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Dear Sir / Madam,

Re: Draft Mamre Road Structure Plan

Thank you for providing NSW Ports with the opportunity to comment on the draft Structure Plan for the Mamre Road Precinct in the Western Sydney Employment Area. NSW Ports is responsible for managing the port and freight assets of Port Botany, Port Kembla, the Cooks River Intermodal Terminal and the Enfield Intermodal Logistics Centre. At NSW Ports, our focus is managing the key trade gateways connecting the people and businesses of NSW and Australia to global markets.

NSW Ports supports the proposed rezoning as exhibited. In particular, NSW Ports strongly supports the formal allocation of land for the purposes of an intermodal terminal. The development of an intermodal terminal at this location has long been identified through strategic planning and will form a vital part of the freight network. Further, the rezoning of land for industrial purposes, and in particular freight and logistics, is crucial to supporting the predicted population growth in Western Sydney.

The protection of land for the purposes of an intermodal terminal within an environmental planning instrument is consistent with long term planning and is vital to supporting future productivity and liveability.

Demand for Intermodal Capacity in Sydney

Port Botany had a total throughput of 2.6 million twenty-foot equivalent units (TEU) in 2018/19. The NSW Government forecasts that by 2036 container throughput will be 4.8 million TEU¹. Growth in container volumes through Port Botany are driven largely by import demand as a result of population growth. Figure 1 below shows the forecast parallel growth in the population of Greater Sydney and container trade throughput, demonstrating this trend.

¹ Transport for NSW, *NSW Freight Commodity Demand Forecasts 2016-2056 Final Report* (2018) pg.27

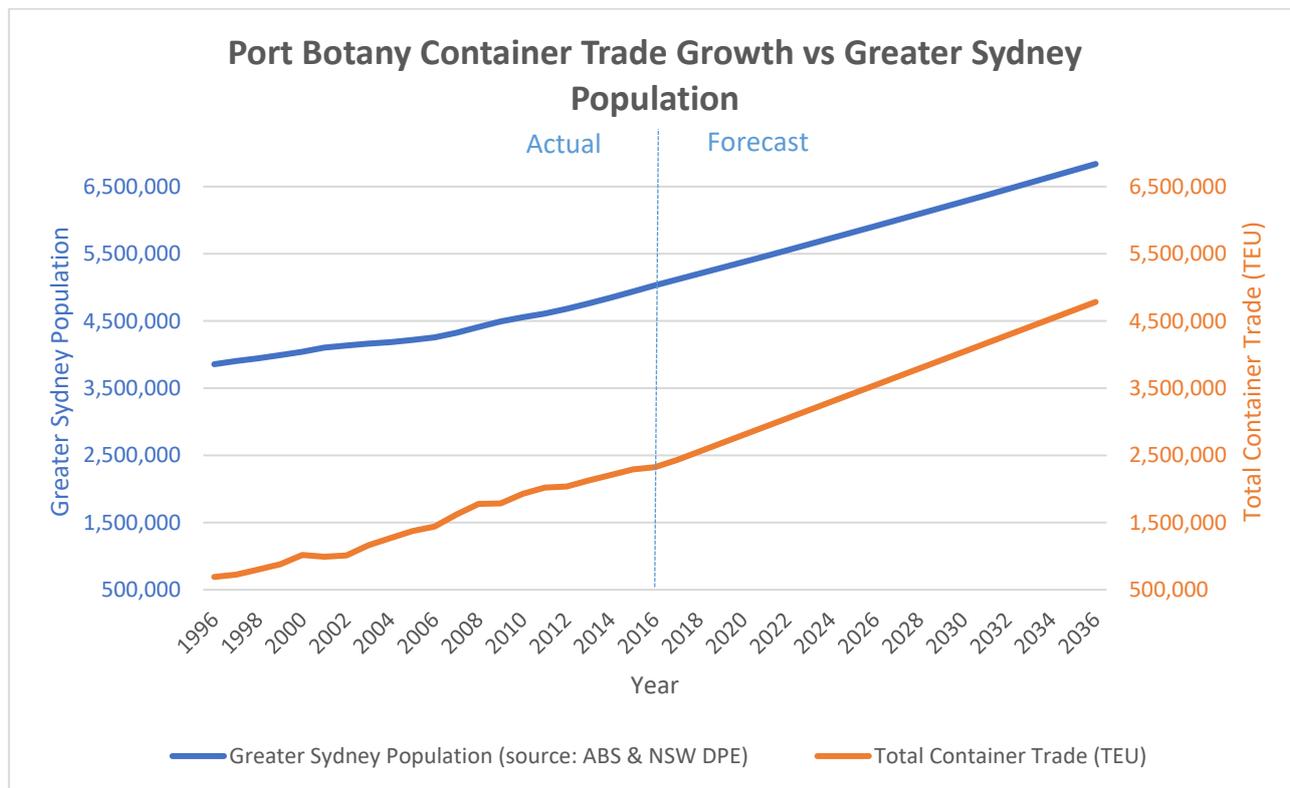


Figure 1 – Port Botany Container Trade Growth and Greater Sydney Population Growth

Maximising the transport of containers by rail between Port Botany and Sydney metropolitan intermodal terminals will be essential for cost-effective, efficient and sustainable container distribution throughout Sydney as container trade continues to grow. Growth in the use of rail will benefit the road networks by reducing the numbers of truck kilometres travelled on Sydney’s road network. Significant growth in containers moved by rail will reduce the growth of trucks around the Port and will enable Port Botany to achieve its optimum capacity.

As such, NSW Ports has the growth of containers by rail as a key objective – targeting 3 million TEU per year to be transported by rail by 2045 – around 40 per cent of forecast container volumes. To achieve this target requires 3 million TEU of rail intermodal capacity.

Currently, there are a number of intermodal terminals operating, being developed, or proposed within the Sydney metropolitan area:

INTERMODAL TERMINAL	CAPACITY (TEU)
Minto (MIST)	200,000
Yennora	150,000
Enfield	300,000
Moorebank	1,050,000
St Marys (proposed)	300,000
Total	2,000,000

As shown in the table above, intermodal capacity is not yet adequate, with a current shortfall of approximately 1 million TEU.

Demand for Intermodal Capacity at Mamre Road

Figure 2 and Figure 3 below show the current (2016) and predicted (2046) distribution of full import containers within Sydney (based on customs data for 2016 actuals and the Transport for NSW Strategic Freight Model for forecasts). The majority of imported containers will remain destined for metropolitan Sydney, with 80 per cent delivered within a 40 kilometre radius from Port Botany. There will be a greater proportion of containers destined for west and south-west Sydney over this time period.

This model demonstrates that Moorebank has a specific catchment in the south-west of Sydney, and that a further significant catchment exists around the Mamre Road precinct.

Due to the current shortfall in intermodal capacity within existing facilities, and the predicted future container distribution, an additional intermodal terminal in the vicinity of Mamre Road (i.e. Eastern Creek) has been identified by NSW Ports as a suitable location for such a facility (see Figure 4) subject to it being connected by dedicated freight rail.

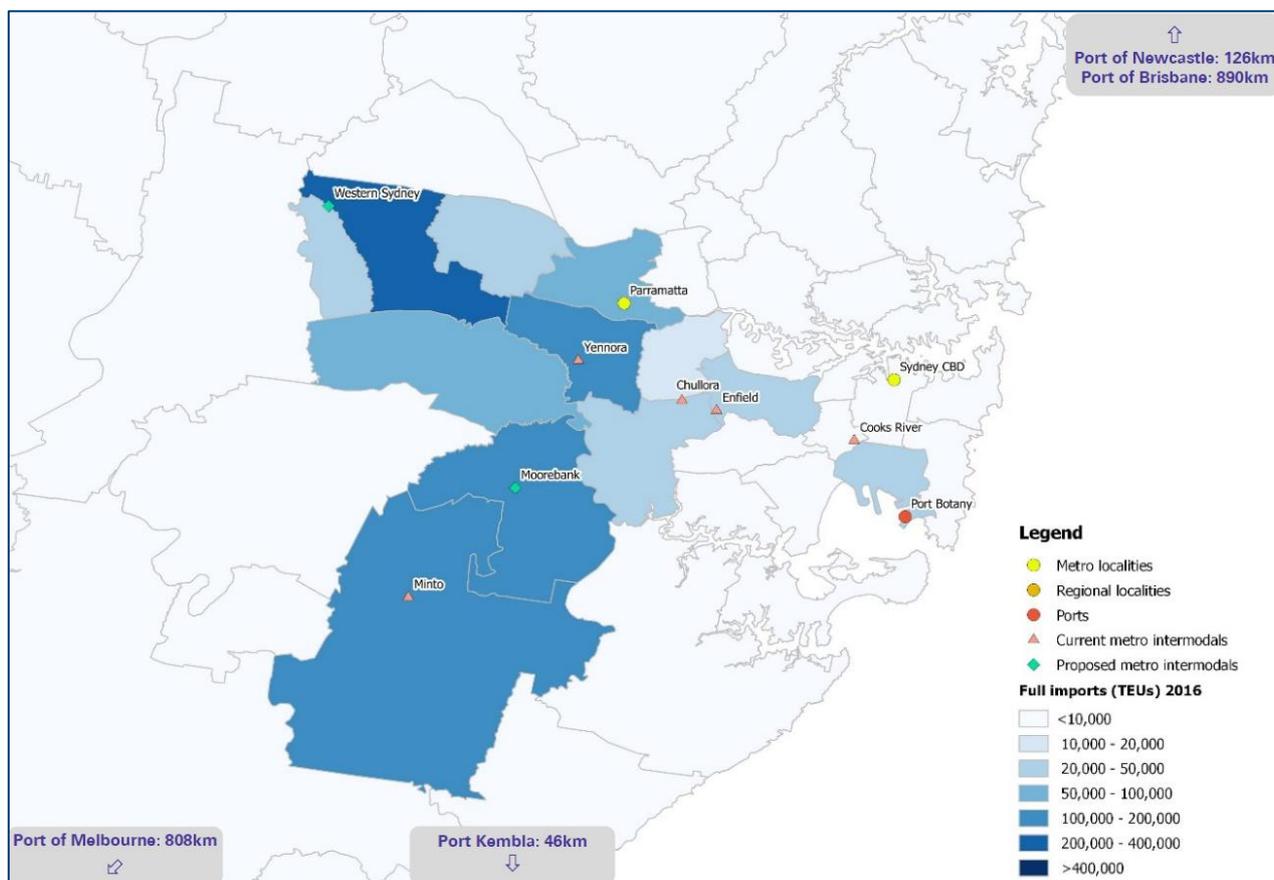


Figure 2 - 2016 full import container distribution²

² KPMG, Quay Conclusions: Finding the best choices for additional port capacity in NSW (2019) pg.12

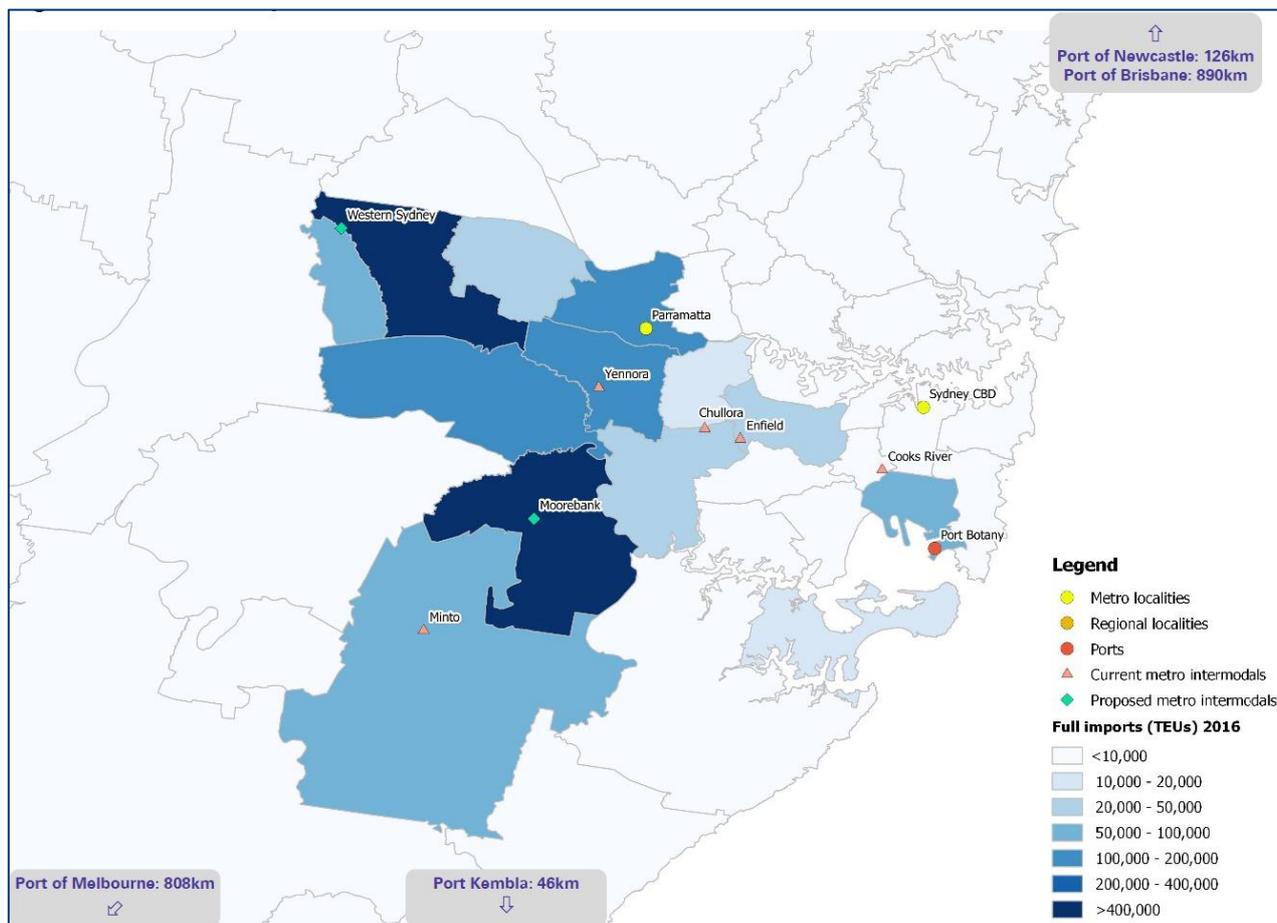


Figure 3 - 2046 full import container distribution³

³ KPMG, Quay Conclusions: Finding the best choices for additional port capacity in NSW (2019) pg.12



Figure 4 – NSW Ports 2015 Master Plan Key Infrastructure Actions for the Sydney Metropolitan Area⁴

It is important to also note the need for receival locations for bulk construction materials by rail (i.e. cement, sand, gypsum etc). As the construction material demands of west and southwest Sydney continue to grow, Port Kembla is playing a significant role in catering for this demand. In order to efficiently move these materials by rail from Port Kembla to Western Sydney, receival locations are required and it may be necessary to allocate further land in Western Sydney for an intermodal terminal to receive these bulk products.

Long Term Strategic Planning for Intermodal Terminals in Sydney

It should be noted that the first steps towards a strategy of intermodal terminals dedicated to servicing Port Botany and the Sydney Metropolitan Area began in the late 90s and early 2000s with the purchase of Enfield for the purpose of developing an intermodal terminal by the then Sydney Ports Corporation.

As early as 2005, the Mamre Road precinct was identified as the location for a new intermodal terminal to service Western Sydney. The Freight Infrastructure Advisory Board provided the report *'Railing Port Botany's Containers: proposals to ease pressure on Sydney's roads'* to Government in July 2005. The report identified that an intermodal terminal at this location would be in addition to proposals that were progressing at both Enfield and Moorebank; two sites that have since been developed for the purposes of intermodal terminals⁵ (see Figure 5 below).

⁴ NSW Ports, *Navigating the Future: NSW Ports' 30 year master plan* (2015) pg.32

⁵ Freight Infrastructure Advisory Board, *Railing Port Botany's Containers: Proposals to ease pressure on Sydney's roads* (2005) pg.22

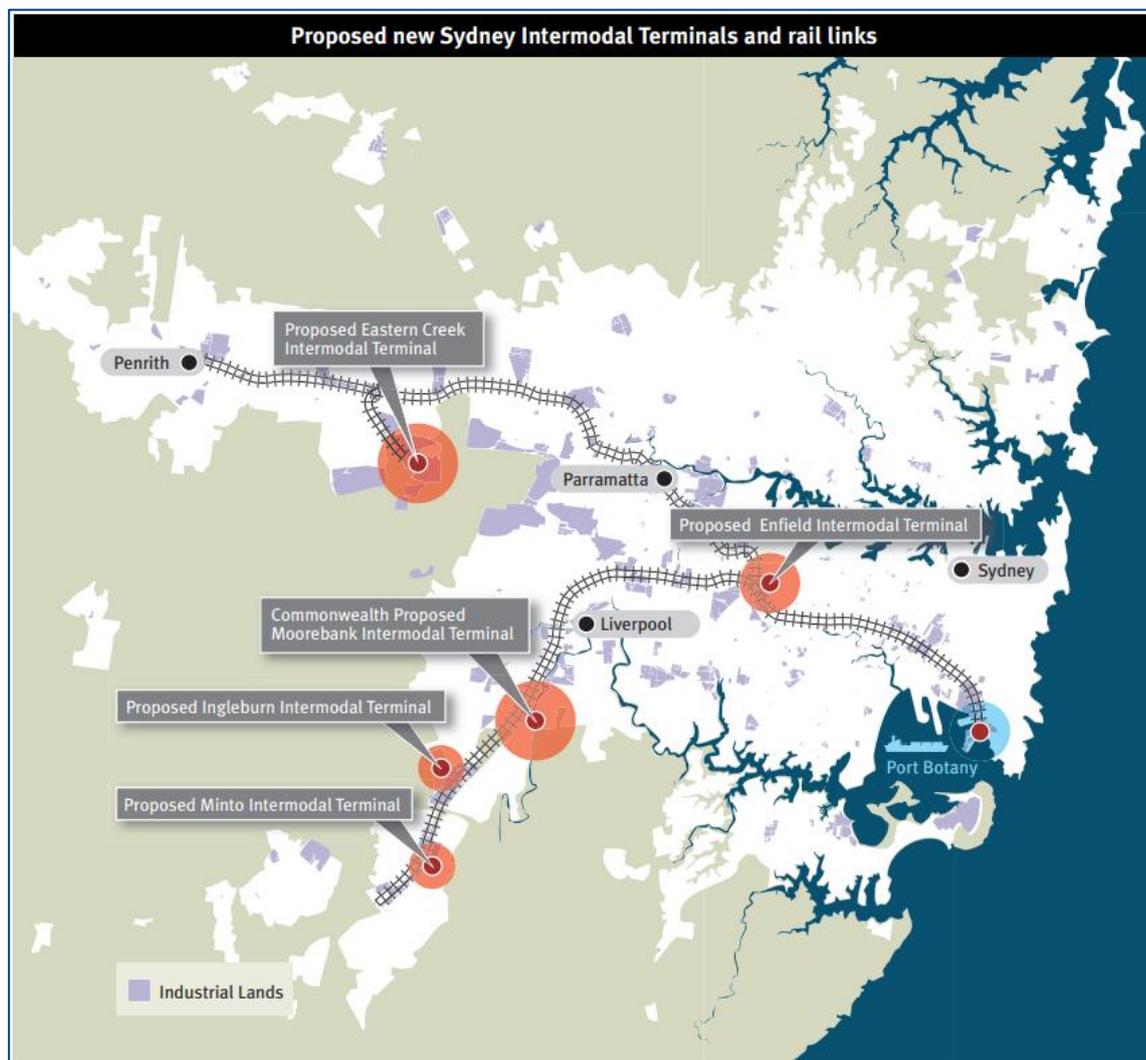


Figure 5 - Sydney Intermodal Terminal Network per *Railing Port Botany's Containers*⁶

Specifically, the recommendations included the following:

- Eastern Creek be confirmed as the preferred site for a future intermodal terminal;
- A Department of Infrastructure, Planning and Natural Resources (now Department of Planning, Infrastructure and Environment) planning instrument be used to zone Eastern Creek for this purpose;
- The Department of Infrastructure, Planning and Natural Resources be nominated as the acquisition authority for the relevant land holdings;
- A Master Plan be developed for the site;
- Planning commence for the site's development by the private sector as an intermodal terminal with the capacity to handle at least 500,000 TEUs annually; and
- Development of the site for associated transport and distribution activities be pursued in the shorter term, subject to not compromising its future rail use.

⁶ Freight Infrastructure Advisory Board, *Railing Port Botany's Containers: Proposals to ease pressure on Sydney's roads* (2005) pg.8

Over the past 15 years, since the publication of the report, this location has consistently been identified as the location for a new intermodal terminal in Sydney, specifically within:

- NSW Long Term Transport Master Plan – December 2012 (page 264)
- Draft Broader Western Sydney Employment Area Structure Plan – June 2013 (page 23)
- NSW Freight and Ports Strategy – November 2013 (page 101)
- NSW Future Transport Strategy 2056 – March 2018 (page 46)
- Greater Sydney Region Plan – A Metropolis of Three Cities – March 2018 (page 109)
- Western City District Plan – March 2018 (page 63)
- NSW Freight and Ports Plan 2018-2023 – September 2018 (page 32)

NSW Ports Investment in On-Dock Rail Capacity

This long term approach has allowed NSW Ports to invest in infrastructure for the movement of 3 million TEU by rail by 2046. NSW Ports and Patrick Terminals have commenced work on a \$190 million project to double 'on-dock' rail infrastructure capacity at Port Botany's Patrick Terminals ensuring that this stevedore is able to handle 1 million TEU in the future.

The project is part of a NSW Ports' overarching program to increase 'on-dock' rail capacity at each of its three Port Botany container terminals, which will deliver a total of 3 million TEU rail capacity at the port (i.e. 1 million TEU at each stevedore). The project is also aligned with other important rail investments aimed at increasing rail capacity including the Port Botany freight line duplication.

Intermodal Terminal Land Uses

It should be noted that land within the intermodal terminal area should also be allocated for logistics and warehousing purposes. By way of example, the Enfield Intermodal Logistics Centre (59 hectares) has 15 hectares allocated for the intermodal terminal and rail sidings, whilst 33 hectares is allocated for warehousing and other logistics activities such as empty container storage.

The colocation of these types of land uses within an intermodal terminal improves supply chain efficiency and productivity as the packing and unpacking of goods can be undertaken on site rather than containers being double handled and transported off site for packing / unpacking.

NSW Ports supports the proposed rezoning as exhibited. NSW Ports strongly supports the formal allocation of land for the purposes of an intermodal terminal and the allocation of surrounding industrial lands.

Should you wish to discuss this submission further, please contact me on 9316 1131 or at greg.walls@nswports.com.au.

Yours sincerely,



Greg Walls
Planning Manager