

Wednesday 27 November

Kia ora,

There are some important changes coming up that we need to let you know about:

1. Ports of Auckland are making changes to their price schedules which are due to take effect from 1 January 2025. Some of these have a flow-on affect to our Ancillary Surcharges as they relate to containers travelling on rail.
2. Lyttelton Port Company are making changes to their Rail R & D Levy by including the Midland Port facility. This will also have a flow-on affect to our Ancillary Surcharges.
3. The Capacity Management surcharge adjustments that we outlined were coming in our last newsletter will be formally implemented from Monday 25 November.
4. Closure of the rail pad at Port Otago for a temporary period to allow for its reconstruction, may affect rail services between February - June 2025. Port Otago are working with us on a road-bridging solution if required over this period.

Port of Auckland rail use surcharges

The Port of Auckland (POAL) recently advised the results of their annual port tariff changes. Some of these tariffs are charged to KiwiRail, which we need to recover.

Due to these POAL tariff changes, we need to make some adjustments to our own Ancillary Surcharges as follows:

Ancillary Surcharge	Current surcharge rate to 31 December 2024	Surcharge rate from 1 January 2025	
<i>POAL Rail Handling Charge</i>	<i>\$21.50</i>	\$40.50	<i>Applies whenever a container is being railed into or out of the Port of Auckland's Waitemata seaport facility</i>

For a fuller explanation of what this surcharge applies to, please refer to our website [Ancillary Surcharges | KiwiRail Freight](#)

Lyttelton Port Company rail surcharge changes

The Lyttelton Port Company (LPC) has recently advised us of a change in the way they will be applying their existing LPC Rail R & D Levy.

This is another port tariff that is initially charged to KiwiRail which need to recover.

The applicable Ancillary Surcharge we levy is currently \$31.00 (excl. GST) per container.

This surcharge initially only applied for containers entering or leaving either LPC's terminal at Lyttelton or their City Depot facility (the "LPC Facilities").

However, they have now advised that this surcharge will also apply to any container moving into or out of their LPC Midland Port facility, which either originates in, or is destined to go to, any location other than the LPC Facilities.



For example, a container moving from LPC Midland Port to Timaru, or one moving from Dunedin to LPC Midland Port, would now attract this surcharge.

This change will apply from 1 December 2024.

For a fuller explanation of both the POAL and LPC changes, please refer to [Ancillary Surcharges | KiwiRail Freight](#).

Capacity Management changes

We advised of some positive changes we were planning to make to the existing Capacity Management process back in August.

The changes we're making will provide you more flexibility prior to charges applying. In some cases, we've also significantly reduced the charges that may apply.

We're pleased to now advise that final testing and commissioning work is complete, and the new system officially commenced with the revised rules from Monday 25 November.

To refresh your memory of those changes, please refer to our website [Ancillary Surcharges | KiwiRail Freight](#).

Port Otago rail pad redevelopment

Port Otago will be upgrading their existing rail siding which currently handles all of the containerised volumes that travel on rail to or from the port.

The upgrade will see a complete rebuild of the siding and during the construction period, it will not be available for rail operations.

The port is closing the existing rail siding on 9 February 2025, and based on advice received from Port Otago, it will not reopen for rail services until June 2025.

Rail services to and from the port will still be available during the construction period using another smaller rail siding that is normally used for passenger trains.

However, due to this temporary rail siding having a smaller static capacity, rail services will be different to those currently in place.

KiwiRail and Port Otago are working closely together to develop revised shunting timetables to mitigate any potential shortfall. Our aim is to provide as much rail capacity as possible during the rebuild period, as well as a road-bridging contingency plan. However please be advised that some potential for disruption to normal freight flows is possible.

We will provide further updates in the coming weeks. In the meantime, if you would like more detail about the rebuild, please reach out to Craig Usher, Port Otago's GM Customer, email cusher@portotago.co.nz



Ngā mihi nui,



Alan Piper, Executive General Manager Freight Markets

