

# Interview

## Craig Carmody, CEO – Port of Newcastle

Paul Zalai, Director and Co-founder – Freight & Trade Alliance recently caught up with Craig Carmody, CEO – Port of Newcastle to see how the port is developing.

**1. Paul Zalai - Craig, a lot has happened at Port of Newcastle over the past few years. It must be an exciting time.**

It certainly is. Port of Newcastle is delivering on a significant diversification strategy to create the Port that our community, our region, and our state needs for the future.

Central to this strategy is the development of a Clean Energy Precinct, which is supported by a \$100 million Commonwealth Government funding commitment. This commitment effectively positions the Port, and our region, as a leading production, storage and export hub for future clean energy products and technologies including hydrogen and green ammonia.

Equally significant, thanks to our fulfillment of all requirements under the Port of Newcastle Extinguishment of Liability Act (2022) earlier this year, is Port of Newcastle being on track to play a more diversified and prominent role in the state's global container movements. This was a win not only for PON, but for our customers, stakeholders, and our community, who were instrumental in helping to achieve this great milestone for our region, a promise 25 years in the making.

**2. Paul Zalai - On containers, with the legislation now passed, what is Port of Newcastle's intent in this space moving forward?**

Removal of this penalty has given Port of Newcastle a path forward in being able to offer choice and competition in NSW container trade, which significantly impacts communities and economies in regional NSW.

**“ The Port of Newcastle Clean Energy Precinct is a truly ambitious project, one that we have been advocating for over many years ”**

Our development of the Newcastle Deepwater Container Terminal (NDCT) has the capacity to power the Hunter economy for generations to come through over 15,000 direct and indirect jobs, as well as injecting \$2.5 billion of economic activity to Australia.

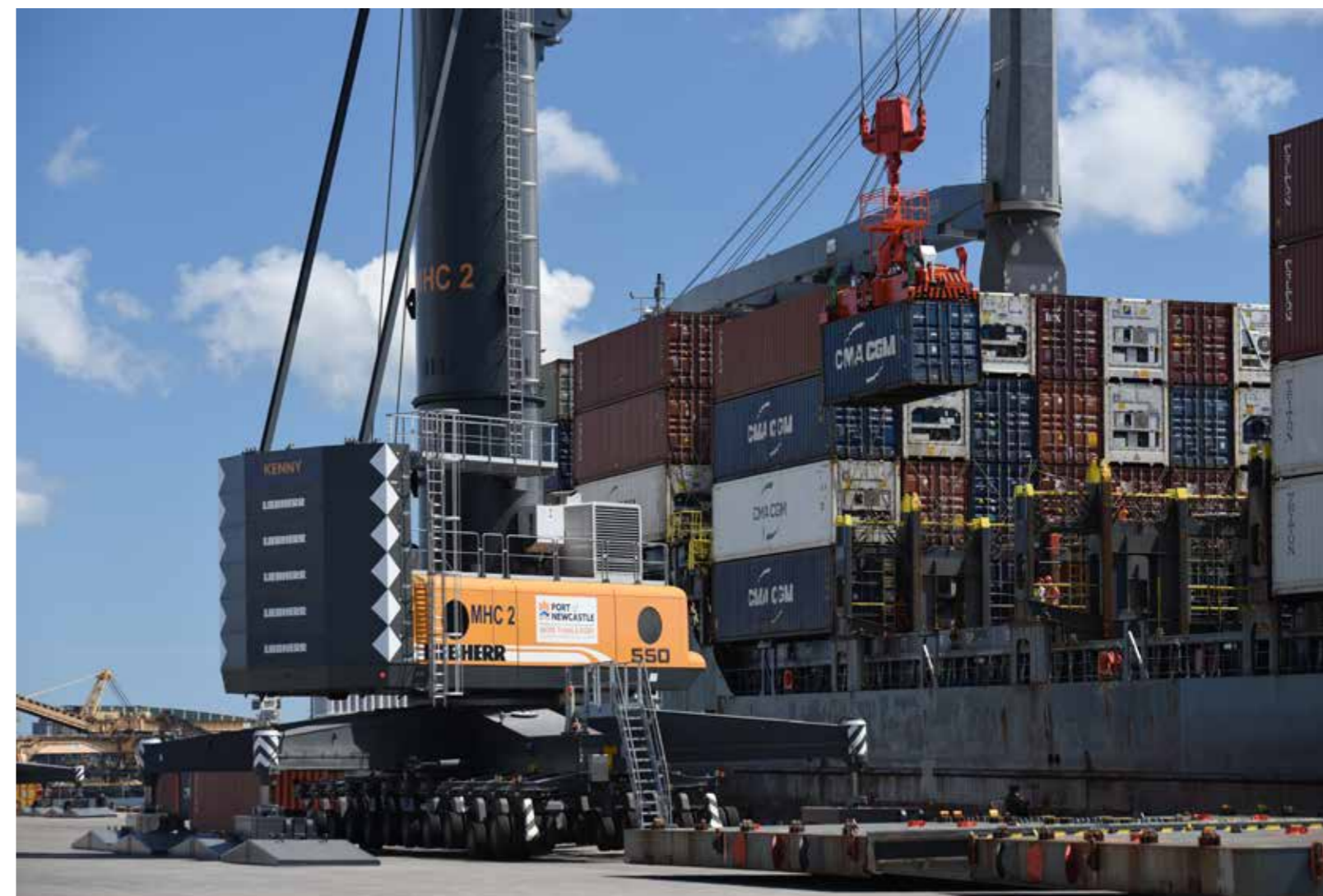
With the NSW Freight Reform Program nearing completion, we look forward to assisting the freight task in NSW,

creating competition in the market, along with driving economic stimulus and job creation in NSW as our plans progress.

**3. Paul Zalai - Does PON feel it can be competitive in a marketplace that has traditionally been operated by one port?**

It's a fact that introducing competition will drive innovation and efficiency across the NSW port system. Port of Newcastle's natural advantages and strategic location allows us to offer a compelling alternative for importers and exporters.

The Port is currently operating at around 50% capacity, and our deep-water channel can accommodate the largest container vessels, providing efficient access to global shipping routes. We have over 90 hectares of available portside land allocated for the development of a container terminal, offering unique proximity and access to key regional areas and transport



networks. Not to mention rail capacity and efficient access to the Western Sydney market for shipping imports.

Beyond me making these statements, which have been backed by several market studies, our stakeholders also maintain that Port of Newcastle is an exceptionally attractive option in the container marketplace.

**4. Paul Zalai - Clean energy is another pillar of Port of Newcastle's diversification strategy – how is that progressing?**

The Port of Newcastle Clean Energy Precinct is a truly ambitious project, one that we have been advocating for many years. Following our receipt of \$100 million funding from the Commonwealth, we have reached our first project milestones, with tenders recently awarded for the general infrastructure, electrical and water FEED studies and EIS for the Precinct, which will inform the next critical phase of the project. This is a major milestone towards positioning Newcastle and the Hunter as a clean energy hub.

**“ It's a fact that introducing competition will drive innovation and efficiency across the NSW port system. ”**

At present we are on track to complete the studies and land preparation by 2027, where we will then hand over to our production partner KEPCO, who will then start construction on the production facilities, with the aim of hydrogen/ammonia production commencing in 2030.

**5. Paul Zalai - When will hydrogen be produced at Port of Newcastle?**

While exact timelines depend on regulatory approvals and construction progress, we are aiming to host 1.6 GW of electrolytic hydrogen production by 2030.

The likelihood is, the first export product will be ammonia, that is until shipping lines can export hydrogen at scale without loss.

That process is still ongoing; however, we expect to be able to export over 600,000 KTPA of ammonia once production starts.

**6. Paul Zalai - With diversification central to Port of Newcastle's strategy, is the port concerned that traditional trades, like coal, are in decline?**

Coal is and will remain an important trade for Port of Newcastle for many years, however, we are focused on diversification to ensure long-term sustainability, with the Newcastle Deepwater Container Terminal and Clean Energy Precinct central to this strategy.

Increasing agricultural exports, like cotton and grain, is also a central focus. Our connection to the rail network gives us a unique connection with the State's producers of these commodities. Particularly in the Western, New England and North-West of NSW.

Port of Newcastle's balanced approach allows us to support traditional industries as we develop new opportunities that will provide a sustainable economic future for our community.