

Capacity Expansion Principles, Capacity Expansion Profile, and Capacity Expansion Objective

This document sets out the Capacity Expansion Principles, Capacity Expansion Profile, and Capacity Expansion Objective for the Moorebank Interstate Terminal in accordance with Capacity Planning set out at Annexure 3 – Capacity Allocation Protocol (**CAP**) of the Moorebank Interstate Terminal Access Protocol

1. Capacity Expansion Principles

Pursuant to clause 9.4 of the CAP, MITCo will 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 Interstate 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 Interstate Terminal allowed by the expansion; and
- (c) reasonably anticipated demand for additional Terminal Service capacity is sufficient to support the expansion under the Terminal Master Plan.

For further information on the requirements of the Terminal Master Plan, please see Annexure 3, Clause 9.3 of the Interstate Terminal Access Protocol.

2. Capacity Expansion Profile

Pursuant to clause 9.3 of the CAP, MITCo 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 Moorebank Interstate 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 Moorebank Interstate Terminal becomes operational. In accordance with clause 9.3(c) of the CAP, MITCo will prepare the Terminal Master Plan in consultation with customers and other stakeholders. Once the Terminal Master Plan has been prepared, MITCO will publish the Capacity Expansion Profile on its website.

For further information on the requirements of the Terminal Master Plan, please see Annexure 3, Clause 9.3 of the Interstate Terminal Access Protocol.

3. 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 Interstate 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, MITCo may, in its absolute discretion, expand the capacity of the Interstate Terminal and associated infrastructure at any time.