

Tuesday March 16, 2021

## Customer Update: LCT Update

As valued LPC customers and port users we would like to update you on the ongoing supply chain challenges and impacts on the Lyttelton Container Terminal (LCT), and how we can work together during this time.

As you have seen in recent months, several Ports across New Zealand and globally have reported periods of heavily congested terminals and yards.

At LCT we are currently 15% over our optimal operational capacity and as a result this is starting to cause some delays to productivity.

### Background

Over the past five months we have seen a 22% reduction in planned vessel calls at Lyttelton while our overall volume has remained relatively steady.

This has resulted in larger than average vessel exchanges and increased occurrences of cargo rolling onto later vessels, both of which have caused significantly longer export dwell times. Overall, the average dwell for export containers has increased by 40% on the same period last year, which has a significant impact on our operational yard capacity.

To work through this issue our focus is on working with the Shipping Lines to manage their vessel calls and clear the backlog of containers already in the Terminal and at Midland Port.

### How this impacts you:

#### **Export Cargo:**

To proactively manage our capacity, we have decided to place limits on the acceptance windows for export cargo, both dry and reefer.

We will review the situation daily and provide all customers a daily update at around 1500hrs advising what vessels we will be accepting for over the following 24-hour period.

The current 7 days free time will be reduced, we will do our best to keep the acceptance times as open as possible but we will restrict where we need to so we can ensure that operations can continue.

We expect this situation may continue for several weeks.

#### **MidlandPort:**

At MidlandPort we are currently 700 empty units over our operational capacity and as such we have made the decision to restrict all empty de-hires. Please also be aware that due to the current challenges with full reefer volume, this has also had an impact on our ability to pre-trip empty reefer containers in a timely manner.

CityDepot remains open for de-hire of empty containers.

## How can we work together?

- Please continue to clear import containers as soon as possible after discharge.
- Please continue to work with your transport company to arrange stack runs. Stack runs will limit the amount of work required to deliver import containers and improve turnaround times at our facilities.
- Please ensure all relevant parties within your supply chain are aware of our acceptance windows for both dry and reefer containers as updated by us at 1500hrs each day.
- Please only bring cargo for the vessels notified for acceptance by the terminal in our 1500hrs daily update.
- Please do not roll cargo in the terminal to later vessels.

If you have any questions, please do not hesitate to contact us, we thank you for your continued support and patience.

Simon Munt  
**General Manager, Container Operations**