

# Ancillary Surcharges

The full list of KiwiRail's current Ancillary Surcharges and their applicable rates, is outlined in the table below. However, please note that some of these will be changing soon and for the purposes of clarity, those that will be, have been shown in red text together with their new rates and their applicable start date.

Ancillary Surcharges	Rate	Notes (also see Key Explanations section below for more detail)
<b>Container Hire</b>		
20ft container hire	\$70.00	Applies per container for all KiwiRail supplied equipment
25ft container hire	\$80.00	Applies per container for all KiwiRail supplied equipment
40ft container hire	\$110.00	Applies per container for all KiwiRail supplied equipment
<b>Container Detention</b>		
20ft container detention	\$55.00	Applies per day or part day / per container
25ft container detention	\$80.00	Applies per day or part day / per container
40ft container detention	\$80.00	Applies per day or part day / per container
<b>Wagon Detention</b>		
Wagon detention (any variant of wagon)	\$350.00	Applies per day or part day / per wagon
<b>Container Demurrage</b>		
20ft container demurrage	\$55.00	Applies per day or part day / per container
25ft container demurrage	\$80.00	Applies per day or part day / per container
40ft container demurrage	\$80.00	Applies per day or part day / per container
<b>Early Container Check-in</b>		
20ft early container check-in	\$55.00	Applies per day or part day / per container
25ft early container check-in	\$80.00	Applies per day or part day / per container
40ft early container check-in	\$80.00	Applies per day or part day / per container
<b>Generator / Reefer</b>		
Generator hire (intra-island)	\$260.00	Applies per container
Generator hire (inter-island)	\$420.00	Applies per container
Reefer compliance	\$25.00	Applies per container
Terminal power	\$75.00	Applies per container
Temperature setting / re-setting	\$55.00	Applies per container
<b>Dangerous Goods</b>		
Intra-Island Dangerous Goods	\$37.50	Applies per container / wagon
Inter-Island Dangerous Goods	\$75.00	Applies per container / wagon
Inter-Island top deck stow (*)	\$1,750.00	Applies per container when the classification of the Dangerous Goods being transported requires road-bridging on the top deck of our Cook Strait ferries
Incorrect placarding	\$50.00	Applies per container / wagon
Incorrect dangerous goods declaration	\$600.00	Applies per container / wagon

Ancillary Surcharges	Rate	Notes (also see Key Explanations section below for more detail)
Failure to declare dangerous goods	\$2,500.00	Applies per container / wagon
Failure to uplift	\$3,000.00	Applies per container / wagon For Class 1 - if not uplifted within 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 if not uplifted within 48-hours after arrival at destination Container or Rail Terminal
<b>Vehicle Booking System (VBS)</b>		
(applies only at KiwiRail's Southdown Container Terminal at this stage)		
VBS Booking Fee	\$12.50	Applies for each VBS booking made by a Transport Operator to either deliver and/or uplift a container and it applies on a per container basis
VBS Unutilised Fee	\$21.00	Applies whenever a Transport Operator fails to turn up for a VBS booking. This Fee will be in <b>addition</b> to the VBS Booking Fee
VBS Cancellation Fee	\$17.00	Applies whenever a Transport Operator cancels a VBS booking within 4 hours of the commencement of the booked time slot. This Fee will be in <b>addition</b> to the VBS Booking Fee
<b>Capacity Management – Rail Freight</b>		
<i>Table A in the Key Explanations section below outlines the various Capacity Management surcharges that will apply.</i>		
Booking Edit - Minor	Refer Table A below	Applies per booking whenever a minor edit is requested to be made to an existing booking
Booking Edit - Major	Refer Table A below	Applies on either a per booking or a per 'unit of freight' basis whenever a major edit is requested to be made to the units of freight (i.e. containers or wagons) within an existing booking
Booking Edit - Cancellation	Refer Table A below	Applies on either a per booking or a per 'unit of freight' basis (i.e. per container or per wagon) whenever an existing booking is requested to be cancelled
Unutilised Booking - No Show	Refer Table A below	Applies on a per 'unit of freight' basis (i.e. per container or per wagon), whenever the booked freight doesn't show up to meet its service and the booking hasn't been cancelled in advance (minimum 24-hours' notice prior to scheduled cut-off)
<b>Capacity Management – Interislander Commercial Vehicles</b>		
Commercial Vehicle Unutilised Booking (No Show) (Effective 29 April 2024)	Full charge	Applies on a per Commercial Vehicle unit basis, whenever the booked Commercial Vehicle doesn't show up to meet its booked sailing and the booking hasn't been cancelled or moved in advance (at least one (1) hour before the scheduled sailing time).  "Full charge" means the full rate applicable for the booking will be payable.

Ancillary Surcharges	Rate	Notes (also see Key Explanations section below for more detail)
<b>Miscellaneous surcharges</b>		
Container Terminal Additional Lifts (*)	\$32.00	Applies per lift for all additional lifts
Port Non-Acceptance (*)	\$400.00	Applies per 20ft container
	\$600.00	Applies per 40ft container
Dunnage Removal and Disposal	\$300.00	Applies per incident, per container / wagon
Clean and Wash	\$350.00	Applies per incident, per container / wagon if a steam clean and/or stain wash is required
Container Door Seals	\$50.00	Applies per container / wagon
Overloaded Containers / Wagons and Load Shifts / Imbalances	\$7,500.00	Applies per incident. This surcharge is in <b>addition</b> to any costs incurred by KiwiRail as a result of such incidents i.e. crane hire, road transport, additional locomotive movements, extra labour, security services etc., (see Key Explanations below), which will be charged to the customer
Damage Recovery - Equipment including, all Rolling Stock (Wagons, Locomotives) and Plant (Heavy Machinery / Generators)	\$250.00	Applies per damaged unit of Equipment (excluding Containers). This surcharge is in <b>addition</b> to the costs incurred by KiwiRail as a result of any incident i.e. actual Equipment repairs plus any transport costs to get the Equipment to and from an appropriate repair facility, staff travel costs etc., all of which will be charged to the customer (see Key Explanations below)
Damage Recovery - Containers	\$ 350.00	Applies per damaged container. This surcharge is in <b>addition</b> to the costs incurred by KiwiRail as a result of any incident i.e. additional lifts (4 lifts per damaged container during repair process), actual container repair costs, plus any transport costs to get the Container to and from an appropriate repair facility, coordination of repairs, staff travel costs etc., all of which will be charged to the customer (see Key Explanations below)
Scrapped Equipment (Rolling Stock, Plant etc.) and Containers	POA	Applies per damaged unit of Equipment or Container whenever that Equipment or Container has been damaged beyond economic repair and has to be scrapped. The customer will be liable for KiwiRail's loss of the value of the Equipment or Container.
Late Manifest	\$60.00	Applies per container / wagon to recover the extra administration required when customers don't provide the required cargo manifest details on time.
Late Gate-in of Containers	\$100.00	Applies per container whenever a container is received into a KiwiRail Container Terminal after the required gate-in time for that container  Note that this surcharge only applies if the container is still able to travel on the service to which it had originally been booked  If this isn't the case, and the container instead requires rebooking onto another, later train service, then the surcharge that will apply in this instance will be the Unutilised Booking surcharge which is outlined above
Wagon / Container Diversion (*)	POA	Applies to all wagons / containers that we are required to send to destinations that differ to the booking detail provided and is additional to the resulting, extra transport costs

Ancillary Surcharges	Rate	Notes (also see Key Explanations section below for more detail)
Additional Metro Shunt (*)	POA	Applies whenever we are required to perform an additional shunt in a 'metro' area and is additional to the resulting, extra transport costs
Wagon Lift-off	\$600.00	Applies whenever a wagon is lifted off the rail track for whatever reason. This surcharge is in <b>addition</b> to the costs incurred by KiwiRail as a result of such incidents i.e. all associated labour, materials, administration and mileage (see Key Explanations) , which will be charged to the customer
KiwiRail Infrastructure Damage Recovery	POA	Applies whenever any KiwiRail infrastructure (rolling stock and/or rail related asset) is damaged by the customer and/or anyone acting on behalf of the customer
LPC Rail R&D Levy	\$26.00	Applies whenever a container is being railed into or out of either of LPC's Lyttelton Terminal or LPC's City Depot facilities. See Key Explanations below.
POAL Rail Handling Charge Commences from 1 January 2024	\$21.50	Applies whenever a container is being railed into or out of the Port of Auckland's Waitemata seaport facility. See Key Explanations below.
Southdown Weighbridge	\$30.00	Applies to each truck or trailer weigh that is being performed
Christchurch Weighbridge	\$30.00	Applies to each truck or trailer weigh that is being performed
Christchurch Weighbridge 'fob'	\$70.00	Applies to each replacement electronic 'fob' requested over and above the initial one provided which is provided free of charge
Port of Tauranga Metroport Rail Charge (Effective Monday 19 January 2024)	\$60.00	Applies on a per container basis to all containers that are either consigned into or out of Metroport and which are travelling on rail (except any travelling into or from the Port of Tauranga's Container Terminal itself)
Fuel Adjustment Factor (FAF)	%	A FAF will apply to all applicable charges, (including to some of these Ancillary Surcharges) which will be assessed and adjusted monthly using KiwiRail's standard methodology
Container Storage - Auckland	\$220 per 20ft \$352 per 40ft	Applies per container and with a minimum chargeable period of 7-days, even if the actual storage period is less. Part days are charged on a full day basis Additional charges of \$13 per TEU will apply per day or part day for storage periods in excess of 7-days
Container Storage - all other locations	\$155 per 20ft \$267 per 40ft	Applies per container and with a minimum chargeable period of 7-days, even if the actual storage period is less. Part days are charged on a full day basis Additional charges of \$13 per TEU will apply per day or part day for storage periods in excess of 7-days
Track User Charge (TUC)	%	TUC applies to all freight movements on the rail network. If you require any further information on this, please contact KiwiRail

Notes:

1. All of the above Ancillary Surcharges exclude GST.
2. All of the above Ancillary Surcharges that are noted with an asterisk (\*) are subject to FAF which is additional and will be applied to the Ancillary Surcharge.
3. KiwiRail reserves the right to amend, add or remove such Ancillary Surcharges as it sees fit at any time.

## Ancillary Surcharges – Key Explanations

### Container Hire

The Container Hire surcharges apply on a per-container and size hired basis. Container hire allows the hirer to have access to the empty container up to 24-hours in advance of the booked departure time. The empty container must then be returned to KiwiRail, in a clean state and free of all materials, within 48-hours of the schedule arrival time at the destination.

If the customer wants to hire a container for a longer period, this must be arranged and agreed in advance with KiwiRail and additional Container Hire surcharges will be payable. If a customer fails to return a hired container at the end of the hire period outlined above, then additional Container Detention charges will apply as per the conditions noted below.

### Container Detention

The Container Detention surcharges apply whenever a KiwiRail supplied container is not returned to us within the agreed free time period. The free time period is advised as being from the time of arrival at the nominated destination KiwiRail Container Terminal and up to 48-hours afterwards. If containers are not returned within this prescribed 48-hour window, then these detention charges will apply on a per-container, per-day (or part-day thereof) basis.

### Wagon Detention

The Wagon Detention surcharge applies whenever a KiwiRail supplied wagon (a wagon carrying KiwiRail or third-party containers will count as a wagon) are not ready to be returned to us, within the agreed free time period. The free time period is advised as being from the time of arrival at the nominated destination Rail Siding and up to 24-hours afterwards. If wagons are not ready to be returned to us within this prescribed 24-hour window, then this detention charge will apply on a per-wagon, per-day (or part-day thereof) basis.

### Container Demurrage

The Container Demurrage surcharges apply whenever a customer or third party provided container is left in our possession past the free time allowed. The free time period is advised as being from the time of arrival at the nominated destination KiwiRail Container Terminal and up to 48-hours afterwards. If containers are not uplifted or placed into the destination rail siding within this prescribed 48-hour window, then these demurrage charges will apply on a per-container, per-day (or part-day thereof) basis.

### Early Container Check-in

The Early Container Check-in surcharges apply whenever a customer seeks to bring a booked container into any KiwiRail Container Terminal more than 48-hours ahead of the advised cut-off time for the booked container. If containers are brought into a Container Terminal earlier than this, then Early Container Check-in surcharges will apply on a per-container, per-day (or part-day thereof) basis.

### Generator / Reefer

The Generator Hire surcharges, are charges designed to recover the costs associated with providing customers with KiwiRail supplied generators. The surcharge includes hireage, and a contribution towards repairs and maintenance, fuel, repositioning and the lift on/lift off the wagons.

The Reefer Compliance surcharge is a charge designed to recover the costs associated with the in-transit monitoring of reefer containers and all of the associated, necessary administration required in order to comply with the relevant regulatory requirements and audit checks.

The Terminal Power surcharge is a charge to recover the additional costs associated when containers are in our care for an additional period and which covers the plugging in, provision of active refrigeration, temperature checks as required and unplugging of containers. This surcharge applies per day (or part day thereof) to any container that is either;

- (a) gated in to a KiwiRail Container Terminal more than 24-hours prior to its booked rail departure; and/or

- (b) remains in a KiwiRail Container Terminal and is not uplifted within 24-hours of its scheduled arrival time into a KiwiRail Container Terminal.

*Note: this daily Terminal Power surcharge will still apply even if the KiwiRail Container Terminal is closed as continuous power and monitoring is still being provided.*

The Temperature Setting / Re-setting surcharge is to recover the costs associated with having suitably trained staff throughout our network who are able to set / re-set reefer container temperatures where necessary in order to ensure the integrity of the freight in a container while it is in-transit, or when acting under specific instruction from the customer.

*Note: this Temperature Setting / Resetting surcharge will not be levied in circumstances where KiwiRail elects, for its own operational reasons, to plug containers into power (and accordingly set / re-set the reefer container) at any KiwiRail Container Terminal while containers are either in-transit or about to commence their transit.*

### **Dangerous Goods**

*Note: KiwiRail requires customers to fully comply at all times with all applicable transport laws (including all Dangerous Goods requirements). Any failure to comply with these laws, may result in KiwiRail refusing to transport a customer's goods, termination of a customer's carriage agreement with KiwiRail and notification to the relevant regulatory authority. Legal compliance is an integral part of our business.*

The Intra-Island and Inter-Island Dangerous Goods surcharges are a cost recovery to reflect the additional compliance costs incurred in administering and monitoring the shipment of Dangerous Goods and in order that KiwiRail meets the regulatory requirements of applicable authority - LTNZ and in the case of freight travelling inter-island, the International Marine Organisation (IMO).

Additionally, an Inter-Island Top Deck Stow surcharge will apply for any Dangerous Goods classes that are required to be road bridged on the Top Deck of our ferries across the Cook Strait in order to cover costs associated with trailer hire and all necessary roading to/from the Wellington and/or Picton ferry Terminals and to/from the relevant rail Container Terminal.

The Incorrect Placarding surcharge will apply whenever a container and/or wagon is gated-in for carriage, where it doesn't comply with the placarding requirements based on the transport it requires. Special attention should be given to placarding as the requirements differ depending on whether the transport will involve an inter-island journey as opposed to just an intra-island journey.

The Incorrect Dangerous Goods surcharge will apply wherever an incorrect Dangerous Goods declaration has been submitted, regardless of the reason, and covers the additional operational and administrative work required to review the various segregation rules, ensure compliance with regulations, re-marshal the container / wagon on the train and/or ferry and any other activity necessary to ensure legal carriage compliance.

The Failure to Declare Dangerous Goods surcharge will apply for the non-disclosure, regardless of the reason, of the carriage of any Dangerous Goods within a container / wagon. If discovered, KiwiRail will arrange to remove such container / wagon from the train (or ferry) at the earliest opportunity and the customer, as well as being charged at the full rate for the carriage that was booked, will also be liable for to pay KiwiRail for any and all operational costs incurred as a result.

The Failure to Uplift surcharge will apply on a per container or per wagon basis and regardless of the reason, where the customer hasn't ensured that any container or wagon that contains Dangerous Goods has either been uplifted from the destination Container Terminal, or hasn't been placed into the destination siding, within the maximum time period permitted by KiwiRail. For permitted Class 1 Dangerous Goods, that maximum time period is 24-hours and for all other classes, it is 48-hours.

For containers, this time period commences from the time the container has been discharged from the inbound train service and placed to ground at the destination Container Terminal. For wagons, this time period commences from the time the wagon has arrived at the destination Rail Terminal.

Should any container or wagon risk breaching the maximum time period relevant to the class of dangerous goods being conveyed as determined by KiwiRail, then KiwiRail will arrange for the temporary removal from and subsequent return to, the relevant Container Terminal or Rail Terminal for each container or wagon.

Upon their return to the Container Terminal or Rail Terminal, the maximum time frame period will re-set. This surcharge will apply each and every time KiwiRail is required to perform such a removal. In all cases, the customer for the inbound movement of the container or wagon will be the party responsible for the payment of this ancillary surcharge.

### **Vehicle Booking System (VBS)**

KiwiRail operates a VBS at our Southdown Container Terminal in Auckland. It was introduced in order to increase the efficiency of the Terminal in a concerted effort to improve the overall service delivery and experience for our customers and their transport operators, by reducing truck queueing times that assists in faster container deliveries or pick-ups and as a result, increasing the efficiency and resilience of the Auckland supply chain.

There are a couple of key points that apply with regard to the VBS and these are noted below :-

1. All transport operators seeking to enter our Southdown Terminal will be required enter into a Carrier Access Agreement and hold a valid account with Containerchain (our VBS service provider);
2. A VBS booking will be required to be made for each and every container being either delivered into the Terminal, or uplifted from it, regardless of whether the same vehicle is being used;
3. Both the VBS Cancellation and VBS Unutilised Fees will apply and will be charged in addition to the VBS Booking Fee.

### **Capacity Management – Rail Freight**

#### **Booking Edit - Minor**

The Booking Edit - Minor surcharge applies whenever a customer contacts our Customer Logistics team to request a minor modification to an existing booking, but only where such changes don't alter any of the existing booking's key attributes such as the date of travel, the origin or destination of travel, the actual train service etc.. It is charged on a 'per booking' basis whenever a minor change is requested to be made to an existing booking.

Examples of a Booking Edit - Minor include the following minor modifications of a booking:

- (i) Correction of a container number;
- (ii) Correction or addition of any related reference numbers, such as:
  - a. empty container release number,
  - b. customer order number,
  - c. export vessel name (provided the same acceptance date and time applies to the vessel)
- (iii) Change in the Dangerous Goods (DG) status of the booking (or one of the containers/wagons) \*1;
- (iv) Change of Dry Container to Reefer \*2;
- (v) Change of freight payer code within Customer Group.

#### **Notes:**

Note: \*1 All applicable DG surcharges will additionally apply.

Note: \*2 All applicable Reefer surcharges will additionally apply.

There are certain exceptions when this Booking Edit - Minor surcharge won't apply, such as when it is the result of a KiwiRail caused issue e.g. a late train missing an onforwarding connection, the booking being on a train service which has been cancelled etc.. But in all other circumstances where the modification is as a result of a non-KiwiRail caused issue, this Booking Edit - Minor surcharge will apply.

#### **Booking Edit - Major**

The Booking Edit - Major surcharge applies whenever a customer contacts our Customer Logistics team to request a major modification to an existing booking. It is charged on a per booking basis if the change is requested to be made more than 24-hours prior to the freight booking's cut-off time, or on a 'unit of freight' basis (i.e. per container or wagon) if the change is requested to be made within 24-hours of the freight booking's cut-off time.

Examples of a Booking Edit - Major include, but are not limited to the following:

- (i) Reductions to the amount of equipment booked (i.e. partial cancellation);
- (ii) Change the origin point or destination point of the booking;

- (iii) Change the date of travel of the booking;
- (iv) Change the train service the booking is on;
- (v) Change from wagon to container or vice versa;
- (vi) Change the size of container equipment booked (20ft to 25ft or 40ft).

Note: Major booking modifications are not permitted for Book and Pay Bookings. The full freight rate for these bookings remains payable.

There are certain exceptions when this Booking Edit - Major surcharge won't apply, such as when it is the result of a KiwiRail caused issue e.g. a late train missing an onforwarding connection, the booking being on a train service which has been cancelled etc.. But in all other circumstances where the modification is as a result of a non-KiwiRail caused issue, this Booking Edit - Major surcharge will apply.

### Booking Edit - Cancellation

The Booking Edit - Cancellation surcharge applies whenever a customer contacts our Customer Logistics team or uses the KiwiRail booking portal to cancel an existing booking outright.

It is charged on a per booking basis if the cancellation is requested to be made more than 24-hours prior to the freight booking's cut-off time, or on a per 'unit of freight' basis (i.e. per container or wagon) if the cancellation is requested to be made within 24-hours of the freight booking's cut-off time, regardless of the reason.

Note: Cancellations are not permitted for Book and Pay Bookings. The full freight rate for these bookings remains payable.

There are certain exceptions when this Booking Edit - Cancellation surcharge won't apply, such as when it is the result of a KiwiRail caused issue e.g. a late train missing an onforwarding connection, the booking being on a train service which has been cancelled etc.. But in all other circumstances where the modification is as a result of a non-KiwiRail caused issue, this Booking Edit - Cancellation surcharge will apply.

### Unutilised Booking - No Show

The Unutilised Booking surcharge is charged whenever a customer who has a valid booking, either fails to cancel it in advance (noting a minimum of 24-hours' notice prior to the scheduled cut-off time is required) and/or fails to deliver a container or present or use a wagon in accordance with the booking made and as a result, the booking and some or all of the applicable container or wagon slot(s) are not utilised.

The amount of the surcharge that will apply, will be a sum equal to the freight rates that would have been charged to the customer if all of the booked container/s or wagon/s of freight had been received and transported by KiwiRail in accordance with the booking.

Table A below shows the various surcharges applicable based on the various booking types and lead times:-

Event type	Booking type			
	Book & Pay	Book and Pay	Flexible	Flexible
	(via KiwiRail Customer Logistics team)	(by Customer using the Customer Portal)	(via KiwiRail Customer Logistics team)	(by Customer using the Customer Portal)
Minor Edit (any time)	\$30.00	No charge	\$30.00	No charge
Major Edit (more than 24-hours' notice)	Full charge	Full charge	\$30.00	No charge
Major Edit (less than 24-hours' notice)	Full charge	Full charge	Full charge	Full charge
Increase Equipment count in booking (any time)	No charge	No charge	No charge	No charge
Cancellation (more than 24-hours' notice)	Full charge	Full charge	\$30.00	No charge



<b>Cancellation (less than 24-hours' notice)</b>	Full charge	Full charge	Full charge	Full charge
<b>Unutilised Booking (no-show)</b>	Full charge	Full charge	Full charge	Full charge

Notes:

1. "Full charge" means the full freight rate applicable for the booking will be payable.

## Capacity Management – Interislander Commercial Vehicles

### Commercial Vehicle - Unutilised Booking (No Show)

The Unutilised Booking (No Show) ancillary surcharge is charged whenever a customer who has a valid booking on an Interislander sailing, either fails to cancel it or move it to another sailing in advance of the scheduled sailing (must be done prior to one (1) hour before the scheduled sailing time) and/or fails to show up for the booked sailing in accordance with the booking made and as a result, the booking and the applicable commercial vehicle space is not utilised.

The amount of the ancillary surcharge that will apply, will be a sum equal to the rate that would have been charged to the customer if the booked commercial vehicle had shown up and travelled on the Interislander sailing in accordance with the booking.

## Miscellaneous Surcharges

### Container Terminal Additional Lifts

The Container Terminal additional lift surcharge will apply whenever a KiwiRail Container Terminal is required to undertake more than the standard number of lifts allowed for in the customers' base freight rates.

### Port Non-Acceptance

The Port Non-Acceptance surcharge is to cover the additional transport, lift and other associated costs incurred whenever a container has been rejected from a Port for reasons beyond KiwiRail's control. For example, if the container's booked transport has it arriving at the Port prior to the earliest date of acceptance (as determined by the Port) or the shipper hasn't provided a VGM (Verified Gross Mass) certificate in advance of the container's arrival onto the Port as is required. For the sake of clarity this surcharge will be levied against the freight payer.

### Dunnage Removal and Disposal

The Dunnage Removal and Disposal surcharge will be applied to all containers that are returned to KiwiRail and which contain any form of dunnage, or other material that wasn't present at the time of release into the customer's control, which goes towards the costs of removal and disposal of all such contents left behind, in consideration for lost time and costs to KiwiRail for the delivery of replacement wagons and/or containers.

### Clean and Wash

The Clean and Wash surcharge applies on a per container / wagon basis, whenever a container / wagon is received into a KiwiRail Container Terminal in an unclean condition which can't be remedied by a sweep or a blower and as a result, requires a full wash (i.e. steam clean and/or stain wash) in order to ensure the container / wagon is clean for re-use.

### Container Door Seals

It is a requirement under KiwiRail's Freight Handling Code, that all container doors / curtains are adequately secured with appropriate seals in preparation for transportation prior to the container being presented to KiwiRail for carriage.

This is a critical safety requirement which applies to all containers, regardless of their load status, the route they are travelling over, or the duration of that travel.

The most common failure we see is with the movement of empty containers. So it is vital that everyone understands that this requirement to seal container doors / curtains, is for **ALL** containers.

As part of our pre-departure train examinations, our KiwiRail operations teams will inspect all outgoing containers to ensure all doors / curtains are appropriately secured.

In the event that we find either no or inappropriate seals are in place, KiwiRail will source and apply our own seals. Where KiwiRail is required to do this, this surcharge will apply on a per container basis.

*Note: this surcharge is **always** the responsibility of the freight payer, even if they aren't the party who is actually loading/unloading or handling the container. Requests to charge parties other than the freight payer, will be refused.*

It is important that every customer who is paying for containers to travel on rail, ensures that this requirement is fully understood by all other parties who may be involved in the end-to-end movement of containers (i.e. container parks, trucking companies, or those responsible for either loading and/or unloading of containers).

A full outline of the requirements for container / curtain securing can be found by viewing KiwiRail's Freight Handling Code using the following web address :-

[https://www.kiwirailfreight.co.nz/assets/Freight-Handling-Code/section\\_05\\_load\\_security\\_safety.pdf](https://www.kiwirailfreight.co.nz/assets/Freight-Handling-Code/section_05_load_security_safety.pdf).

### **Overloaded Containers / Wagons and Load Shifts / Imbalances**

This surcharge applies in situations where containers or wagons are overloaded, or experience a load shift in transit, or have loads that are not evenly balanced (imbalanced) throughout the container or wagon.

Overload trigger alerts require the locomotive engineers to stop train services, cut out the overloaded wagon/s and then call for operational support to secure the wagon/s for inspection and resolution by customers.

The impact of even one overloaded wagon can cause significant delays to train schedules, not to mention the damages to KiwiRail rolling stock and infrastructure.

A standard Overload / Load Shift / Imbalance surcharge will apply to all such affected containers and/or wagons. If KiwiRail has had to incur other costs as a result of such instances, such as but not limited to, crane hire, road transport, additional locomotive movements, extra labour, security services etc., then these will also be charged to the customer in **addition** to this surcharge.

### **Damage Recovery - Equipment including Rolling Stock (Wagon, Locomotives) & Plant (Heavy Machinery / Generators)**

This surcharge will apply in situations where KiwiRail supplied Equipment (i.e. wagons, including curtain sided equipment, locomotives, heavy machinery, generators etc., but excluding containers) is damaged while in use by a customer. In use is defined as being the period from when the Equipment was received into the Customer's care at the nominated location, until the time the Equipment has been returned back into KiwiRail's care after use. This surcharge is charged in **addition** to the actual costs incurred by KiwiRail as a result of any incidents (i.e. actual Equipment repair costs, plus any transport costs to get the Equipment to and from an appropriate repair facility, all labour, materials, administration and any mileage required for the repair staff) all of which will be charged to the customer.

\* When KiwiRail determines that any Equipment has been damaged beyond economic repair, that asset will be scrapped. Please see Scrapped Equipment (Rolling Stock, Plant Equipment, Containers) below.

### **Damage Recovery - Containers**

This surcharge will apply in situations where any KiwiRail Container (including curtain sided equipment) is damaged while in use by a customer. In use is defined as being the period from when the Equipment was received into the Customer's care at the nominated location, until the time the Equipment has been returned back into KiwiRail's care after use. This surcharge is charged in **addition** to the actual costs incurred by KiwiRail as a result of any incidents (i.e. actual Container repair costs, plus any transport costs to get the Container to and from an appropriate repair facility, all labour, materials, administration and any mileage required for the repair staff) all of which will be charged to the customer.

\* When KiwiRail determines that any Container has been damaged beyond economic repair, that asset will be scrapped. Please see Scrapped Equipment (Rolling Stock, Plant Equipment, Containers) below.

### **Scrapped Equipment - (Rolling Stock, Plant, Containers)**

When KiwiRail determines that any Equipment (including Rolling Stock (i.e. wagons, locomotives) or Plant (i.e. heavy machinery, generators) or any Containers have been damaged beyond economic repair, that Equipment or Container will be scrapped, and the customer will be liable for KiwiRail's loss of the value of that Equipment or Container based on its residual value, plus lost service life, less the value of any salvageable components or scrap such amount as determined by KiwiRail (acting reasonably). For the avoidance of doubt, KiwiRail shall retain ownership of any salvageable components and be free to retain or dispose of such components as it sees fit.

### **Late Manifest**

The Late Manifest surcharge will apply to any booking that has been made to moving any freight on our rail network (freight being a container and/or a wagon) where the appropriate manifest documentation for that freight has not been received by KiwiRail in an acceptable format, prior to the scheduled manifest documentation cut-off time for the departing train service on which the freight was booked to travel.

### **Late gate-in of Containers**

The Late gate-in surcharge will apply on a per container basis whenever a container is received into a KiwiRail Container Terminal after the required gate-in time for that container, based on the train service on to which it is booked to travel.

Note that this surcharge only applies if the container is still able to travel on the service to which it had originally been booked. If this isn't the case and the container requires rebooking onto another, later train service, then the surcharge that will apply in such instances will be the Unutilised Booking surcharge which is outlined above.

### **Wagon / Container Diversion**

The Wagon / Container Diversion surcharge will apply to any wagon / container that we are required to send to a destination that differs from that noted in the original booking detail provided and which results in additional transport costs. This surcharge is "price on application" (POA) as costs are dependent on the final destination advised.

### **Additional Metro Shunt**

The Additional Metro Shunt surcharge applies whenever we are required to perform an additional shunt placement or pick-up into, or out of a private siding within a defined 'metro' area, in order to recover the additional transport costs of performing such extra work. This surcharge is a charge per shunt, not per wagon or per container. The costs of this will vary depending on the locations and shunt services involved.

### **Wagon Lift-off**

The Wagon Lift-off surcharge will apply to any incident where any party involved in lifting containers off wagons, accidentally or otherwise causes a wagon to be lifted up, sometimes derailing it.

All incidents of wagon lift-offs, regardless of whether the wagon has actually been de-railed and also regardless of whether or not a de-railed wagon has subsequently been re-railed, are required to be reported to KiwiRail by advising our Customer Logistics team on (0800) 351-351. Upon notification, KiwiRail will send staff out to the site to investigate and ensure the wagon has been re-railed correctly and is otherwise safe to run and the rail track is safe to use.

At no stage are any non-KiwiRail staff permitted to attempt to re-rail any wagon that de-railed due to a lift-off event.

The Wagon Lift-off surcharge will apply to these incidents. Please note that any and all associated costs relating to the repair of any damage that has been caused to either the wagon and/or the rail track as a result of the lift-off will be charged in **addition** to this surcharge.

This will include charging for all labour, materials, administration and any mileage required for the repair staff.

### **KiwiRail Infrastructure Damage Recovery**

The KiwiRail Infrastructure Damage Recovery surcharge is a charge levied to recover the repair and other associated costs whenever any KiwiRail infrastructure is damaged by a customer, or someone acting on behalf of a customer. Infrastructure is defined as being any KiwiRail rolling stock e.g. locomotives, wagons etc., or any rail related asset e.g. track, signals, overhead power, signage etc..

If any damage is done to any such infrastructure, then KiwiRail will seek full recovery for the repair costs of the damage, plus a 10% margin, from the relevant freight paying customer for the rail movement that caused the infrastructure damage, regardless of whether or not the freight payer was actually involved in the causation of the incident. Recovery of all costs resulting from this surcharge from the actual party that caused the damage, will be the responsibility of the freight paying customer.

### **LPC Rail R&D Levy**

The LPC Rail R&D Levy surcharge is a charge that the Lyttelton Port Company (LPC) has introduced and applies to every container that is being railed into or railed out of either LPC's Lyttelton Container Terminal and/or LPC's City Depot facilities.

LPC invoices KiwiRail for all such charges, which KiwiRail will then recover via the application of this ancillary surcharge.

As this is not a charge that KiwiRail introduced nor has any control over, should LPC elect to adjust this LPC Rail R&D Levy at any time, then KiwiRail reserves the right to adjust this ancillary surcharge accordingly and apply the updated ancillary surcharge from the time the change in LPC's Rail R&D Levy applies to KiwiRail.

### **POAL Rail Handling Charge**

The POAL Rail Handling Charge is a charge that the Port of Auckland (POAL) are introducing on 1 January 2024 and will apply to every container that is being railed into or railed out of the Port of Auckland's Waitemata seaport facility.

POAL will invoice KiwiRail for all such charges, which KiwiRail will then recover via the application of this ancillary surcharge.

As this is not a charge that KiwiRail introduced nor has any control over, should POAL elect to adjust this POAL Rail Handling Charge at any time, then KiwiRail reserves the right to adjust this ancillary surcharge accordingly and apply the updated ancillary surcharge from the time the change in POAL's Rail Handling Charge applies to KiwiRail.

### **Southdown Weighbridge**

KiwiRail has recently invested in a new, fully certified weighbridge at our Southdown Container Terminal in Auckland. It is available for use by customers who wish to check weigh a container prior to it being delivered for rail transport, or after unloading one, but also for any casual user who might simply wish to weigh their vehicle and its load.

The weighbridge is situated just outside the entrance to KiwiRail's Southdown Container Terminal, so you do not have to enter the facility to use it.

The Southdown Weighbridge surcharge applies on a per truck or trailer, per weigh basis. All users will have to register with KiwiRail prior to any use, as you will need a special electronic 'fob' device for each truck that will be using the weighbridge. Upon registering to be a user of the weighbridge facility, KiwiRail will provide this 'fob' at no cost.

Additional details on the weighbridge and its use, how to apply for an account and the application form can be found on the KiwiRail Freight website <https://www.kiwirailfreight.co.nz/> in the Rail Freight / Weighbridge section.

### **Christchurch Weighbridge**

The Christchurch Weighbridge surcharge applies on a per truck or trailer, per weigh basis. All users will have to register with KiwiRail prior to any use, as you will need a special electronic 'fob' device for each truck that will be using the weighbridge. Upon registering to be a user of the weighbridge facility, KiwiRail will provide this 'fob' at no cost. Additional details on the weighbridge and its use, how to apply for an account and the application form can be found on the KiwiRail Freight website <https://www.kiwirailfreight.co.nz/> in the Rail Freight / Weighbridge section.

### **Christchurch Weighbridge 'fob'**

The Christchurch Weighbridge 'fob' surcharge applies whenever a party who is seeking to use the weighbridge, requests an extra or replacement electronic 'fob'. It will be applied on a per replacement 'fob' basis.

### **Port of Tauranga Metroport Rail Charge**

The Port of Tauranga Metroport Rail Charge was a levy the Port of Tauranga introduced on the 1<sup>st</sup> of April 2023. They have recently announced their intention to increase this as from Monday 19 February 2024. It will still be charged on a per container basis and will apply to the following:

1. any container that is consigned into Metroport from any location (other than the Port of Tauranga's Sulphur Point Container Terminal itself) and for which the Port of Tauranga is not the freight payer and where the inbound transport mode is rail; or
2. any container that is consigned from Metroport to any location (other than the Port of Tauranga's Sulphur Point Container Terminal itself) and for which the Port of Tauranga is not the freight payer and where that outbound transport mode is rail.

Metroport is defined as being the inland port operation that KiwiRail operates on behalf of the Port of Tauranga at its Southdown Freight Terminal.

This is effectively a 'rail VBS' although there is no need to book slots such as is required under a road VBS system.

Note: The Port of Tauranga has strict requirements that must be adhered to in terms of the approved catchment area for containers that are being consigned into Metroport. It is the responsibility of each customer who is booking the rail travel, to ensure they comply with this requirement. Please contact the Port of Tauranga if any clarification is needed regards this.

### **Fuel Adjustment Factor (FAF)**

The Fuel Adjustment Factor is a surcharge applied on top of all freight and applicable Ancillary Surcharges, which is designed to ensure the appropriate recovery of fuel price fluctuations. The level of KiwiRail FAF is adjusted monthly in line with KiwiRail's standard methodology, which is based on the MOPS (Mid of Platt Singapore) index and also takes into account changes in foreign currency values and any applicable levies, taxes etc. and is advised under separate cover to all customers via e-mail each month.

### **Container Storage - Auckland and Other locations**

These charges will apply whenever KiwiRail is requested or required to temporarily store containers at any of its Container Terminals for whatever reason.

A minimum charge of 7-days will apply in all cases unless otherwise agreed beforehand. The rates for the first 7-days (or part thereof) include an allowance for multiple lifts, but if we are required to perform excess lifts to access specific containers at the time of uplift (as containers will simply be block stacked) or at any time a customer seeks urgent access to a particular stored container, then additional lifts will be charged at a discounted rate of \$18 per lift.

For the purpose of charging, part days will be deemed to be full days, e.g. 7.5 days will be charged as 8 days.

These storage charges will be invoiced to the customer's freight payer account, but should non-account holders wish to store containers, we are able to accommodate this. Storage costs will accrue and payment can be made directly into our bank account, the number of which will be provided at the time. No stored containers will be released until payments have been received.

### **Track User Charge (TUC)**

The New Zealand Government has introduced legislation that obligates KiwiRail to pay a Track User Charge (TUC). The legislation requires that all freight moving on KiwiRail's network, must pay a TUC which KiwiRail collects and then passes back to Waka Kotahi as a contribution to the National Land Transport Fund (NLTF). The amount of the TUC and the methodology by which it is applied will be reviewed annually by KiwiRail.

At present most customers will see the TUC as a percentage surcharge which is applied to the freight cost of the goods being transported. Note that the TUC surcharge will not be added to any other Ancillary Surcharge as it will only be applied to the actual freight cost.