

Capacity Expansion Profile, Capacity Expansion Objective and Capacity Expansion Principles

This document sets out the Capacity Expansion Profile, Capacity Expansion Objective and Capacity Expansion Principles in accordance with the Capacity Allocation Protocol (**CAP**), set out at Annexure 3 to the Terminal Access Protocol.

1 Capacity Expansion Profile

Pursuant to clause 9.3 of the CAP, PDC is required to develop a Terminal Master Plan that will set out (amongst other things) the forecast annual TEU capacity for the different stages of development of the IMEX Terminal and an indicative timeline for the commencement of those stages (**Capacity Expansion Profile**).

The Capacity Expansion Profile will be developed as part of the Terminal Master Plan once the IMEX Terminal becomes operational. In accordance with clause 9.3(c) of the CAP, PDC will prepare the Terminal Master Plan in consultation with customers and other stakeholders (including current and prospective Access Seekers, the ARTC, NSW Ports and the Port Botany stevedores). Once the Terminal Master Plan has been prepared, PDC will publish the Capacity Expansion Profile on its website.

For further information on the requirements for the Terminal Master Plan, refer to Annexure 3 to the Terminal Access Protocol.

2 Capacity Expansion Objective

Pursuant to clause 9.1 of the CAP:

- (a) It is the objective of the capacity planning process that the capacity of the IMEX Terminal is allocated, managed and expanded efficiently and prudently including in anticipation of sustainable increases in demand, so far as practicable, to avoid capacity constraints (**Capacity Expansion Objective**).
- (b) In seeking to facilitate and plan for the achievement of the Capacity Expansion Objective, PDC may, in their absolute discretion, expand the capacity of the IMEX Terminal and associated infrastructure at any time.

3 Capacity Expansion Principles

Pursuant to clause 9.4 of the CAP, PDC is required to implement the Terminal Master Plan where each of the following principles (**Capacity Expansion Principles**) occur:

- (a) the incremental revenue that is anticipated to be generated by the expansion is sufficient to cover the incremental cost of the expansion plus a reasonable commercial return, having regard to the business, commercial and regulatory risks for the IMEX Terminal development and operation;
- (b) sufficient capacity is available on relevant rail networks and at the Port Botany precinct to support the increased utilisation of the IMEX Terminal allowed by the expansion; and
- (c) reasonably anticipated demand for additional reference service capacity is sufficient to support the expansion under the Terminal Master Plan.