

Jamieson, Gareth

From: Strickland, Peter [Peter.Strickland@freehills.com]
Sent: Thursday, 28 October 2010 6:47 PM
To: Jamieson, Gareth
Cc: Hughes, Paul; Palisi, Joanne
Subject: DP World / Patrick - Fremantle VBS authorisation

Gareth,

DP World and Patrick do not propose to make any submission in response to the ACCC's draft determination. However, DP World and Patrick do wish to convey the following clarifying comments regarding the ACCC's draft determination:

- In the Summary (page 1, 4th paragraph after the grey box), it is stated that, *'the Applicants will agree to offer 'Port Slots' – booking opportunities that allow truck carriers undertaking dual runs to make bookings before other carriers have access to those slots.'* This statement is correct in the sense that, where a stevedore decides to offer 1 or more Port Slots in a particular hour, the stevedore will set aside the relevant number of Port Slots from its general slots, release them at an agreed time after the release of the their general slots, and only those carriers proposing to conduct a dual run will be able to reserve Port Slots. After that time, if there are any remaining, other carriers will be able to reserve the slots without necessarily using them for a dual run. It would be worthwhile clarifying the statement to ensure that readers are not confused, and in particular, left with an impression that carriers undertaking dual runs would have access to general slots before carriers not undertaking dual runs.
- In the Summary (page 1, 4th paragraph after the grey box), it is stated that there will be *'provision of a 'Grace Period' to allow for carriers delayed at one terminal to finish a dual run at the other without incurring late fees'*. This statement should be clarified such that it conveys the fact that a grace period would apply only where the lateness has been caused by delays experienced at the other stevedore's terminal when conducting a Port Slot dual run. It does not apply to delays caused when travelling between terminals (eg. if the driver were to take lunch) or dual runs conducted without a Port Slot.
- A slight clarification should be made to the description of the Port Slot arrangement. In para [3.8] of the draft determination, five bullet points describe the arrangements or understandings that would need to be made from time to time. The third and fourth bullet points state two times that would be agreed (the time when Port Slots become available for all carriers to book as either dual runs or single runs, and the time when Port Slots are converted to regular slots). Under the current design of the Port Slot system being developed with 1-Stop, it is envisaged there will just be a single time agreed when Port Slots 'close', and instead can be booked for dual runs or single runs. At this time, Patrick could convert its Port Slots to regular slots, or it could do so at a later time (in the meantime making Port Slots available as import or export slots). DP World does not offer 'regular slots' in Fremantle. It only offers import and export slots.

Regards
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