

31 August 2022

Important updates to Dangerous Goods, Freight Handling Code and Lyttelton Port export movements

I'm getting in touch to provide important updates that may impact your business.

Dangerous Goods

To comply with land transport regulations, we are updating the way we handle dangerous goods at our Container Transfer (CT) sites.

For safety reasons, our CT sites are not permitted to store dangerous goods. Upon arrival the maximum dwell time permitted is 48-hours for all classes of dangerous goods, other than Class 1 which is only 24-hours.

Time at our CT sites starts when each container has arrived on its inbound rail service at the destination CT site, has been unloaded from the train and then grounded.

If the receiving customer (or their nominated agent) has not uplifted the container within the required maximum time frames noted above, then KiwiRail will arrange for its removal and return and will apply an ancillary charge as outlined below.

Failure to uplift	\$3,000.00	Applies per container / wagon For Class 1 - < 24 hours after arrival at destination Container or Rail Terminal (note that not all Class 1 products are able to travel on rail) For all other classes - < 48-hours after arrival at destination Container or Rail Terminal
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As we look to ensure the safety of all people who work at or visit our site, I trust you'll understand the need to ensure containers with dangerous goods do not remain on our CT sites longer than permitted.

Updated Ancillary Schedule

For a full review of the current Ancillary Surcharges and a more detailed explanation of each of them, please go to <https://www.kiwirailfreight.co.nz/rail-freight/freight-handling-code/> and once there, read Section 24.

Freight Handling Code

We have also made some minor updates our Freight Handling Code with regard to the need for correct placarding of all DG consignments and these changes can be noted when reviewing the updated version of our Freight Handling Code located on our website which you can access via the link in blue above.

I would ask that you and your teams please familiarise yourselves with these changes.

Section 7: Conveyancing Responsibilities

Clarity provided to 7.2 Sender's Responsibilities for placarding consignments of dangerous goods in limited quantities.

Lyttelton Port (LPC) export movements

As we've all dealt with shipping disruptions over the past two years, KiwiRail has worked collaboratively with exporters in the South Island and LPC to help try and smooth the movement of export containers to the port by rail.

We temporarily changed our usual process of moving containers based purely on their booked transport detail and instead we elected to stable containers at our Christchurch CT site while our Customer Service Centre Teams assessed current shipping schedules to see if vessel arrival dates had slid back, as this allowed us to see if the containers would arrive prior to the earliest port acceptance date, or whether a Ship Co had subsequently decided to omit Lyttelton Port altogether.

We also worked with LPC to try and make sure that the final rail leg movement into Lyttelton Port was timed to avoid times when port congestion was such that LPC were unable to accept more inbound containers.

However, as from Monday 12 September, we will be reverting to our normal process which requires all customers to ensure that their booked rail transport aligns with their export vessel schedule and all necessary port acceptance rules. Stabling at our Christchurch CT site will no longer be provided.

Should we find that LPC will not unload a container upon its arrival by rail onto Lyttelton Port, then we will notify the freight payer and ask if they would like their container returned to either its point of rail origin or to our Christchurch CT site, space permitting.

Please note that any container that a port refuses to unload will incur the relevant Port Non-Acceptance Ancillary Surcharges which are \$400 (excl.) per 20ft container or \$600 (excl.) per 40ft container. If the container is requested to be returned to our CT site, then any additional storage and power charges as may be appropriate will also apply.

These Ancillary Surcharges can also be found by reviewing the blue link provided earlier.

Thank you and please do not hesitate to contact me or your Key Account Executive should you have any questions.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Alan Piper".

Alan Piper
Executive General Manager - Sales and Commercial