



For Public Register

**Submission to the ACCC**  
**In response to the Submissions by**  
**Emerald Group Australia**  
**AWB Limited**  
**Port of Portland P/L**  
**Victorian Freight Logistics Council**  
**Goodman Fielder Limited**  
**Australian Grain Exporters Association**  
**and to the Summary of Confidential Submissions provided**  
**by the ACCC**

**6 May 2011**



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## Submission to the ACCC in response to submissions by

**Emerald Group Australia, AWB Limited, Port of Portland P/L, Victorian Freight Logistics Council, Goodman Fielder Limited, Australian Grain Exporters Association and to the summary of confidential submissions prepared by the ACCC**

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### 1. Structure and purpose of this submission

On 23 March 2011, the ACCC sought comments on its draft decision in relation to GrainCorp's proposed 2011 Undertaking that was submitted on 22 September 2010. The ACCC sought comments by 22 April 2011. In particular, the ACCC sought comments on the potential operation of a vessel loading transfer system. GrainCorp provides the following comments in response to the submissions to the ACCC that have been provided to GrainCorp by;

- Emerald Group Australia – 6 April 2011
- AWB Limited – 15 April 2011
- Port of Portland P/L – 21 April 2011
- Victorian Freight Logistics Council – 21 April 2011
- Goodman Fielder Limited – 27 April 2011
- Australian Grain Exporters Association – received 2 May 2011

The ACCC has also put on its web site a summary of what GrainCorp understands are two confidential submissions ("Confidential Submission Summary"). GrainCorp has responded to that summary in section 4 of this submission.

Where section numbers, or headings, are referred to, they relate to sections and headings in those submissions.

This submission should be read in conjunction to those made by GrainCorp on 7 and 18 April 2011.

### 2. Executive Summary

GrainCorp's response to the range and nature of the submissions highlights the following:

- 1. Trading of elevation capacity will lead to speculation and increased costs:** The key consistent message coming through from the submissions is that the introduction of a capacity trading system will create an environment of potential "gaming" and "speculation" in the system and the potential for increased costs which will be passed back to grain growers.

Both of these outcomes are inconsistent with the objectives of the Wheat Export Marketing Act 2008 (WEMA).

- 2. The transfer of elevation capacity will also lead to trading of elevation of capacity:** Some proponents (including the confidential submissions) propose the option of allowing the transfer of capacity to other counterparties plus the ability to transfer between different ports and timeframes.

The transfer of elevation capacity will lead to trading of elevation, as export traders will inevitably receive and pay consideration for transferred elevation capacity.





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- 3. There is no workable model for the trading or transfer of elevation:** There are no consistent views as to how best to operate a vessel loading transfer system. Some submissions support auctions, but some suggest existing loading fees are already too high, and some suggest booking fees are too low and they do not create sufficient disincentives to overbook vessel loading slots.

Some suggest new formal "business" rules for an "informal" system and some suggest that the management of vessel slots should be provided to an independent body to manage the process, presumably this seems to also include GrainCorp's own export supply task.

GrainCorp believes this divergence highlights the complexity in developing such a system and its potential operating risks, and the time and delay that result in attempting to develop a system.

### **Request for continuation of the current approach**

In relation to delay and commercial uncertainty that is arising from this regulatory process, as well as the time and cost involved, GrainCorp wishes to note the following.

The 2011 Undertaking was submitted on 22 September 2010. GrainCorp submits that at this late stage, some 9 months after initial submission, it is not appropriate for GrainCorp to be required to include a capacity transfer / trading system for its port elevators, given that no consensus has arisen as to how such a transfer / trading system should in fact operate, as opposed to a "wish list" of permissible and often contradictory criteria.

Accordingly, in these circumstances, rather than impose risks to the export supply task, and unintended consequences for Australian growers, GrainCorp submits that GrainCorp's 2011 Undertaking (as revised in material provided to the ACCC) should apply for the next 3 years in accordance with its terms.

Finally, GrainCorp wish to raise with the ACCC the actual practical evidence of the operation of the auction systems that have been put forward in the coal industry for coal loading at terminals in New South Wales in 2004.

There was a tremendous amount of work by consultants over a period of approximately one year from our understanding and while that auction system was authorised by the ACCC the auction process was abandoned at great cost and expense as it proved ineffective among some of the world's largest and most sophisticated coal exporters: see the 2005, the ACCC authorised the Port Waratah Coal Services Limited Medium Term Capacity Balancing System. Despite an auction system being developed and authorised, it ultimately was never conducted due to a lack of participation by coal producers.

In these circumstances, having regard to both the CBH example, and the coal industry experience in the Hunter Valley, GrainCorp believes that any trading or transfer systems, in practice, will be costly and inefficient for Australian grain exporters, and would operate to the detriment of grain growers.

### **3. Response to matters raised by parties in response to the draft decision**

In order to assist the ACCC, GrainCorp now goes through each of the submissions made by third parties in the latest round of consultation. GrainCorp note that there is some duplication but responds in this manner as it seems that would be most helpful and constructive for the ACCC given how the ACCC writes its decisions.

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#### **Emerald Group Australia – 6 April 2011**

##### **Trading of vessel loading slots(elevation capacity)**

In highlighting the disadvantages inherent in introducing trading of vessel loading slots, Emerald Group have raised three major points in their submission.<sup>1</sup>

In Point 1, Emerald claim that “...allowing trading of booked slots...” would encourage ‘hoarding’ of elevator capacity by GrainCorp, and that this behaviour would “...undermine the philosophy of the access regime...”.

GrainCorp agrees that the introduction of trading of elevation capacity would bring into question the ‘fair access’ to all principle of the Undertaking, but does not agree that GrainCorp would be encouraged to ‘hoard’ capacity.

As the ACCC has previously found, GrainCorp has no commercial incentive to discourage the use of its port elevators. The company profits from the handling of grain at port elevators, and hoarding of capacity would actually reduce GrainCorp’s port related income.

Nonetheless, as GrainCorp has emphasised in other submissions to the ACCC,<sup>2</sup> trading of elevation capacity would encourage other grain exporters, particularly those with significant financial resources to make speculative bookings, and to potentially hoard that capacity and manipulate the market for speculative gain. This point is raised by Emerald in Point 2.

In Point 3, Emerald refers to the effect of trading “...driving up the costs of exporting...”, also, a point made by GrainCorp in submissions to the ACCC.

##### **Proposed controls on elevation capacity trading**

Emerald proposes that, should the ACCC require GrainCorp to implement a system for trading of elevation capacity, a number of measures to ‘regulate’ elevation capacity trading be introduced.

GrainCorp disagrees with the measures proposed by Emerald, on the basis that requiring the trading of elevation capacity will create a market that itself will create distortions in the broader grains market.

GrainCorp believes that the submission by Emerald highlights the unintended consequences of the transfer and trading of elevation capacity, and that it would add further cost and uncertainty, and affect the competitiveness of grain exports from Australia.

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<sup>1</sup> Headed points 1, 2, 3 on page 1.

<sup>2</sup> 7 and 18 April 2001.





## **AWB Limited – 15 April 2011**

### **Other establishment provisions of the Undertaking (3.3.3)**

GrainCorp maintains that, given the company submitted its application for renewal of the Undertaking on 22 September 2010, finalisation of the renewal process by mid-May, some 8 months later is required to ensure that;

- The terms (indicative services agreement) under which it will provide port elevation services for the 2011/12 shipping year are clear to both the service provider and the customer,
- The rules (Port Protocols) under which elevation services are provided are clear, and
- There is transparency to ensure that no party seeking access is disadvantaged.

Given that GrainCorp must have its 2011 Undertaking approved by the ACCC as soon as possible to provide certainty to its customers and in order to renew its wheat export accreditation and having regard to the ACCC's statutory timetable, it is not feasible to delay the finalisation of the 2011 Undertaking as appears to be suggested by AWB

### **Indicative agreement (4.3.3)**

#### ***Service price differentials***

The matter of differential fees has been dealt with in other submissions to the ACCC in relation to GrainCorp's 2009 Port Terminal Services Undertaking over the past two or more years.

GrainCorp believes that the differential charging regime is justified based on the risks present. As the ACCC is aware, GrainCorp is;

- Liable for all costs associated with elevator block-outs related to the presentation of grain that is not suitable for export, and
- Required by AQIS to ensure that all grain received at port and presented for export meets relevant Australian and importing market quarantine and phytosanitary requirements.

Detailed information on this issue was provided to the ACCC by GrainCorp in its submission dated 3 September 2009 (Pg 19) in relation to the 2009 Undertaking.

#### ***Dispatch - demurrage arrangements***

GrainCorp has dealt with this matter on previous occasions and in detail in past submissions to the ACCC. GrainCorp believe that dispatch – demurrage arrangements are not appropriate or required given the nature of how export elevation services are provided.

AWB has cited examples of the application of dispatch – demurrage arrangements in the United States that are not applicable or appropriate in Australia.



Under the integrated operating model<sup>3</sup> in the United States, export elevators can manage dispatch and demurrage as the owner of the elevator normally owns all the grain it handles and manages all the inbound supply chain.

GrainCorp operates a separated (open access) business model for its export elevators, where it does not own the majority of the grain or manage an inbound supply chain, and therefore is not in a position to manage the resultant demurrage-dispatch risk.

#### ***Force Majeure***

AWB has not specified the 'events' it envisages to which force majeure provisions would apply to the port elevator services.

There is a danger in seeking to link matters that effect cargo accumulation in other parts of the supply chain, to port elevator services, as the port elevators services are provided under a separate contract to other supply chain services, and to do so is going beyond the terms of the legislation.

For example, GrainCorp is aware of an incident in early 2011 where AWB had contracted to ship a cargo of grain from a particular port (Carrington), but sought to claim force majeure under the terms of the contract with their customer, citing an inability to load grain up-country due to rain.

#### **Publication of information (4.3.6)**

The process of allocating Assigned Load Dates (ALDs) is transparent and does not require as AWB suggests "auditing". The relevant process is outlined in Clause 16 of the GrainCorp Port Protocols ('Protocols').

The information available on the GrainCorp shipping stem contains all of information required to make the ALD allocation process as transparent as it can be, given that the context in which an ALD is assigned includes;

- The nomination of a vessel Estimated Time of Arrival ('ETA') *by a customer* (Cl. 15 of the Protocols),
- The existence of other bookings on the shipping stem, and
- The need to ensure efficient elevator operation.

The call by AWB for "...auditing on a regular basis." of the ALD process is not supported by any evidence that would warrant such an increase in regulatory intervention, and does not take into account the;

- Additional costs of such audits and which party would pay, and
- Effect that additional compliance would have on the provision of an efficient port elevator service.

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<sup>3</sup>This is a business model where shippers do not have ownership of grain in the supply chain, and are purchasing *both* grain and elevation at port.





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#### **Publication of performance indicators (4.3.7)**

Under the terms of its Undertaking, GrainCorp is required to provide a monthly report on port performance indicators. This report is published on the GrainCorp web site.

With respect to the individual points raised by AWB;

<b>Indicator</b>	<b>Response</b>
Vessels failing survey	Reported monthly and available on the shipping stem under vessel 'Status'
Average daily receival rate	Reported monthly. Increasing the reporting of this figure to a weekly average may be of academic interest, but will have little effect on the rate at which grain is received by road at port and will increase compliance costs
Cargo Nomination Advice (CNA) rejected	Reported monthly. Since the opening of the shipping stem for the current shipping year, GrainCorp has; <ul style="list-style-type: none"><li>• Accepted - 208</li><li>• Rejected - 0</li><li>• CNA's declined by customers – 3</li></ul> This data clearly shows that the frequency of CNA rejection obviates the need to increase the frequency of reporting
Assigned Load Date	This information is updated daily on the <i>existing</i> shipping stem
Monthly tonnage shipped	Reported monthly
Port block out	Since the opening of this shipping year (1 October 2010) there has been one (1) port block out in approximately 140 days, or 950 operational days across 7 elevators. On the basis of this evidence, the frequency of block outs obviates the need for daily reporting
Average CNA assessment times	Reported monthly

GrainCorp believe that the current reporting requirements, when combined with the daily shipping stem and the daily Elevation Capacity Available<sup>4</sup> email sent to all customers, is sufficient information to meet the objectives of Part IIIA of the Competition & Consumer Act (2010) (CCA) as set out in s 44AA.

Additional reporting compliance, and a shortening of the reporting time line as proposed by AWB, would have the effect of;

- Increasing the administrative burden without any evidence that it would assist exporters,
- Increasing administration and compliance costs on all parties,
- Diverting GrainCorp resources away from the provision of port elevator services in an efficient manner for customers,
- Neither increasing port elevator efficiency nor adding any additional value to customers.

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<sup>4</sup> Refer to page 9 of GrainCorp's 18 April 2011 to the ACCC.





### **Substance of the PTSP in the proposed 2011 Undertaking (5.3.2)**

AWB refers to “...significant number of new processes GrainCorp is proposing to introduce in the 2011 Undertaking (REP/CEP and the operational rules regarding CNA and AOA’s)”.

GrainCorp notes that the proposed 2011 Undertaking is substantially carried over from the Undertaking currently in place.

AWB further submits “...the majority of GrainCorp’s customers want a rigid framework...” that would define the manner in which port elevator services are to be delivered, but contradicts this position by also stating that within the ‘rigid framework’ “...exporters are seeking as much operational flexibility...” as possible.

GrainCorp submits that the current Protocols provide a good balance in providing significant flexibility, such as the ability to move elevation bookings both temporally and geographically, and that it is highly contradictory to demand a set of service delivery rules that are a ‘rigid framework’ while simultaneously providing ‘operational flexibility’.

ACCC staff directed the structure of the current Protocols during their development, with a close focus on removing areas where GrainCorp could exercise ‘discretion’. For example;

- GrainCorp is not able to exercise judgement as to the capability of an exporter to successfully complete cargo accumulation using an assessment of the customers transport capability when assessing a CNA. Having sufficient transport capability is essential for the accumulation of export cargos in a timely manner, and has a major effect on port elevator efficiency,
- GrainCorp previously carried out a ‘risk assessment’ that considered an exporters transport capability, and this was the subject of complaint to the ACCC by parties that did not agree with GrainCorp’s assessment, and
- The ACCC required GrainCorp to remove this area of risk analysis from assessment of CNA’s, as the ACCC considered that GrainCorp was required to exercise judgement that could be discriminatory.

### ***Auctioning elevation capacity***

For the reasons set out previously in GrainCorp's submissions, GrainCorp is opposed to the introduction of any system of transfer or trading of elevator capacity bookings because GrainCorp believe, as it will have significant unintended consequences and will increase costs for growers. GrainCorp has outlined reasons in Section 5 (page 13) of the 18 April 2011 submission to the ACCC and the 7 April 2011 submission to the ACCC.

GrainCorp reiterates that;

- A system of ‘transferring’ booked elevation capacity will be a proxy for trading capacity bookings and creation of a secondary market for those bookings. This in turn will then lead to the valuation or auctioning of capacity between parties,



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- A secondary market would drive speculative behaviour on the part of capacity bookers, and thus increase the quantum of unexecuted bookings. This in turn will lead to attention being diverted from trading and exporting grain, to trading elevation capacity bookings as a new line of business,
- Bookings will require advance payment for elevation capacity and the introduction of complex arrangements at all of GrainCorp's elevators for *all* grains, not just the regulated grain, bulk wheat,
- Adding an additional layer of complexity to exporting grain will increase uncertainty for customers seeking supply of grain from eastern Australia. This in turn could damage export markets and create inefficiencies in the export supply chain, and
- Development of a transfer and trading system will be complex, costly and time consuming and will increase the cost of executing export sales. These higher costs will be passed back to growers in the form of lower grain prices.

There is no evidence of current inefficiencies in the allocation of elevator capacity on the East Coast that would support the proposition to introduce an auction system for capacity.

However, evidence does exist to demonstrate that the current system is efficient, as year to date, *no bookings* have gone unexecuted.

### ***Relevant experience from Western Australia does not support AWB's contentions***

It is important to note that in their submission to the ACCC dated 1 April 2011, CBH which has been conducting an elevation capacity auction for the last two shipping years, conceded that their system had failed to meet expectations, stating that<sup>5</sup>;

- *The auction system is both complex and costly,*
- *There are significant supply chain inefficiencies caused by the uncertainty in the market, and*
- *The complexity and the additional execution cost associated with both the auction and secondary market was causing exporters and customers to seek supply of grain from other regions.*

AWB's submission that an auction for elevation capacity would bring a range of benefits (detailed in their submission) is *directly contradicted* by CBH's submission.

Additionally, AWB claim that an auction for elevation capacity would "*Reduce the incentive for speculative purchasing of slots...*".

This statement cannot be justified based on experience with any auction or system that allows secondary trading of a commodity. By their very nature, markets that allow buying and selling of a commodity facilitate speculation, as this is a cornerstone of any market.

Thus, based on the only available evidence and the views of the system operator (CBH) that the system has failed to meet expectations, the view that an auction for elevator capacity would be beneficial to the grain export sector in eastern Australia cannot be substantiated.

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<sup>5</sup> Page 13, CBH submission 1 April 2011





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AWB do not address any of the shortcomings of the auction system identified by CBH in their submission to the ACCC, and do not acknowledge that;

- a) The added administrative costs will have to be passed on (principally to growers),
- b) That an auction is likely to significantly inflate the cost of execution at peak times as a result of competition bidding up booking values, again a cost that will be passed back to growers,
- c) The experience in WA indicates that an auction system adds significant additional uncertainty, and that customers have elected to buy grain from other sources of supply.

GrainCorp also highlights the auction systems that were previously put forward in the coal industry, for coal loading at terminals in New South Wales, ultimately proved ineffective, and were not used by the coal industry.

There was a tremendous amount of work by consultants over a period that GrainCorp understands was approximately one year to establish an auction system and while authorised by the ACCC the auction process was abandoned at great cost and expense, as it proved ineffective among some of the world's largest coal exporters.

The ACCC's 2005 final determination authorising the Port Waratah Coal Services Limited Medium Term Capacity Balancing System notes the result that despite an auction system being developed and authorised, it ultimately was never conducted due to a lack of participation by coal producers.

### **Other mechanisms that obviate slot transfers**

When providing commentary on FOB sales, AWB did not acknowledge the important role such sales play in grain trading internationally.

### **Speculation / hoarding of elevator capacity**

The GrainCorp submission to the ACCC dated 18 April 2011 deals with the matter of booking speculation.

On the matter of 'hoarding', AWB does not explain why GrainCorp, which derives significant income from handling grain through its port elevators, would wish to restrict the tonnage it handles and deprive itself of revenue.

Under the current GrainCorp booking system, risk is shared between the exporter (booker) and GrainCorp (service provider). The booking fee of \$5/T, provides a level of discipline against speculation, as it is a non-refundable and non-transferable, sharing risk equitably between the booker and service provider.

The effectiveness of this system is demonstrated in the fact that forward elevation bookings are, in the third year of operation of the system, now largely equivalent to estimated actual grain exports.

- In 2008/09 the initial elevator booked tonnes was over 10 million, by the end of the year, around 5.2 mmt had been shipped.
- In 2009/10, approximately 7.5 mmt of elevation capacity was booked at about 3.5 mmt was shipped.
- In 2010/11, forward elevation capacity bookings reached 8.3 mmt, and GrainCorp projects that up to 7.5 mmt will be elevated this shipping year.



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Should elevators bookings become a transferable and a tradeable commodity, exporters would make speculative bookings at particular ports at times of peak demand, as;

- The discipline related to the non-transferability of bookings will be removed,
- They will be able to 'lay off' the current shared booking risk against potential gains made from booking trading.

### Changes to the PTSP (5.3.3)

AWB claim that GrainCorp has not been applying the Protocols correctly, and as such additional compliance audits are required. AWB does not provide evidence to support its claim that GrainCorp has not been applying the Protocols correctly.

### Conclusion

GrainCorp rejects the claim by AWB that it has not been correctly applying the Protocols, and thus should be subject to higher levels of regulatory intervention. AWB has provided no evidence to support its view that GrainCorp's export elevators are 'essential' infrastructure.

To the contrary, in Victoria, when assessing the need for regulation of access and pricing<sup>6</sup>, the Essential Services Commission found that grain export elevators were not essential infrastructure, and as such, they recommended that regulation of the facilities cease from 1 October 2009.

AWB's calls for uniformity across all four port elevator service providers but does not take into account the fundamental market differences that exist between eastern Australia, South Australia and Western Australia, where each region has a different:

- Domestic – export market share, where around 50% of average grain produced in eastern Australia is consumed by domestic users
- Bulk-container export market share, where around 30% of average grain exported from eastern Australia is exported in containers
- Different grain quality and different asset and supply chain capabilities.

The imposition of a 'one-size-fits-all' regulatory regime will not benefit the industry in the long term. It will discourage investment in port elevator productivity, and in the capacity of the grain supply chain. It will also stifle innovation in port elevator service provision as the needs of the local market evolve.

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### Port of Portland P/L – 21 April 2011

The matters raised in the Port of Portland submission, specifically GrainCorp's decision not to operate vessel loading 24 hours per day, relate to GrainCorp's day-to-day operational management of GrainCorp port elevator assets.

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<sup>6</sup> Grain Handling Regulation Review 2008 –  
<http://www.esc.vic.gov.au/public/Grain/Regulation+and+Compliance/Decisions+and+Determinations/Review+of+Grain+Access+Regime+2008-09/Grain+handling+access+regime+review+2008-09.htm>





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GrainCorp has in place operational processes to efficiently manage its terminal elevators and these matters should not be considered by the ACCC in the context of the 2011 Port Terminal Services Undertaking, as they are not linked to *the provision of port elevator access to access seekers under the Undertaking*.

The decision to operate the Portland elevator on day shift only is related to the following;

- The speed at which customers are able to accumulate grain at the port, where it is not efficient to berth vessels and to load them at a rate that exceeds the rate at which grain is being transferred from up-country storage and received, as vessels would be at berth for longer than is necessary.
- The quantity of grain being loaded and the conditions under which grain is to be loaded, and
- The demand for vessel loading and the cost of vessel loading.

Importantly, customers are able to request additional shifts to expedite vessel loading. As evening and night shifts are more costly to run, customers often do not elect not to request 24-hour vessel loading.

GrainCorp believes that it efficiently balances the cost of providing elevation services, a customer's ability to request additional shifts, and the efficiency of service delivery at Portland. As circumstances change, such as an increase in demand for vessel loading, GrainCorp can modify shift patterns to suit what customers request.

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### Victorian Freight Logistics Council – 21 April 2011

The Victorian Freight Logistics Council (VFLC) submission to the ACCC, perhaps consistent with its role, actually does not address port access, or port elevator capacity allocation. GrainCorp notes that the VFLC do refer to;

- *"...a lack of logistical capacity..."* and
- *"...supply chain issues resulting from a bumper harvest, the flood events and heavy rain towards the end of 2010 and the beginning of 2011 have further exacerbated problems in the grain supply chain."*

The VFLC are correct in linking constraints on grain exports to logistical (rail and road) capacity. GrainCorp has highlighted this issue to the ACCC in its previous submissions.

GrainCorp again submits that a trading, auctioning or transfer between parties of elevation capacity will not assist the movement of grain from country storage to port in a timely and efficient manner and will in fact hinder this important export task.

### Causes of current grain export delays

Grain exports from NSW and Victoria are currently suffering temporal delays due to;

- a) The size of the logistical task of moving grain from country storage to port – the 2010/2011 export season is approximately double the average grain export task,
- b) The movement out of the sector by significant numbers of road transport providers following extended periods of drought and production volatility in southern NSW and Victoria,
- c) The cost of investing in rail capacity and the commercial uncertainty related to rail investment:



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- i. increased by demand volatility (linked to production volumes) and
- ii. uncertainty over funding for rail infrastructure, potential line closures, condition of rail sidings, etc.

### **Grain Supply Chain Logistics Group proposal**

The VFLC are proposing the formation of a Grain Supply Chain Logistics Group, similar to the Hunter Valley Coal Chain Co-ordinator to address a range of concerns.

At the time of this submission, the Council has not directly approached GrainCorp to discuss their proposal, nor has any information been forthcoming detailing how such a group would resolve the unwillingness of many parties to take on board the commercial risk GrainCorp has assumed through its annual commitment to rail transport, currently costing ~\$40 million PA.

The establishment of such a co-ordinating body would involve agreement between competing grain exporters in relation to the allocation of capacity, as well as agreement between competing transport service providers.

Accordingly, it is likely that, as is the case in the Hunter Valley Coal Chain, any such arrangement would require an authorisation from the ACCC under the CCA, to ensure that the participants in the grain supply chain were not exposed to the risk of breaching the competition provisions in the CCA.

While GrainCorp is of course supportive of assisting its customers in the efficient export of grain, the risks raised by the VFLCC are outside the scope of this review by the ACCC.

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### **Goodman Fielder Limited – 27 April 2011**

The submission by Goodman Fielder Limited (GFL) contains a number of suggestions that would require;

1. A substantial restructure in the manner which GrainCorp's port elevator services are delivered, and
2. A significant increase in regulatory intervention and involvement that would place operational control of GrainCorp's port elevator assets into the hands of 'an independent third party'.

GrainCorp notes that much of what GFL has suggested is outside the scope of the relevant provisions of the CCA in relation to the draft 2011 Undertaking.

#### **Context in which Goodman Fielders proposals are made**

In their submission, GFL acknowledge that they do not have "*...any contractual relationship with GrainCorp for port terminal services.*" The suggestions made by GFL about the manner in which port elevation capacity should thus be read in that context. That is, GFL are not a consumer of GrainCorp' port elevators services.

#### **Speculative vessel slot booking**

GFL claim that the current elevation capacity booking system encourages "speculative" booking, as exporters are able to;

- a) Book in advance of making sales, and
- b) Allow bookings without having a sales contract in place.





GrainCorp believes the decision by export traders to book elevation capacity, without having firm export sales, is not unreasonably 'speculative', as export traders need certainty of elevation capacity when they make related forward decisions in their grain business necessary for grain market to work effectively, including;

- Buying grain on a forward basis from growers before and during harvest against export parity prices, or the use of derivatives and the track market (with out necessarily having sold the grain),
- Selling grain on a forward basis to customers (without necessarily having acquired the grain) against views of export parity and the use of derivative or the track market, and
- The need to procure rail (and sometimes road) transport under long-term agreements before the harvest.

GFL view that the current level of speculation or forward booking of capacity will lead to inefficient use of port infrastructure. As outlined in our previous submissions to the ACCC, GrainCorp has noted that:

- The current \$5/T booking fee provides an effective price signal that militates unreasonable speculation, and data provided in previous submissions to the ACCC supports GrainCorp's position, and
- The current port elevation booking system is fair, transparent and balances the need for forward looking commitments against encouraging speculation for short term gain (which would be the outcome from allowing transfer / trading of elevation capacity)
- Year to date, that no capacity has gone unexecuted

#### **Goodman Fielder recommendations**

GFL claim there are "...barriers inhibiting fair and open access to vessel slots and preventing port capacity being fully utilised.", without detailing what the barriers are, what is unfair about the current system, or providing data that supports the case that port capacity is not being fully utilised.

#### ***Contract in hand***

On page one of their submission, GFL state that they run two-month tenders for the supply of wheat FOB, and then require a delivery period of 21 days. The proposition to require "...a sales contract standing behind the request for a vessel." is likely to be based upon GFL's experience as a grain buyer and processor, not as a grain trader. This buying pattern is different to the manner in which export grain-trading operations are undertaken.

Goodman Fielder also suggest "...an independent body oversee the process..." of both allocating port elevation capacity and ensuring that those wishing to book elevation capacity 'have a contract in hand' would not be appropriate given:

- It is not clear how those contracts could be verified and the dispute resolution mechanisms that would deal with such disputes,



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- A sale contract may not represent an obligation to export grain as most sale contracts can be changed, for example by buying grain against the contract from another port or country or washing out the contract with the buyer if the grain market has moved,
- Furthermore, as outlined above a commitment by way of a sale contract only represents one component of commitments required by an export trader, other parallel commitments include grain and transport 'ownership'.

An 'independent authority' would represent a significant increase in regulatory intervention into the business operation of export traders, which would be counter to the Commonwealth Governments express desire in removing the single desk to reduce the regulatory burden on the sector, and to allow it to commercially 'normalise'.

Furthermore, by seeking an 'independent authority' to manage the port elevation booking system, GFL are proposing that operational control of GrainCorp's port elevator assets be placed in the hands of a regulator.

This would require an intrusive degree of regulation of a privately owned asset, akin to 'nationalisation' of assets, and is far beyond what is legitimate to ensure fair and reasonable access to the GrainCorp port elevators as required by the WEMA, and is contemplated by Part IIIA of the CCA.

### ***Trading and on-selling vessel slots as a secondary market***

GFL oppose the current 'first in, first served' booking system promotes speculation, but proposes that trading of elevation capacity be allowed.

As GrainCorp has submitted to the ACCC on a number of occasions, allowing transfer and trading of elevation capacity and the creation of a secondary market, will;

- Increase speculation, and
- Encourage exporters and other access seekers who are not grain exporters to focus on profiting from trading elevation rather than on exporting grain.

In this context, the position taken by GFL is contradictory. The evidence provided by GrainCorp in its recent submissions to the ACCC demonstrates that speculative bookings of elevation capacity have reduced to a point where bookings are broadly equivalent to estimated grain exports.

Allowing transfer and trading of elevation capacity will increase the incentive for exporters to act in a speculative manner.

The experience of CBH in Western Australia, referred to in their 1 April 2011 submission to the ACCC, wherein they propose that the auction system and a secondary market for elevation capacity has negatively affected both supply chain efficiency and created significant uncertainty, does not support the benefits proposed by GFL (and others) in support of the creation of a secondary market for elevation capacity.



### ***Opening unused vessel slots***

Goodman Fielder propose that exporters “...require the party seeking access to enter into a sales contract at the latest 12 weeks before the first day of the vessel slot spread.” This approach would significantly affect the efficient operation of the grain market given:

- It will reduce the efficacy of the operation of forward grain market, by reducing certainty for participants to forward buy and sell grain from growers and others and contract transport,
- It will reduce flexibility in the grain chain, counter to other calls from the sector for ‘greater flexibility, which would lead to a decrease in both grain exports and port infrastructure use, and
- GrainCorp is also not aware of any precedent in the international grains industry where such a restriction exists.

### ***Notification of excess capacity***

In its submission, GFL calls for an obligation on GrainCorp to advise all interested parties at the same time of any excess port terminal capacity that becomes available.

It appears that GFL is not aware that GrainCorp provides a daily update on available elevation capacity to customers (refer to page 9 of GrainCorp’s Submission to the ACCC 18 April 2011). This is possibly understandable, as GFL is not a customer of GrainCorp’s port elevator services.<sup>7</sup>

### **Conclusion**

GFL's recommendations are not consistent with views of other parties in the industry and would require;

- A significant increase in regulatory intervention,
- The imposition of intrusive regulation of GrainCorp’s port elevator assets through Government regulation, far beyond that contemplated by the WEMA or the CCA,
- The imposition of onerous commercial requirements on other port elevator users,
- Significant changes to the manner in which all users of GrainCorp’s port assets would conduct their grain export activities.

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<sup>7</sup>Page 1, paragraph 5 of Goodman Fielder Submission to the ACCC Draft Decision on GrainCorp's Proposed 2011 Undertaking - 27 April 2011



## **Australian Grain Exporters Association (AGEA)- 1 May 2011**

The AGEA submission was provided to GrainCorp by the ACCC on 2 May 2011. The submission contains a number of suggestions put to the ACCC in previous submissions.

The submission does highlight however the mixed and differing positions in the various submissions.

### **Objective of the access Undertaking**

The AGEA submission asserts "*...the objective of port access arrangements must be to promote an efficient supply chain.*"

Based on the successful operation of the current systems since the removal of the single wheat desk in 2008, and the lack of empirical evidence to the contrary in eastern Australia, GrainCorp believes that the grain supply chains in eastern Australia are operating efficiently.

In addition, there is no statutory basis for the statement as to the "objective" of the port access arrangements is to promote an efficient supply chain as opposed to promoting non-discriminatory access at export wheat terminals.

### **Points raised on page 1 of the AGEA submission**

GrainCorp provides the following responses to the dot points raised in the Introduction section of the AGEA submission;

#### *A transparent shipping stem*

As required by the Wheat Export Marketing Act 2008 and the terms of the access Undertaking, GrainCorp is required to publish a shipping stem on the company web site. This shipping stem contains a significant amount of detail that is updated daily, and GrainCorp fails to see how it could be more 'transparent'. (Appendix 1 – Shipping Stem).

#### *Greater flexibility in ability to transfer shipping slots across ports, time, and counterparties*

Under the current GrainCorp Port Protocols, exporters are able to move booked elevation capacity between ports and across elevation periods. This provides customers significant flexibility, allowing them to manage their port elevation risk exposure efficiently and effectively.

As GrainCorp has submitted to the ACCC in previous submissions, and in this submission, allowing the 'transfer' of elevation capacity between exporters is the same as allowing trading of elevation capacity. Should transfer of capacity be required, an 'informal auction' of that capacity will develop, in turn encouraging exporters to make capacity bookings where they seek to derive profit from speculative activity.

GrainCorp believes it is not the purpose of the Undertaking to prescribe operational aspects of service delivery where they do not relate to the provision of access in a non-discriminatory manner. The manner in which elevation capacity is allocated and managed has not been either inefficient or discriminatory, and based on available experience and data, the current system should not be amended.



*Consistency in key terms, conditions, and flexibility across the various port terminal operators*

GrainCorp understands AGEA's desire for there to be one set of forms and terms in Australia, but does not agree with this approach as:

- This goes beyond the terms of the legislation and is also inconsistent with the principles of competition between parties. By way of analogy, AGEA members do not provide the same terms and conditions to grower customers and it would be anti-competitive to do so,
- This will create inflexibility and does not take into account the differences in the grain market in eastern Australia compared to the other states, and
- This is not within the ambit of the Undertaking and it is not appropriate to require an infrastructure owner to supply services from different infrastructure in different locations under the same terms and conditions as other service providers in other locations.

GrainCorp believe that seeking such an outcome through the Undertaking is inappropriate and would represent a significant increase in the application of the regulations.

*Improved information around capacity and stocks at port*

GrainCorp currently provides a daily shipping stem, a daily email to customers about available elevation capacity<sup>8</sup> and posts a weekly summary of stocks at port on the company web site.<sup>9</sup> GrainCorp believe that this level of transparency is sufficient.

**Flexibility in shipping slots**

The AGEA submission states "AGEA does not support tradeable slots via some form of formalised exchange/market. Rather, the AGEA position is about improving the flexibility of efficiency of the allocation and execution of slots."<sup>10</sup>

In their submission, the AGEA has provided no evidence to support their contention that the allocation of elevation capacity is inefficient, or that execution of booked capacity will be made more efficient by allowing 'transfer' of capacity between parties.

GrainCorp believes the allocation process is both transparent and efficient. Applications for bookings are processed in an average of 5 business days (Appendix 2 – ACCC Compliance Report 31 March 2011), and as exporters are allowed to book forward for the whole shipping year (1 October to 30 September) there is a high degree of certainty.

As GrainCorp has noted in this and previous submissions to the ACCC, requiring 'transfer' of elevation capacity will lead to trading of capacity and the formation of a secondary market. The AGEA oppose the formation of a 'formal' market, however in supporting transfer of capacity between parties, it is inevitable that an 'informal' market place will develop.

The AGEA however also propose a set of formal 'business rules' that would govern the 'informal' market by stating, "AGEA recognise that business rules need to be put around...transfer options."<sup>11</sup>

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<sup>8</sup> Refer to page 9 of GrainCorp's Submission to the ACCC 18 April 2011.

<sup>9</sup> GrainCorp is required to do this on a monthly basis by the Undertaking.

<sup>10</sup> Page 1, paragraph 8, AGEA submission to the ACCC 1 May 2011.

<sup>11</sup> Page 2, paragraph 2, AGEA submission to the ACCC 1 May 2011.



**GrainCorp**

In making this proposal, the AGEA is acknowledging that a secondary market would emerge and acknowledges the complexity and uncertainty that a secondary market for elevation capacity would be created.

The AGEA also submit that *“There are real benefits for the port terminal operators as it would reduce the risk that capacity is lost or unused at peak times.”* GrainCorp does not agree with this position, and notes that this year, a year in which demand is at peak levels, no booked elevation capacity has been ‘lost or unused’ year to date.

The AGEA submission does not provide any substantive guidance as to the manner in which the transfer of vessel loading slots would be managed, and indeed highlights the problematic nature of such a task, by referring to the need for business rules, but providing no details on them.

### **Shipping stem fees**

The AGEA submit that non-infrastructure owners are placed at a disadvantage by having to compete with the trading operations of companies that own port elevators. In doing so, the AGEA is seeking to create the impression that GrainCorp is focused solely on grain trading income.

This is not correct, as GrainCorp derives ~90% of its earnings from non-grain trading activities, including the provision of port elevation services.

GrainCorp believes that it is not appropriate to consider the matters raised by the AGEA without acknowledging the considerable cost of owning and operating port elevators.

**In GrainCorp’s case, the annual cost of maintaining and operating the company’s port elevators, regardless of the export task, is in excess of \$50 million per annum.**

**Thus, if GrainCorp handles 2.5 million tonnes of its own export bookings, the fixed allocated cost of these bookings is >\$20/T, more than four times the \$5/T charged to other customers.**

Additionally, if GrainCorp does not allow bookings made or potentially made by other exporters, the company will forego significant earnings potentially greater than the earnings derived from grain trading.

Thus, GrainCorp has no commercial incentive to block competing grain exporters from using GrainCorp port elevators. On the contrary, GrainCorp has every commercial incentive to maximise the use of port elevators, as to not do so denies the company significant revenue.

The AGEA proposition to create a national escrow account into which all port elevator booking fees would be deposited lacks a sound economic basis and is not realistic for a publicly listed company such as GrainCorp.

### **Accountability**

The request by the AGEA for the inclusion of dispatch – demurrage provisions in the access Undertaking is inappropriate given the separated (open access) operating model in Australia where GrainCorp handles grain for multiple customers and does not manage the whole supply chain.

This issue was dealt with in response to the AWB submissions set out above.

### **Ring fencing**

This matter was been dealt with by the ACCC in the Draft Decision and in relation to the 2009 Undertaking.





**GrainCorp**

#### **Other establishment provisions of the Undertaking**

The access Undertaking already contains a number of processes for amendment, should factors such as changes to relevant regulations occur. No additional amendment provisions are required.

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#### **4. Confidential Submissions**

GrainCorp has been advised by the ACCC that the ACCC has received two confidential submissions on the draft decision.

GrainCorp has requested that the ACCC either;

- a) Require a redacted version of these submissions to be published on the ACCC web site, or
- b) Supply GrainCorp with a copy of these submissions with some form of confidentiality restriction such as only to be reviewed by our external lawyers or some other mechanism that protects any legitimate concerns that those submitting parties have, but thereby allows GrainCorp the reasonable ability to respond to any relevant matters to the ACCC .

GrainCorp does not believe that it is procedurally fair for GrainCorp to be placed in a position that it may have to respond to an amendment notice on the draft undertaking issued by the ACCC following the ACCC making a decision to issue such a notice based on material that GrainCorp has not seen.

In the absence of a response to either points a) or b), in the interests of allowing GrainCorp an opportunity to respond to those submissions and have a reasonable ability to address matters that may or may not be factual or relevant, GrainCorp believes that the content of these submissions should be disregarded or given no weight.

GrainCorp's response to issues raised in the Confidential Submissions Summary (**Confidential Submissions Summary**), as provided by the ACCC, is set out below.

##### **Allocation of Slots**

In regard to allocation of slots, submitters have proposed the following.

- *That an independent body manages the allocation of slot bookings and receipt and management of fees relating to slot bookings.*

GrainCorp does not agree that an independent body would be more suitable to manage the allocation of slots at GrainCorp's port elevator terminals and indeed it would seem this suggestion is beyond the scope of the CCA.

As stated above in response to the submission by GFL:

1. An independent body would represent an increase in regulatory intervention that is counter to the Commonwealth Government's express desire to reduce the regulatory burden on the sector, and
2. The use of an independent body is inappropriately intrusive and goes beyond what is legitimate to ensure fair and reasonable access to port elevators as required by the WEMA and as contemplated by Part IIIA of the CCA.

The introduction of a new, independent body to manage the allocation of slots is unnecessary and would only drive up costs to which would be passed back to growers.



- *That defined terms, conditions and costs of loading vessels be in place prior to bookings being made available.*

Defined terms and conditions of the allocation of slots are set out in GrainCorp's current Bulk Wheat Port Terminal Services Agreement, Bulk Grain Port Terminal Services Agreement and the Protocols which comprehensively set out the manner in which elevation capacity can be booked and executed.

- *That slot booking windows are published in an adequate and timely manner.*

As noted in response to the AGEA submission, GrainCorp updates its shipping stem which contains a significant amount of detail *daily* on the company website.

- *That appropriate anti-hoarding provisions are enforced.*

The terms and conditions which currently apply to the allocation and execution of shipping slot bookings deal effectively with any perceived risk that exporters may try to hoard capacity. GrainCorp has provided its comments above in response to the AWB submission.

### **Transferability of Slots**

The Confidential Submission Summary contained the following "wish list" of proposals:

- That slots are able to be transferred across ports,
- That slots are able to be transferred across time frames,
- That slots are able to be transferred across counterparties,
- That counterparties must have a current Storage and Handling Agreement with GrainCorp,
- That all rights and obligations owing to the holder of the slot are transferred to the receiver.

GrainCorp does not accept the view that *"The current system requires grain exporters to make forward commitments for slots well before grain is sold, grain quality is known or even purchased from farmer"* for the following reasons:

- Grain exporters can currently book available elevation capacity at any time.
- The current port protocols provide export traders flexibility to roll forward their booked capacity or change ports.
- As outlined in this submission many export traders want to book export capacity before they sell their grain given they have grain and transport ownership.
- The transfer of elevation capacity will most likely further reduce available elevation capacity to genuine export traders, as forward shipping elevation capacity will be booked for 'trading' and 'speculative' purposes.

The transferability of booked elevation capacity would not alleviate the supply chain factors currently affecting the grain export task, rather it would lead to the formation of an informal secondary 'trading' market where elevation capacity would be sold and bought. This will create the problems, complexity and additional costs outlined in our previous submissions and in this submission.

Furthermore, the proposed transfer mechanisms for elevation capacity (in addition to the current flexible protocols) would create additional practical and logistical problems in managing the export task, which GrainCorp notes the confidential submissions have not provided any recommendations to resolve.





## GrainCorp

For example:

- **Slots are able to be transferred across counterparties.** The transfer of elevation capacity across counterparties would require new practices of indemnification and contractual arrangements. Most importantly, as GrainCorp has highlighted in earlier submissions, the transferability would:
  - Necessitate the creation of a value for the relevant loading slot at a particular time and place given differing loading demands in harvest seasons. Some submissions described this as an "informal" system, but it would very quickly become a secondary market and speculative trading of elevation capacity would occur as GrainCorp has indicated.
  - As speculators would most likely block out the most desirable shipping times (being one of the very things that export traders have feared), this would inevitably lead to an auction system being required.
- **Slots are able to be transferred across ports.** Elevation capacity bookings are based on specific sized vessels, the relevant port characteristics, and the accumulation of grain at the relevant terminal to load the vessel. There would need to be complex and rigid rules in place for this and significant disruption to the export task in the absence of those clear rules.
- **Slots are able to be transferred across timeframes.** Again there would need to be clear rules and the operation of this would need to occur a reasonably long period of time out to allow the accumulation task to match the changed vessel.

It is the inevitability of this that GrainCorp again highlights, along with the concern that grain growers and the various State and Federal Governments are not aware that requiring the transfer / trading of elevation capacity will lead to the bidding up of all elevation capacity, with consequent increased costs being passed back to all grain growers (not just relating to wheat, as the system would have to apply to all grains).

### Treatment of Booking Fees/Penalties

Submitters have stated there is a "fundamental flaw" under the current conditions whereby all BHC's, including GrainCorp, have the ability to book slots with no real penalty resulting from non-performance.

The Confidential Submissions Summary includes the following proposals.

- *That agreed booking fees are paid by all participants across all GrainCorp ports into an escrow/trust account managed by the independent body.*
- *That agreed charges resulting from non-performance by an exporter (excluding GrainCorp) result in forfeiture to GrainCorp.*
- *That agreed charges resulting from non-performance by GrainCorp result in forfeiture to an agreed charity/industry goodwill recipient.*

As stated above in response to the AGEA submission:

- GrainCorp has no commercial incentive to block out other exporters from utilizing the port terminals,
- GrainCorp incurs significant costs in maintaining and operating port terminals and the fixed allocated cost of handling the bookings of its own Trading Division is much higher than the fee charged to other customers, and
- The proposition to create a national escrow account into which all port elevator booking fees would be deposited, lacks a sound or rational economic or legal basis under the CCA.

### Demurrage and Dispatch

Submitters consider that appropriate demurrage/dispatch clauses need to be created and included within the GrainCorp's 2011 Port Access Undertakings in line with comparative global grain industry participants.

As noted above in response to the AGEA and AWB submissions, demurrage/dispatch provisions are **not appropriate** because they are inconsistent with the separated (open access) model that exists in Australia which is different to other jurisdictions, for example the USA, where the owner of the port elevator normally owns all the grain it handles, and manages the whole inbound supply chain.

Submitters have stated the current Undertakings have the effect of misaligning risk and control. GrainCorp is not in a position to manage demurrage/dispatch risk, as GrainCorp does not own the majority of the grain shipped from its port terminals or manage the inbound supply chain.

### Ring Fencing

Submitters consider that GrainCorp's trading division has unfair access to commercial information not available to the rest of the industry, and as such have requested that ring fencing measures be put in place.

Submitters also requested that, if the ACCC maintains their position and does not enforce ring fencing provisions, information available to GrainCorp's marketing arm be made available to the industry as it comes to hand to level the playing field. The type of information the submitters have requested includes:

- *Daily harvest receival volumes and qualities.*
- *Individual exporter stock holdings by quality and location.*
- *Warehoused stocks by grower by quality and location.*
- *Quality of grain being loaded at each port.*

This matter has been dealt with by the ACCC in its Draft Decision. Significant information has been provided to the ACCC previously by GrainCorp in submission in relation to the 2009 Undertaking.

GrainCorp maintains that sufficient information is available on the shipping stem, and that GrainCorp's Trading Division has no ability to gain a competitive benefit from any information it receives which is not available on the shipping stem, published in other parts of the GrainCorp web site (such as weekly closing stocks at port), or private information sources.

These matters were also extensively explored by the recent Productivity Commission on export wheat marketing<sup>12</sup>, which arrived at a view that ring fencing was not necessary or desirable, as summarised below:

- *In seeking to achieve competitive outcomes, ring fencing should be should be considered as more of a 'last resort' than a first option for a developing market.....*

*Further, the Commission considers that there are benefits to be gained from vertical integration in the export of bulk wheat...there is sufficient contestability in the supply chain... to suggest that the need for ring fencing is weak for vertically integrated businesses involved in bulk wheat exports. In addition most of Australia's overseas competitors are vertically integrated and to deny such benefits in the Australian context could place domestic traders at a disadvantage relative to other global players. [Page 163]*

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<sup>12</sup>Productivity Commission Inquiry Report, Wheat Export Marketing Arrangements, No. 51, 1 July 2010





## GrainCorp

### Reporting

Submitters consider that increased port loading efficiencies would result if GrainCorp was required to publish relevant performance measures and key stock at port information.

In the Confidential Submissions Summary the ACCC gives the following examples of the information requested by the submitters:

- *Weekly stock at port report by quality and volume noting excess capacity available.*
- *Port performance (i.e. average daily receival rates, assigned loading dates)*
- *Capacity versus accepted bookings versus actual tonnes shipped by month.*
- *Port congestion notifications (i.e. vessel survey failures, nominations rejected, port receival block-outs)*

GrainCorp's position in relation to the issue of reporting and the publication of key performance indicators has been dealt with in detail above in response to the AWB submission.

However, it is important to note that;

- GrainCorp currently publishes weekly stocks at port,
- Port performance statistics are currently reported on a monthly basis on the GrainCorp web site. Daily monitoring of grain receival rates at port would increase administration costs, but provide no tangible efficiency benefit. The current shipping stem provides significant information on loading performance.
- The current shipping stem provides this information.
- GrainCorp is in daily contact with customers that are in the act of accumulating cargos, or are preparing to accumulate cargos. Where port congestion occurs, this is communicated to the relevant parties. Year to date, only one port 'block out' has occurred.

### 5. Conclusion

The wide ranging views put forward in submissions responding to the ACCC's draft decision indicate there are *no clear views* as to how to implement a workable capacity transfer / trading system without;

- Increasing costs which will ultimately be passed back to growers,
- Increasing speculation on the part of capacity bookers, which will result in an increased in unused elevator capacity and a decrease in efficiency at GrainCorp's port elevators,
- An additional layer of complexity and therefore uncertainty for customers seeking supply of grain from eastern Australia, and
- Ultimately, damage to eastern Australia's grain export industry.

The AGEA's submission provided on 22 April 2011 to the ACCC recognises the complexity of any such transfer system by stating that it would need business rules, but does not provide any guidance on them. This highlights the practical difficulties in doing so and the fraught nature of any such regulatory intervention.

**GrainCorp Operations Limited**

**6 May 2011**



**GrainCorp**

**Appendix 1**

**GrainCorp Shipping Stem – Friday 6 May 2011**





GC Fin Year	Month	SHIPPING STEM										Grand Total					
		Terminal	Assigned Load Date	Vessel Name	Exporter	Workflow reference	CNA Received	CNA Assessment Complete	Status	Commodity	Barley		Woodschip	Sorghum	Peas	Magnesium	Canola
2010/11	5	Mackay	21/05/2011	KUNJIANG	GSPL	4490	22/02/2011 7:54	22/02/2011 12:49	Accepted				13,450				13,450
			25/05/2011	MY ATLANTIC SPIRIT	GLEN	4468	21/02/2011 14:47	21/02/2011 15:17	Accepted			30,000					30,000
		Mackay Sum									30,000					30,000	
		Gladstone	19/05/2011	TBA	OMAG	3244	4/05/2011 13:53	4/05/2011 15:30	Accepted				13,450			13,450	
			25/05/2011	TBA	KIN	4779	19/11/2010 10:35	22/11/2010 8:32	Accepted				6,000			6,000	
		Gladstone Sum										19,450				19,450	
		Fisherman Islands	9/05/2011	PACIFIC FANTASY	AWB	4779	15/03/2011 11:17	15/03/2011 12:43	Accepted							6,000	
			14/05/2011	CLIPPER TRADER	CBH	4102	25/01/2011 14:46	25/01/2011 16:31	Accepted							29,000	
			15/05/2011	TBA	GCOP	5258	27/04/2011 19:36	28/04/2011 8:40	Accepted							23,000	
			18/05/2011	LORD BYRON	GCOP	4381	14/02/2011 10:57	14/02/2011 17:19	Accepted							17,000	
			23/05/2011	NINGBO PIONEER	AWB	5229	21/04/2011 9:43	27/04/2011 7:56	Accepted							22,000	
			24/05/2011	TBA	AWB	5180	14/04/2011 13:47	14/04/2011 16:02	Accepted							12,000	
			26/05/2011	ATLANTIC STAR	CANG	5198	15/04/2011 14:38	18/04/2011 9:10	Accepted							10,000	
			27/05/2011	TBA	GCOT	2731	28/09/2010 9:05	28/09/2010 15:09	Accepted							25,000	
						5040	6/04/2011 10:58	6/04/2011 16:36	Accepted							5,000	
						4207	3/02/2011 18:39	4/02/2011 8:50	Accepted							20,000	
		Fisherman Islands Sum									22,000					169,000	
		Carrington	2/05/2011	IKAN TERBANG	CHS	5194	15/04/2011 11:44	18/04/2011 9:06	COMPLETED							4,750	
					GCOP	5024	5/04/2011 8:40	6/04/2011 11:38	COMPLETED							11,820	
			3/05/2011	POWHATAN	CHS	3276	21/06/2010 14:00	23/06/2010 14:17	LOADING							33,600	
					GSPL	3417	8/09/2010 15:56	8/09/2010 16:47	LOADING							20,000	
			4/05/2011	OCEAN PHOENIX	AWB	2135	27/10/2010 13:42	27/10/2010 16:44	Accepted							14,000	
			8/05/2011	KUNJIANG	ETG	3048	9/09/2010 15:41	9/09/2010 15:41	Accepted							5,000	
					GCOP	2141	7/06/2010 12:34	7/06/2010 15:58	Accepted							15,000	
					CHS	2423	6/08/2010 16:56	9/08/2010 8:42	Accepted							28,250	
			21/05/2011	LORD BYRON	GCOP	2135	7/06/2010 12:29	7/06/2010 15:52	Accepted							10,000	
					GCOP	2142	7/06/2010 12:36	7/06/2010 12:36	Accepted							9,600	
			25/05/2011	THOR ENTERPRISE	TOUA	3949	20/01/2011 12:12	20/01/2011 14:42	Accepted							38,500	
			26/05/2011	TIAN ZHU GO	CANG	3188	17/11/2010 10:10	17/11/2010 11:58	Accepted							20,000	
			27/05/2011	TBA	ETG	4282	8/02/2011 13:28	9/02/2011 10:37	Accepted			10,000				10,000	
					GCOT	2164	8/05/2010 11:24	8/05/2010 11:30	Accepted							14,000	
					VTAPRIDE	AWB	5275	28/04/2011 18:42	29/04/2011 8:30	Accepted						40,000	
			29/05/2011	TBA	CHS	5367	4/05/2011 18:04	6/05/2011 8:43	Accepted							17,000	
		Carrington Sum									10,000					281,520	
		Port Kembla	4/05/2011	SANKO GALAXY	AWB	2117	7/06/2010 12:11	7/06/2010 15:18	COMPLETED							35,000	
			6/05/2011	CAROL	CBH	2569	2/09/2010 6:21	3/09/2010 8:49	Accepted							26,000	
			7/05/2011	CHIROS TRINITY	GCOP	2998	20/10/2010 12:41	20/10/2010 13:28	Accepted							17,000	
			8/05/2011	SPA MIRA	GLEN	2635	10/09/2010 8:36	10/09/2010 8:36	Accepted							25,000	
					SURAWATI	GCOP	5042	6/04/2011 12:21	7/04/2011 11:34	Accepted						15,000	
			10/05/2011	DARYA SHREE	ETG	3038	5/04/2011 16:53	6/04/2011 11:53	Accepted							13,000	
					GCOP	2441	9/08/2010 18:21	11/08/2010 8:29	Accepted							40,000	
			12/05/2011	MILLION TRADER 1	CANG	2807	11/10/2010 17:43	12/10/2010 11:13	Accepted							40,000	
			18/05/2011	LORD BYRON	GCOP	5254	27/04/2011 19:10	28/04/2011 11:13	Accepted							70,000	
			19/05/2011	LORD BYRON	GCOP	5174	4/05/2011 18:21	5/05/2011 9:26	Accepted							20,000	
			21/05/2011	PALAU	AWB	2732	28/09/2010 9:57	28/09/2010 15:11	Accepted							30,000	
			23/05/2011	ANNA S	CANG	2558	3/09/2010 16:13	3/09/2010 16:37	Accepted							40,000	
			31/05/2011	TIAN ZHU GO	CANG	2808	11/10/2010 17:46	12/10/2010 11:11	Accepted							30,000	
		Port Kembla Sum									10,000					371,000	
		Geelong	3/05/2011	SURAWATI	GCOP	2835	14/10/2010 18:02	15/10/2010 8:18	COMPLETED							40,000	
			6/05/2011	YONGJAI	ETG	3047	3/11/2010 18:29	4/11/2010 8:11	Accepted							50,000	
			7/05/2011	ORNAK	ETG	3128	9/11/2010 12:30	9/11/2010 12:30	Accepted							20,000	
			10/05/2011	PAN BLESS	ETG	2629	9/09/2010 15:41	9/09/2010 15:41	Accepted							25,000	
			13/05/2011	KEN RYU	GLEN	5112	8/04/2011 14:33	11/04/2011 8:40	Accepted							5,000	
						5104	8/04/2011 11:51	11/04/2011 8:30	Accepted							4,100	
					woodchip		5/05/2011 14:54	5/05/2011 14:55	Accepted							28,000	
			19/05/2011	FOREST HARMONY	GCOP	2836	14/10/2010 18:03	15/10/2010 8:19	Accepted							35,000	
			18/05/2011	TORM ANTWERP	EMGA	2791	7/10/2010 17:00	7/10/2010 17:22	Accepted							30,000	
			21/05/2011	VOSCO SKY	GCOP	4732	9/03/2011 7:56	10/03/2011 17:44	Accepted							25,000	
			27/05/2011	TBA	GLEN	4096	1/04/2011 15:53	4/04/2011 10:08	Accepted							25,000	
			28/05/2011	GRAIN HARVESTER	GLEN	3091	5/11/2010 14:32	5/11/2010 14:42	Accepted							50,000	
			31/05/2011	TBA	AWB	2694	24/09/2010 14:30	24/09/2010 16:22	Accepted							50,000	
			(blank)			3130	9/11/2010 12:52	9/11/2010 12:52	Accepted							25,000	
					PENT	2089	7/06/2010 12:03	7/06/2010 14:19	Accepted							35,000	
		Geelong Sum									28,000					160,000	
		Portland	4/05/2011	DARYA SHREE	ETG	4988	31/03/2011 15:34	1/04/2011 9:36	Accepted							18,000	
			14/05/2011	TBA	GCOP	5287	29/04/2011	2/05/2011 8:38	Accepted							10,000	
			18/05/2011	AURORA LIGHT	CHHW	woodchip	6/05/2011 8:00	6/05/2011 8:27	Accepted							15,200	
			21/05/2011	TORM ANTWERP	GCOP	2902	20/10/2010 12:25	20/10/2010 13:23	Accepted							15,000	
			25/05/2011	ORNAK	ETG	5218	20/04/2011 12:16	21/04/2011 8:29	Accepted							12,000	
			27/05/2011	TBA	GCOT	3598	17/11/2010 11:26	17/11/2010 12:07	Accepted							25,000	





**GRAINCORP SHIPPING STEM**  
GrainCorp Operations Ltd ABN 52 002875401

GC Fin Year	Month	Terminal	Assigned Load Date	Vessel Name	Exporter	Workflow reference	CNA Received	CNA Assessment Complete	Status	Commodity							Grand Total													
										Wheat	Barley	Woodchip	Sorghum	Peas	Magnesium	Canola		Cottonseed												
2010/11	5	Portland	28/05/2011	TBA	AWB	3224	17/11/2010 15:47	17/11/2010 10:41	Accepted	50,000	28,000	15,200	62,000	19,450	30,000	89,000	30,000	28,000												
										855,520	352,100	43,200	25,000	25,000	1,461,270															
	6	Mackay	(blank)	TBA	GLEN	4469	21/02/2011 14:51	21/02/2011 15:23	Accepted	20,000			39,000					39,000												
										PENT	3458	14/12/2010 13:04	14/12/2010 14:27	Accepted	25,000			25,000				25,000								
	Fisherman Islands	(blank)	TBA	(blank)	AWB	2101	7/06/2010 12:05	7/06/2010 14:55	Accepted	20,000									20,000											
										CBH	3506	17/12/2010 2:36	17/12/2010 9:46	Accepted	35,000							35,000								
										GCOP	3651	22/12/2010 16:14	22/12/2010 17:04	Accepted	40,000							40,000								
											4968	11/02/2011 18:27	14/02/2011 10:41	Accepted	23,000							23,000								
										PENT	4943	24/03/2011 12:16	25/03/2011 10:49	Accepted	4,000							4,000								
											2094	7/06/2010 12:02	30/11/2010 14:58	Accepted	25,000							25,000								
											3317	30/11/2010 14:09	30/11/2010 14:42	Accepted	3,000							3,000								
										OCOT	4230	4/02/2011 16:42	7/02/2011 8:51	Accepted	16,000							16,000								
										4720	9/03/2011 18:06	10/03/2011 17:09	Accepted	30,000							30,000									
										4864	24/03/2011 8:45	24/03/2011 9:01	Accepted	14,000							14,000									
Fisherman Islands Sum	(blank)	TBA	(blank)	Vierra	5039	6/04/2011 12:23	6/04/2011 16:37	Accepted	170,000			39,000						225,000												
									AWB	2734	28/09/2010 9:49	28/09/2010 15:14	Accepted	30,000							30,000									
									CARG	2709	24/09/2010 17:16	24/09/2010 17:16	Accepted	29,000							29,000									
										3189	17/11/2010 10:13	17/11/2010 11:59	Accepted	45,000							45,000									
									CHS	4255	7/02/2011 13:36	8/02/2011 8:46	Accepted	7,600							7,600									
									GCOP	3898	14/01/2011 5:53	17/01/2011 11:48	Accepted	18,800							18,800									
										4008	21/01/2011 17:47	24/01/2011 8:37	Accepted	17,500							17,500									
										4010	21/01/2011 18:00	24/01/2011 8:46	Accepted	30,000							30,000									
										2592	6/09/2010 14:56	7/09/2010 8:25	Accepted	30,000							30,000									
									Port Kembla	(blank)	TBA	(blank)	AWB	2733	28/09/2010 9:47	28/09/2010 15:12	Accepted	187,900									187,900			
																		CBH	5295	29/04/2011	2/05/2011 8:13	Accepted	30,000					9,000		30,000
																			5294	29/04/2011	2/05/2011 8:12	Accepted	5,000					5,000		5,000
ETG	2491	19/08/2010 10:42	19/08/2010 0:57	Accepted	36,000																36,000									
GCOP	2444	9/08/2010 18:31	11/08/2010 8:25	Accepted	10,000																10,000									
	2443	9/08/2010 18:28	11/08/2010 8:27	Accepted	40,000																40,000									
	2435	9/08/2010 18:03	11/08/2010 8:35	Accepted	25,000																25,000									
GLEN	2577	3/09/2010 17:10	6/09/2010 12:04	Accepted	30,000																30,000									
	3079	5/11/2010 11:45	5/11/2010 12:05	Accepted	55,000																55,000									
	3158	12/11/2010 10:59	12/11/2010 14:35	Accepted	25,000																25,000									
Geelong	(blank)	TBA	(blank)	AWB	3131	9/11/2010 12:54	9/11/2010 12:54	Accepted										141,000									141,000			
																		CBH	3227	18/11/2010 17:23	19/11/2010 06:34	Accepted	40,000							40,000
										3200	17/11/2010 11:22	17/11/2010 12:09	Accepted	35,000							35,000									
									CBH	2567	2/09/2010 18:21	3/09/2010 8:46	Accepted	40,000							40,000									
									EMGA	2782	7/10/2010 17:00	7/10/2010 17:22	Accepted	20,000							20,000									
									GCOP	2837	14/10/2010 18:05	15/10/2010 8:20	Accepted	50,000							50,000									
										3530	17/12/2010 16:54	20/12/2010 8:40	Accepted	9,000							9,000									
										4929	23/03/2011 11:11	28/03/2011 9:57	Accepted	5,000							5,000									
										3067	4/11/2010 12:09	4/11/2010 14:58	Accepted	30,000							30,000									
									Geelong Sum	(blank)	TBA	(blank)	AWB	2703	24/09/2010 14:56	24/09/2010 17:03	Accepted	270,000									270,000			
																		GCOP	2903	20/10/2010 12:28	20/10/2010 13:24	Accepted	50,000							50,000
																			2903	20/10/2010 12:28	20/10/2010 13:24	Accepted	50,000							50,000
	4185	1/02/2011 14:02	2/02/2011 8:42	Accepted	100,000																100,000									
GLEN	4501	22/02/2011 10:01	22/02/2011 12:57	Accepted	25,000																25,000									
PENT	3459	14/12/2010 13:08	14/12/2010 14:30	Accepted	25,000																25,000									
	5320	2/05/2011 16:28	3/05/2011 9:33	Accepted	25,000																25,000									
GLEN	5320	2/05/2011 16:28	3/05/2011 9:33	Accepted	45,000																45,000									
	2123	7/06/2010 12:07	7/06/2010 15:21	Accepted	30,000																30,000									
AWB	2851	15/10/2010 16:13	15/10/2010 16:22	Accepted	35,000																35,000									
CBH	2661	15/09/2010 16:29	15/09/2010 16:29	Accepted	19,000																19,000									
GCOP	2137	7/06/2010 12:31	7/06/2010 15:54	Accepted	30,000																30,000									
PENT	3144	10/11/2010 10:25	10/11/2010 16:46	Accepted	40,000							40,000																		
RWB	4712	9/03/2011 13:45	9/03/2011 17:19	Accepted	25,000							25,000																		
Vierra	2619	9/09/2010 12:02	9/09/2010 12:02	Accepted	5,000							5,000																		
Fisherman Islands Sum	(blank)	TBA	(blank)	AWB	2090	7/06/2010 12:01	7/06/2010 13:54	Accepted	173,000									173,000												
									CBH	4054	24/02/2011 15:11	24/02/2011 16:44	Accepted	35,000							35,000									
										4098	7/06/2010 12:16	7/06/2010 15:33	Accepted	8,000							8,000									
									CARG	3190	17/11/2010 10:15	17/11/2010 12:00	Accepted	16,000							16,000									
										4428	18/02/2011 9:36	21/02/2011 15:03	Accepted	45,000							45,000									
										4923	23/03/2011 6:33	24/03/2011 18:01	Accepted	20,000							20,000									
										4923	23/03/2011 6:33	24/03/2011 18:01	Accepted	3,800							3,800									
										2090	7/06/2010 12:01	7/06/2010 13:54	Accepted	30,000							30,000									
										4054	24/02/2011 15:11	24/02/2011 16:44	Accepted	35,000							35,000									
										4098	7/06/2010 12:16	7/06/2010 15:33	Accepted	8,000							8,000									
										3190	17/11/2010 10:15	17/11/2010 12:00	Accepted	16,000							16,000									
										4428	18/02/2011 9:36	21/02/2011 15:03	Accepted	45,000							45,000									
	4923	23/03/2011 6:33	24/03/2011 18:01	Accepted	20,000							20,000																		
	4923	23/03/2011 6:33	24/03/2011 18:01	Accepted	3,800							3,800																		





**GRAINCORP SHIPPING STEM**  
GrainCorp Operations Ltd ABN 52003875401

GF Fin Year	Month	Terminal	Assigned Load Date (blank)	Vessel Name	Exporter	Workflow reference	CHA Received	CHA Assessment Complete	Status	Commodity						Grand Total		
2010/11	7	Carrington	(blank)	TBA	ETG GPOP GSP LDREY TOVA	5210 2133 4790 2400 2402 5361	19/04/2011 11:42 7/06/2010 12:25 15/03/2011 13:35 7/06/2010 12:00 7/06/2010 12:00 4/05/2011 15:00	20/04/2011 8:42 7/06/2010 15:47 17/03/2011 11:49 7/06/2010 13:43 7/06/2010 13:43 5/09/2011 9:00	Accepted Accepted Accepted Accepted Accepted Accepted	Wheat	Barley	Woodchip	Sorghum	Peas	Magnesium	Canola	Cottonseed	
		<b>Carrington Sum</b>																<b>237,050</b>
		Port Kembla	(blank)	TBA	AWB CARG CBH GPOP	2725 3196 2184 2445 2910 3473	28/09/2010 9:52 17/11/2010 11:09 17/11/2010 12:04 9/06/2010 18:33 20/10/2010 12:45 15/12/2010 10:19	28/09/2010 15:13 17/11/2010 12:04 11/06/2010 12:34 11/08/2010 8:24 20/10/2010 13:30 15/12/2010 10:44	Accepted Accepted Accepted Accepted Accepted Accepted									<b>270,000</b>
		<b>Port Kembla Sum</b>																<b>270,000</b>
		Geelong	(blank)	TBA	AWB CARG EMGA GPOP	3228 3202 3533 2131 2134 2100 2907	18/11/2010 17:24 17/11/2010 11:25 17/12/2010 17:22 7/06/2010 12:23 7/06/2010 12:27 7/06/2010 12:05 20/10/2010 12:38	19/11/2010 6:36 17/11/2010 12:13 20/12/2010 12:44 7/06/2010 15:44 7/06/2010 15:50 7/06/2010 14:44 20/10/2010 13:27	Accepted Accepted Accepted Accepted Accepted Accepted Accepted									<b>270,000</b>
		<b>Geelong Sum</b>																<b>270,000</b>
		Portland	(blank)	TBA	CARG GPOP GLEN QCOY	3756 5145 4997 2951 3201	5/02/2011 18:35 12/04/2011 9:54 1/04/2011 15:59 22/10/2010 11:41 17/11/2010 11:27	6/01/2011 9:33 12/04/2011 14:20 4/04/2011 10:10 22/10/2010 12:17 17/11/2010 12:16	Accepted Accepted Accepted Accepted Accepted							25,000		<b>25,000</b>
		<b>Portland Sum</b>																<b>25,000</b>
	<b>7 Sum</b>																	<b>1,070,050</b>
	<b>8</b>	Mackay	(blank)	TBA	ETG PENT	2492 4259	19/08/2010 10:42 7/02/2011 15:03	19/08/2010 0:57 8/02/2011 9:01	Accepted Accepted									<b>22,000</b>
		<b>Mackay Sum</b>																<b>22,000</b>
		Carrington	(blank)	TBA	AWB CARG CBH ETG	2097 3194 2550 4448	7/06/2010 12:03 17/11/2010 10:38 31/08/2010 18:30 19/02/2011 16:07	7/06/2010 14:38 17/11/2010 12:01 1/09/2010 8:42 21/02/2011 10:41	Accepted Accepted Accepted Accepted									<b>22,000</b>
		<b>Carrington Sum</b>																<b>22,000</b>
		Port Kembla	(blank)	TBA	AWB CARG GPOP	2737 3197 2293	28/09/2010 9:56 17/11/2010 11:13 8/07/2010 12:05	28/09/2010 15:21 17/11/2010 12:05 8/07/2010 12:16	Accepted Accepted Accepted									<b>30,000</b>
		<b>Port Kembla Sum</b>																<b>30,000</b>
		Geelong	(blank)	TBA	CARG EMGA GPOP GLEN	2128 3229 4046 3203 4691 3570 5087 4932 3921	7/06/2010 12:17 18/11/2010 17:26 24/01/2011 15:05 17/11/2010 11:27 25/02/2011 12:15 24/12/2010 11:18 8/04/2011 9:50 10/02/2011 16:21 21/03/2011 12:31 17/01/2011 16:01	7/06/2010 15:35 19/11/2010 6:36 24/01/2011 16:42 17/11/2010 12:14 25/02/2011 13:14 24/12/2010 11:44 11/04/2011 8:26 11/02/2011 9:45 22/03/2011 11:03 17/01/2011 16:27	Accepted Accepted Accepted Accepted Accepted Accepted Accepted Accepted Accepted									<b>270,000</b>
		<b>Geelong Sum</b>																<b>270,000</b>
		Portland	(blank)	TBA	AWB GPOP	2905	20/10/2010 12:33	20/10/2010 13:25	Accepted									<b>10,430</b>
		<b>Portland Sum</b>																<b>10,430</b>
	<b>8 Sum</b>																	<b>1,070,050</b>
	<b>9</b>	Mackay	(blank)	TBA	PENT	4260	7/02/2011 15:06	8/02/2011 9:06	Accepted									<b>22,000</b>
		<b>Mackay Sum</b>																<b>22,000</b>
		Port Kembla	(blank)	TBA	AWB CARG GPOP	4390 3199 2108	8/02/2011 14:35 17/11/2010 11:16 7/06/2010 12:06	9/02/2011 10:41 17/11/2010 12:06 7/06/2010 15:01	Accepted Accepted Accepted									<b>16,400</b>
		<b>Port Kembla Sum</b>																<b>16,400</b>
		Geelong	(blank)	TBA	AWB GPOP	2111 2913	7/06/2010 12:07 20/10/2010 12:54	7/06/2010 15:06 20/10/2010 13:36	Accepted Accepted									<b>25,000</b>
		<b>Geelong Sum</b>																<b>25,000</b>
		<b>Grand Total</b>																<b>50,000</b>



**GRAINCORP SHIPPING STEM**  
GrainCorp Operations Ltd ABN 52003875401

GC Fin Year	Month	Terminal	Assigned Load Date	Vessel Name	Exporter	Workflow Reference	CNA Received	CHA Assessment Complete	Status	Commodity	Wheat	Barley	Woodchip	Sorghum	Peas	Magnesium	Canola	Cottonseed	Grand Total	
2010/11	9	Port Kembla	(blank)	TBA	GCOP GLEN	2912 4499	20/10/2010 17:52 27/02/2011 9:58	20/10/2010 13:35 27/02/2011 12:56	Accepted Accepted		50,000								50,000	
		Port Kembla Sum									266,400									266,400
		Geelong	(blank)	TBA	AWB CARG CBH EMGA GCOP	3085 4630 4799 4833 7099	5/11/2010 12:37 1/03/2011 16:08 15/03/2011 16:03 16/03/2011 19:42 20/10/2010 12:43	5/11/2010 13:11 2/03/2011 16:14 16/03/2011 11:20 17/03/2011 12:15 20/10/2010 13:29	Accepted Accepted Accepted Accepted Accepted		15,000	5,000							15,000	
					GCOP	3492	16/12/2010 11:15	16/12/2010 13:47	Accepted		20,000									20,000
					GLEN	4613	1/03/2011 10:30	1/03/2011 12:37	Accepted		16,900									16,900
						2636	10/09/2010 8:39	10/09/2010 8:39	Accepted		30,000									30,000
						4268	3/02/2011 18:42	4/02/2011 8:46	Accepted		20,000									20,000
		Geelong Sum									191,700	5,000		25,000						196,700
		9 Sum									458,100	5,000		25,000						488,100
010/11 Total											3,937,200	482,100	43,200	226,000	19,450	12,000	128,000	85,000		4,933,950
Grand Total											3,937,200	482,100	43,200	226,000	19,450	12,000	128,000	85,000		4,937,950





**GrainCorp**

**Appendix 2**

**GrainCorp Port Services Undertaking Compliance Report – 31 March 2011**

### GrainCorp Shipping Statistics

TERMINAL	OCT	NOV	DEC	JAN	FEB	MAR	YTD
<b>Total Number of new CNAs Lodged</b>							
FISHERMAN ISLANDS	3	8	8	7	5	5	36
GLADSTONE	1	1	1	1	0	0	4
MACKAY	2	2	3	1	7	0	15
CARRINGTON	2	7	5	12	9	4	39
PORT KEMBLA	15	9	4	4	2	0	34
GEELONG	18	20	5	6	1	9	59
PORTLAND	11	6	1	0	1	2	21
<b>Total</b>	<b>52</b>	<b>53</b>	<b>27</b>	<b>31</b>	<b>25</b>	<b>20</b>	<b>208</b>
<b>Number Of Nominations Rejected by GrainCorp</b>							
FISHERMAN ISLANDS	0	0	0	0	0	0	0
GLADSTONE	0	0	0	0	0	0	0
MACKAY	0	0	0	0	0	0	0
CARRINGTON	0	0	0	0	0	0	0
PORT KEMBLA	0	0	0	0	0	0	0
GEELONG	0	0	0	0	0	0	0
PORTLAND	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Number of AOA's cancelled/ declined by the Client</b>							
FISHERMAN ISLANDS	0	0	0	0	0	0	0
GLADSTONE	0	0	0	0	0	0	0
MACKAY	0	0	0	0	0	0	0
CARRINGTON	0	0	0	0	0	0	0
PORT KEMBLA	0	0	0	0	0	0	0
GEELONG	0	0	0	0	0	0	0
PORTLAND	2	1	0	0	0	0	3
<b>Total</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>
<b>Average number of days to assess CNA's</b>							
FISHERMAN ISLANDS	8	6	5	8	1	0	5
GLADSTONE	13	19	6	13	0	0	9
MACKAY	11	13	3	2	0	0	5
CARRINGTON	4	7	3	8	2	1	4
PORT KEMBLA	7	6	0	11	0	0	4
GEELONG	12	5	7	7	1	1	5
PORTLAND	7	5	10	0	1	0	4
<b>Average</b>	<b>9</b>	<b>9</b>	<b>5</b>	<b>7</b>	<b>1</b>	<b>0</b>	<b>5</b>
<b>Number of vessels that failed survey</b>							
FISHERMAN ISLANDS	0	0	0	0	1	0	1
GLADSTONE	0	0	2	0	0	0	2
MACKAY	0	0	0	0	1	0	1
CARRINGTON	0	2	0	1	2	1	6
PORT KEMBLA	0	0	0	1	1	0	2
GEELONG	0	1	0	1	0	1	3
PORTLAND	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>2</b>	<b>15</b>
<b>Number of Port Blockouts</b>							
FISHERMAN ISLANDS	1	0	0	0	0	0	1
GLADSTONE	0	0	0	0	0	0	0
MACKAY	0	0	0	0	0	0	0
CARRINGTON	0	0	0	0	0	0	0
PORT KEMBLA	0	0	0	0	0	0	0
GEELONG	0	0	0	0	0	0	0
PORTLAND	0	0	0	0	0	0	0
<b>Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>Number of (grain) vessels loaded</b>							
FISHERMAN ISLANDS	4	2	5	3	4	6	24
GLADSTONE	3	1	2	2	1	1	10
MACKAY	0	1	2	1	3	2	9
CARRINGTON	3	1	5	6	9	7	31
PORT KEMBLA	1	2	4	2	6	5	20
GEELONG	3	3	2	5	7	5	25
PORTLAND	1	2	0	2	2	3	10
<b>Total</b>	<b>15</b>	<b>12</b>	<b>20</b>	<b>21</b>	<b>32</b>	<b>29</b>	<b>129</b>
<b>Tonnes exported</b>							
FISHERMAN ISLANDS	55,229	14,556	27,000	58,143	64,715	65,034	284,677
GLADSTONE	44,900	13,100	9,588	50,701	26,250	36,533	181,072
MACKAY	NA	22,267	26,534	38,853	21,000	42,500	151,155
CARRINGTON	150,493	15,738	113,330	140,683	144,823	88,615	653,681
PORT KEMBLA	33,000	54,500	41,163	127,333	272,059	171,278	699,333
GEELONG	143,457	53,217	27,749	92,432	272,849	192,872	782,576
PORTLAND	26,974	40,408	64,209	58,131	42,500	80,900	313,123
<b>Total</b>	<b>454,053</b>	<b>213,786</b>	<b>309,573</b>	<b>566,277</b>	<b>844,196</b>	<b>677,732</b>	<b>3,065,617</b>

Measurement	Month	CARRINGTON	FISHERMAN ISLANDS	GEELONG	GLADSTONE	MACKAY	PORT KEMBLA	PORTLAND
Dail Road Receival Rate - Ave on days of Receival (mt/d)	October	565	1,418	2,395	682	-	524	578
Dail Road Receival Rate - Ave on days of Receival (mt/d)	November	625	514	1,195	1,255	384	283	1,006
Dail Road Receival Rate - Ave on days of Receival (mt/d)	December	212	1,406	377	1,326	569	425	-



Dail Road Receival Rate - Ave on days of Receival (mt/d)	January	408	1,725	4,301	1,427	421	484	1,027
Dail Road Receival Rate - Ave on days of Receival (mt/d)	February	876	2,726	5,339	577	755	1,389	1,918
Dail Road Receival Rate - Ave on days of Receival (mt/d)	March	572	3,547	5,212	297	651	1,562	1,618