

2017 Issue Paper – Port Pricing and Access Regime

Iluka Resources advocates the continuance of the Access Regime and Ports Pricing Regimes to remain in place for a further 5 year term, in response to 2017 Ports Pricing and Access review Issues paper

Both the Port Access Regime and Port Pricing regime need to be reflective of providing all users of both ports and common user infrastructure ,transparency of cost structure to ensure the ongoing access and sustainability of port operations particularly where the service are limited to a monopolistic offering.

Whilst there is the need to ensure that rates are price competitive there is more of a concern with the reinvestment into these operations to ensure longevity of access and operation.

As such Iluka seek the pricing methodology to be reflective of price monitoring whilst providing visibility to expenditure for all essential common user infrastructure. In our view price setting will only limit any further opportunity for service providers to provide any visibility on sustainability expenditure

Furthermore Iluka seeks particularly clarity to reflect the following;

- Transparency of existing pricing structures, lack thereof, with respect to common user infrastructure installed/operator within Flinders Ports infrastructure;
- The nature of pricing (flat rate, no transparency) combined with above lack of transparency driving higher costs through inefficiencies,; and
- Revenue generated by the operation of berths and common users' infrastructure needs to be monitored to ensure adequate and sustainable asset management and maintenance recoveries are aligned in principle to commercial practises of other comparable Australian ports and facilities