July 2024 | Makuru Makuru Westport Program Update



WESTPORT

Managing Director's Message

Taking a closer look at some of the science, thinking and technical processes behind one of Western Australia's largest ever infrastructure projects.

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We have an opportunity to drive transformational change across the supply chain and be a leader in how the transport sector can reduce, avoid and offset emissions.

As part of our <u>Environmental, Social</u> and <u>Governance (ESG) Strategy</u>, we're undertaking a range of work to understand how a program of major infrastructure can be delivered, and operate, sustainably.

This includes investigating international best practices for using

recycled materials, planning for the reuse and recovery of waste products throughout construction, and developing a net zero strategy to reach our 2050 target.

We recognise the significant hurdles to decarbonising our container supply chain. However, Australia has <u>enshrined in law</u> a commitment to reduce its greenhouse gas emissions 43% (compared to 2005 levels) by 2030 and reach net zero emissions by 2050. Therefore, a strong impetus exists for a significant infrastructure and transport management program like Westport to get this right and set up WA for the future. In this edition we unpack some of our work in this sustainability space, the latest on the environmental assessment process, our collaboration with Fremantle Ports in planning the redevelopment of the Kwinana Bulk Terminal, along with recent findings from our independent science program, and an outline for how recreation will interface with industry in Cockburn Sound in the future.

As always, we appreciate your interest and input and look forward to ongoing collaboration as Westport progresses to definition.

Patrick Seares

Managing Director, Westport



Net zero by 2050

Westport is an opportunity to help drive WA's transition to a net zero economy.

If WA's container supply chain were to completely run out of capacity, any additional growth in trade would need to arrive in the eastern states and be transported here by road and rail. This would result in an enormous increase in transport emissions; our modelling suggests that there would be additional 23.4 million tonnes of CO2 (equivalent) over a 70-year period, if vessels started to bypass WA around 2040.

However, the development of Westport and design of the governance around the future supply chain operations, present opportunities to work with industry to catalyse a more rapid decarbonisation of the container supply chain by enabling renewable energy, electrification, automation and higher efficiency across maritime, port, road and rail operations.

This is potentially far-reaching given the transport sector contributes <u>approximately 18%</u> of Western Australia's total emissions, and portrelated heavy freight is a significant part of this.

To help inform the selection of our preferred design, Westport modelled the carbon emissions associated with building and operating each of the longlist container supply chain options. Emissions and cost of abatement were considered in the longlist and shortlist multi-criteria analysis (MCA) processes that led to the selection of the preferred option.

While the construction of Westport will incur emissions, the scale of the program presents an opportunity to pivot and accelerate the WA construction sector towards net zero by seeking out net zero initiatives relating to building materials, equipment and methodologies, to the benefit of future WA-based infrastructure projects.

Greenhouse gas emissions will continue to be a serious and significant consideration in all decision making for Westport. This will be informed by comprehensive, scientific, lifecycle-assessment and modelling in line with international best practice used to establish baselines, trajectories, targets and actions.

The broader task of decarbonising the WA economy will apply additional pressure to the WA port system. Early advice from the Department of Transport and Energy Policy WA suggests that, to reach WA Government net zero commitments a significant number of additional containers will need to be moved into and out of WA each year over the coming decades. An added benefit of expanding container port capacity is that we can enable the energy transition and minimise the risk that it becomes too expensive or difficult to meet our net zero ambitions.

A net zero transition strategy has been substantially progressed that will detail Westport's approach to reducing emissions for construction and operation of the port facilities and container supply chain. The strategy is being informed partly by initial consultation with stakeholders including the Construction Contractors Associations (CCA) and Civil Contractors Federation (CCF), to better understand the barriers and opportunities in reducing carbon emissions. This will be expanded to material suppliers as work continues.

Westport's net zero transition strategy will outline proposed actions to reduce carbon in construction and operation of the new port and landside infrastructure. The strategy will be ready in anticipation of the State Government's assessment of the Westport Business Case, to guide the next stage of the Program.



In discussion with industry

On 25 July Westport's General Manager, Cath Lyons, presented to the WA Supply Chain Taskforce Forum. The Taskforce is an industry consultative body that provides a forum for identification, discussion and resolution of port-related issues.

Members include Fremantle Ports and relevant Government agencies, along with representatives from the road transport industry and customs brokers/freight forwarders, stevedores, container park operators, shipping lines and shippers.

At the event, Cath provided an update on the Westport Program, including the preferred design for the marine and landside infrastructure.

Audience questions included how Westport is planning for dredging in

relation to other significant projects planned for area, that may also require dredging.

"We are working across State and Federal Government agencies, including with the Department of Defence, to ensure that any dredging is delivered in a coordinated, efficient way that reduces impacts and costs," said Cath.

"We are also conducting geophysical investigations to determine if dredge material is suitable for re-use as part of construction."

Westport's <u>ESG Strategy</u> and <u>Action</u> <u>Plan</u> further outline our commitment to reusing materials, as well as activities underway to improve our understanding of dredging impacts.

The forum followed the recent release of <u>Westport biannual ESG</u> <u>report</u> that highlights Westport's progress over the 6-month reporting period.

Westport's ESG Strategy and Action Plan



Next steps in Westport's environmental assessments





Environmental impacts associated with Westport will be assessed under both the State Environmental Protection Act 1986 (EP Act) and the Federal Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act).

Step forward in Federal approvals for port proposal

Westport has officially <u>commenced</u> <u>the Federal Government's</u> <u>environmental assessment process</u> for the marine infrastructure and landside infrastructure within the Kwinana Industrial Area (KIA), under the EPBC Act (Australia's national environmental legislation).

On 28 June the Department of Climate Change, Energy, the Environment and Water (DCCEEW) called for public comment on whether Westport's proposal should be assessed, signalling the start of the assessment process. Submissions closed on 18 July.

DCCEEW will now review submissions for the Westport proposal to determine the level of assessment.

The EPBC Act assessment process includes 3 key decision stages:

 Referral decisions – the Commonwealth Environment Minister decides if an 'action' (meaning project) is a controlled action, not a controlled action, or is clearly unacceptable.

- Assessment decisions the Commonwealth Environment Minister decides how potential impacts of a controlled action will be assessed.
- Approval decisions the Commonwealth Environment Minister decides whether to approve a controlled action and whether there are conditions to an approval.

Next step for State approvals

In March 2024, Westport completed the <u>state level referral process</u> for the port proposal with the Western Australian Environmental Protection Authority (EPA) determining that Westport will undergo WA's highest level of assessment – *Public Environmental Review* (PER).

Westport is currently preparing a draft Environmental Scoping Document (ESD). The scoping document will outline the requirements of the environmental review documents Westport will provide to the EPA. The public comment period on the ESD will be 14 days and allow the public to provide the EPA feedback on the matters to be considered in the assessment process.

"One of the great things about how the EPA Act is framed is that public comments on proposals help inform the EPA Board process," said Matthew Jones, Westport's Environmental Impact Assessment Manager.

"One of the key underpinnings of why Westport referred early, prior to the Westport Business Case, is to lay the framework for what we know is going to be a complex environmental assessment process with extensive community input. This means we can better inform that process, incorporate EPA and public feedback into the assessment, and better engage the public on that process. Trying to do all of that following the business case could delay delivery of the new port."



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There are two separate referrals as part of Westport: a referral for the maritime (shipping channels, breakwater and port facility) and landside infrastructure within the Kwinana Industrial Area, and a referral for upgrading Anketell Road from Kwinana Freeway to the Kwinana Industrial Area. Main Roads WA is leading the referral and approvals for upgrading Anketell Road.

Update on the Kwinana Bulk Terminal

Westport's proposed port facilities include the redevelopment of Fremantle Ports' Kwinana Bulk Terminal (KBT), which is critical infrastructure for WA.

KBT is primarily a dry bulk import and export facility, transporting products such as cement clinker, mineral sands, silica sands, coal, iron ore, bauxite, gypsum, nut coke, slag and other commodities. It also <u>exports</u> <u>approximately 60,000 tonnes</u> of liquified petroleum gas (LPG) and associated products such as liquid bulk.

In July, Westport staff visited the KBT site to discuss land requirements and identify opportunities to improve operational efficiencies between the future KBT, the Westport Port Precinct and existing businesses in close proximity.

"Recognising the importance of this infrastructure to WA's construction industry, we are working closely with Fremantle Ports to ensure the redevelopment is carefully planned to minimise impacts to industry," said Freya Symons, Westport's design team lead.

"This will continue over the next phase of design and definition, with extensive site investigations over the next 3 to 4 years".



Westport and Fremantle Ports staff at KBT

In collaboration with Fremantle Ports, we are seeking to capitalise on synergies between the development of Westport and the redevelopment of KBT, as well as identify opportunities to streamline delivery for both projects. We are designing future infrastructure that will be able to handle increased volumes and diversity of bulk commodities more efficiently, as well as meet predicted container throughput demands.

The importance of Cockburn Sound for recreational users

Project 6.3: Spatial mapping of non-fishing recreational activities and associated values in Cockburn Sound

Cockburn Sound provides a multitude of uses for industrial and recreational users. While it is a well-known and popular fishing location, there are many other recreational uses of the Sound such as boating, sailing, kayaking, diving, windsurfing and kite boarding, as well as running and dog walking.

As part of the <u>WAMSI-Westport Marine Science Program</u>, researchers have looked to understand the many other ways the WA community uses Cockburn Sound and attribute economic values to those activities.

Using an online questionnaire, community and recreational groups were asked to identify all the different recreational activities they undertake in the Sound, along with the specific locations, frequency and demographics.

The findings have created a more detailed understanding of the broad recreational uses that Cockburn Sound provides to the WA community, to ensure these activities are considered in planning.

What the report found:

- Excluding fishing, there were 31 other recreation uses identified in Cockburn Sound.
- These recreational activities are occurring right across the Sound, with a concentration of activities at the northern end (Woodman Point) and southern end of the Sound, likely due to the concentration of recreational facilities provided on either side of the Kwinana Industrial Area.
- 16 land-based activities were mapped, including picnicking, dog walking, horse beach riding, birdwatching, running and walking.
- 15 water-based activities were mapped, including kayaking, kiteboarding, sailing, scuba diving and swimming.
- 75% of survey respondents were a member of one of the local recreation clubs.

You can read the full report here.

Westport will continue to work with the community to ensure that planning for Westport supports and improves the long-term health of Cockburn Sound for people to enjoy for generations to come.

Recreation and industry in Cockburn Sound

We often receive questions from the community about recreational access to Cockburn Sound, and how this will interface with container ships in the future.

We have launched a new section on our website addressing <u>fishing and recreation in</u> <u>Cockburn Sound</u>. Below is a sample of the information available.

Will Cockburn Sound be accessible for recreation when the new port facilities are operational?

Recreation in Cockburn Sound is planned to coexist with commercial shipping, like it does now at the Port of Fremantle, and will be managed by the Harbour Master.

Once the new port facilities are completed and operational, there may be some areas in the immediate vicinity of the berths and breakwater that cannot be accessed for recreation. These areas are likely to be relatively small and the surrounding waters outside of the port footprint will remain accessible for fishing, boating and other recreation.

For safety reasons, during construction and dredging there may be some additional temporary access restrictions at specific locations. We will provide more information about this as planning progresses.

How many container ships will visit the new port facilities?

Currently about 850 vessels visit the Kwinana Outer Harbour annually.

From the late 2030s, it is likely that Westport will add around one container ship per day. Container ships are getting larger, and this trend will continue, which means the number of container ships arriving in WA is projected to remain stable for the next 15 years. Beyond 2040, the number of container ships is expected to gradually increase, reaching 12 per week around 2051.