policy

Eastland Port has invested significant capital in the development of its storage assets. Eastland recognise that the extra cost associated with off port storage can be a deterrent to allowing new forest owners/managers from establishing their harvest program. It is in the interests of the East Coast forestry industry that a competitive market situation exists for forest owners and managers, this serves to incentivise export volume through the port. For this reason, the allocation ownership rest with the Forest Owner, Supplier, or Manager; and not the Exporter.

At Eastland Port a Storage Area Allocation model is employed to ensure that on port log storage areas are fairly distributed amongst Suppliers exporting logs through the Port. The allocation model utilises historical export volumes of each Supplier to proportionally allocate available on-port storage.

Each Supplier is entitled to a proportion of the available on-port storage based on their total cartin volume of Eastland Port from the previous twelve months. The twelve-month cartin volume totals are rolling and revised every four months with the revised allocations becoming effective on the 1st day of February, June and October.

Storage areas & allocations

The Storage Area available for allocation is a function the land available. This will generally improve with time but there can be reductions for Port developments, licensed areas, other port activities, or poor storage practises.

Eastland Port reserves the right to split port storage areas between “Common Storage” areas and “Surge Storage” areas. The Surge Storage allocation primary purpose is to accommodate volume brought in to build up consignment for the Exporters next vessel due in port. This can be utilised by any Exporter under the **Exporters surge allocation policy**.

The accumulated area of port storage minus Port developments, Surge Allocation, and other port activities, is referred to as the Common Storage. Eastland Port will revise these portions and the Common Storage during each allocation round.

As well as on-port storage Eastland Port has a satellite storage facility (Dunstan road) available for Suppliers to store volume once they have filled their on port allocated area, and for those Suppliers which do not have on-port allocation.

Any Supplier new to Eastland Port will be required to store volume off-port and use the Surge Volume until such time that their historic export volume qualifies for on-port storage allocation via a row start.

The satellite storage facility is managed in the same manner as the Port storage areas except there is no surge volume. If an exporter’s storage portion becomes full at Dunstan Road, the Exporter can request extra storage through their Marshaller who will discuss the option with the other Exporters who have free space. This request will be discussed with a decision made at the following surge meeting. Extra storage can only be requested if the Exporters allocated area is full. At no time will storage lay empty for the sake of locking another Exporter or Customer out. If this happens the EPL Log Yard Operations Manager will work with the Marshal to make the final discussion



Log storage charges

Charges are as per the Eastland Port Ltd [Pricing Schedule](#) Section 3.1

Exporters surge allocation policy

To help ensure log exports through Eastland Port occur in an efficient, unconstrained manner a Surge Allocation was created to compliment the On-Port Storage Allocation at the advent of satellite storage facilities.

Primarily, the purpose of the Surge Allocation is to accommodate volume brought in from satellite storage facilities or potentially direct from the forest in order to build up consignment for the next vessel due in port. When not required for this primary purpose the Surge Allocation can be used by Exporters to accommodate volume over and above their Suppliers On-Port Storage Allocation at the discretion of the Port Operations Manager.

Eastland Port offers the use of the Surge Allocation to all its Exporters, both those with On-Port Storage Allocation, and those without. The following protocol sets out the terms for the use of the Surge Allocation:

- The Surge Allocation is available to all Exporters, whether their Suppliers have on-port storage allocation or not.
- Surge volume can be requested up to four days of a booked vessel's ETA, as detailed in the Eastland Port Shipping Schedule and published on the Eastland Port website. In order for a request to be made the vessel and ETA must have first been confirmed with the Port Services Manager by the appropriate Shipping Agent, and not the Exporter or Marshaller.
- To request surge volume the following information must be provided beforehand by the Marshaller on behalf of Exporter:
 - Exporters current volume on port and forecasted volume on port at their booked vessels ETA
 - Total volume to be loaded on booked vessel
 - Volume of surge requested
- If there are no other booked vessels due, surge volume may be requested up to seven days prior to a booked vessel's ETA. All Marshaller's will be notified if and when the surge is granted outside the standard four days.
- The Port Operations Manager will be the primary point of contact for requesting the Surge Allocation. Requests for surge volume are to come from the Exporters Marshaller.
- Allocation of surge volume will only be given if an Exporters volume is forecasted to be near or over their allocation at their booked vessels ETA, or at the discretion of the Port Operations Manager.
- If multiple Marshaller's have volume being loaded on the same vessel, or require surge volume across several vessels, the surge volume will generally be granted on a proportionate basis to the volume going on each vessel taking into consideration the volumes that have been requested by each Marshaller. The final decision on allocation of surge volumes granted will be made by the Port Operations Manager.
- A maximum surge request of 10,000 jas will be assigned to each Exporters ship. In the instance that an Exporters requests exceed this limit; the decision will be made by the Port's Log Yard Operations Manager.
- Once surge volume has been allocated to a vessel and Marshaller, the surge allocation is fixed. Should another vessel enter the Shipping Schedule ahead of a vessel(s) with allocated surge volume, and the



added vessel also requires surge volume this is to be determined by agreement with all Marshalls. Any surge volume allocated to the new vessel will not be at the detriment of the originally scheduled vessel. A Marshall granted surge volume may choose to utilise that surge volume in such a way that optimises the customer mix for their booked vessels load out though.

- Any Exporters Marshall with vessels booked before those requesting surge volume will be contacted by the Port Operations Manager to confirm they do not require any surge volume. Any Exporters Marshall granted surge volume will be allowed to utilise the allocated lot(s) to the start of vessel loading, and up to 24 hours after this. At the end of this 24-hour period the Exporters Log Marshall will have cleared the granted area of surge volume. This period maybe extended up to 36 hours total if agreed prior with the Port Operations Manager and all other Marshall's before vessel loading commences.
- Any instances of blocked access or volume displaced as a result of breaching these protocols will be compensated for at the expense of the Exporter responsible, plus any costs incurred to recover those expenses.
- Surge Allocation areas will be reviewed at the discretion of Eastland Port.
- **There will be a penalty of \$1000.00 per hour per surge block for every hour (or part thereof) that any allocated surge volume remains in a surge block beyond the 24 hour time period. This charge will be in addition to an export customers standard storage charge. Exemption to this charge would only occur where there is prior agreement with Port Management to extend beyond the 24hr period.**

Suppliers change of Exporter or splitting allocation between Exporters.

While it is recognised Suppliers will change their Exporter occasionally, in the event of change a Suppliers allocated storage volume will remain with former Exporter until the end of that quarter or allocation period.

At the end of the quarter of change the Suppliers volume will transfer to the new chosen Exporters accumulated volume. The Port Services Manager will require at least two weeks' notice in advance of such changes before the revised allocations become effective. This also applies to any allocation that a Supplier wishes to split between Exporters over an allocation period.

