



**PORT OF  
HASTINGS**  
DEVELOPMENT AUTHORITY

# 2018 Port Development Strategy

Port of Hastings Development Authority  
December 2018





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Legislation & Policy Framework Relevant to the Port

The Port of Hastings (the Port) is a significant contributor to the Victorian economy offering deep water channels that require minimal maintenance, existing infrastructure and access to large areas of appropriately zoned land. These features provide a unique opportunity for development to support the State's future transport needs. The Port has strong road links back to Melbourne's arterial networks with connections to existing industrial and manufacturing centres.

There is immense long term potential for the Port. The large undeveloped land reserves are strategically important and should remain protected to preserve medium and long term development options, in line with Government policy.

Land use planning plays a critical role in maintaining the Port's long term needs, whilst protecting local amenity for the surrounding residential and environmentally sensitive areas. Unlocking the economic potential of the Port is dependent on implementing a strategy that preserves access to areas required to directly undertake port activities, maintains buffers to protect amenity and provides the transport corridors required to link the Port to the wider freight network.

Community consultation has highlighted the wish of many in the community that the Port of Hastings Development Authority and the Victorian Government provides clear commitments to robust environmental stewardship and strong governance in planning for future port activities.

The Port's role in the provision of oil and gas products to the communities of south east Australia is perhaps not seen by the general community, as the majority of outputs are transferred by pipelines and infrastructure which are not visible to the general public. Port activities in shipping, tugs, and the industries it supports, provide significant local employment and economic benefits in the Hastings local area, all of which support economic activity across Melbourne and regional areas.

In line with Government Policy, the primary objective of the Port of Hastings Development Authority is to develop the Port for bulk and break bulk trades, while ensuring that the ability to develop the Port for containerised trades in the future is preserved. The Port is well placed to continue to develop trades in bulk liquids and gases and its connection and proximity to Gippsland remains a key driving factor to support a range of future industries onshore and offshore in the region.

In addition, there is potential for the longer term movement of trades from other ports to Hastings to support the broader needs of Melbourne and the region. The ability for the Port to accommodate much higher trade volumes presents significant opportunity for the Port to contribute to a higher performing and more efficient freight and logistics network. Importantly, the Port also has no constraints on handling the shipping fleet that is aligned to the Port's forecast growth in existing trades. However, lack of a suitable general purpose berth at the Port limits its ability to cater for dry bulk and break bulk trades.

Based on a medium to higher level demand outcomes, development of an additional multi-user wharf, could accommodate new Gippsland trades and eliminate the need for significant freight traffic through the City of Melbourne.

The footprint of the Old Tyabb Reclamation area and existing alongside depths at Long Island Precinct provide ideal opportunity for a flexible and multi-trade port facility in the longer term. For the scenario that considers all 'plausible' products, it is envisaged that at least 2 - 3 berths would be required to handle liquid bulk, dry bulk and break bulk products. These products could not be handled satisfactorily across the existing wharves owned by BlueScope.

# Executive Summary

Key transport routes have been earmarked for upgrading by VicRoads. As forward planning for these upgrades has included reservations for any future widening or duplication of carriageways, no new road corridors are required, however greater focus to the priority and condition of east west connections on Tyabb Mornington Road, Bungower Road and Tyabb Tooradin Road will be required to meet medium to higher growth demands.

At Stony Point, the separation of port operations and the public ferry service is a key opportunity to improve safety for all users. The public zoned boat ramp area provides an opportunity to accommodate improved foot passenger ferry infrastructure and a future Ro-pax service, should this be established.

The key environmental issues for consideration in any port related activity, including development options, are:

- The status of Western Port as a Ramsar Wetland of International Importance indicating the high level of significance of the marine areas - in particular the intertidal areas that support migratory shorebirds
- The coastal mangroves and saltmarshes which provide important habitat for birdlife, as well as providing important nursery areas for fish
- The importance of the area as a recreational resource for fishing and other water based activities
- Traffic and noise issues along the transport corridors
- Landscape and visual issues including from vantage points such as Phillip Island.

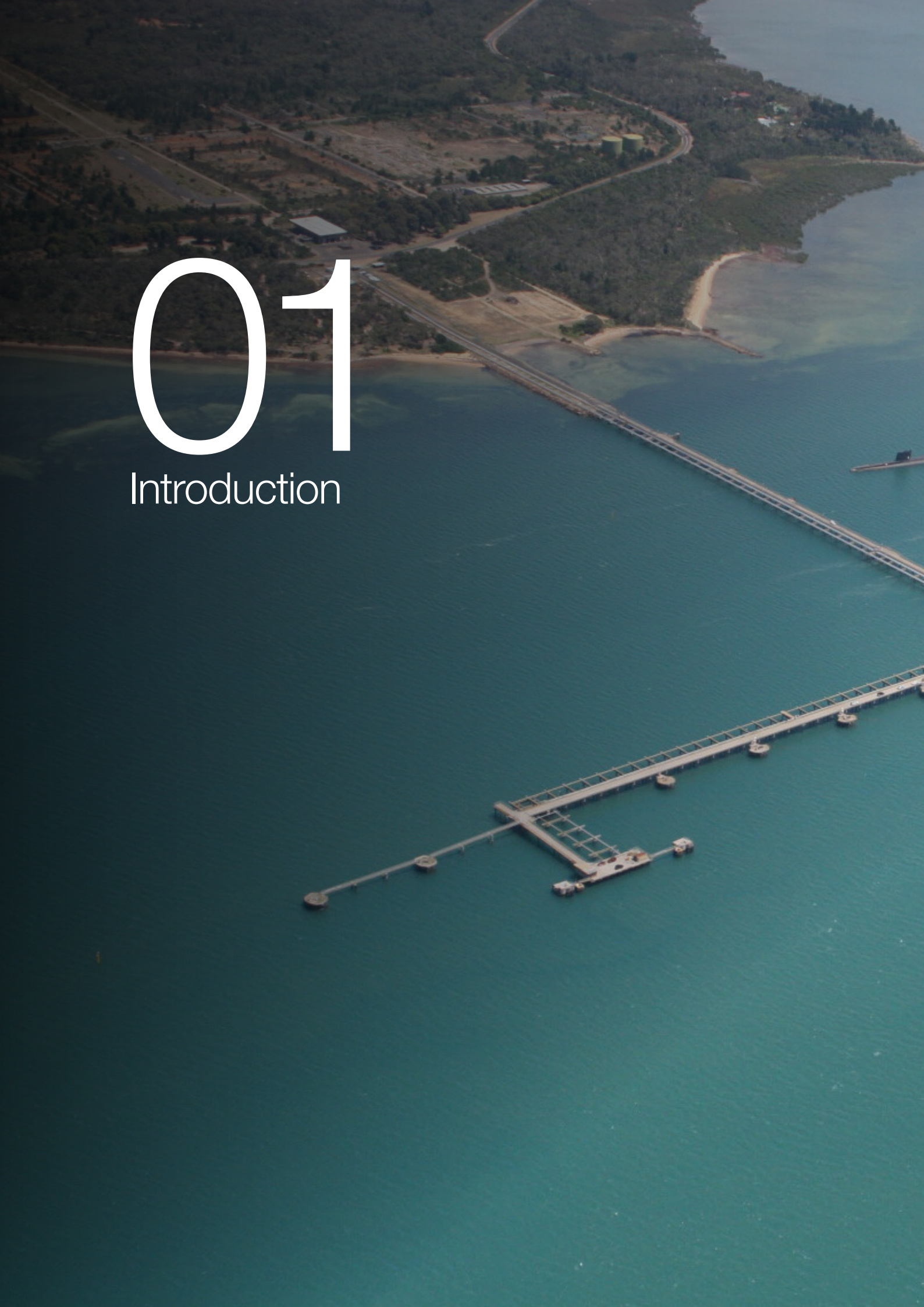
This report recommends several development strategies, largely involving actions to preserve current economically contributory activities whilst ensuring the significant potential of the Port remains protected. These recommendations include:

- The retention of Port Zoned (SUZ1) land to preserve future port expansion options, consistent with current Government policy
- Current and future transport corridor preservation strategies including upgrades to permit heavy, more productive vehicles
- Investigation of industrial use development options in the Port interface areas to support trade and economic development
- Actions to assist with current port trade development opportunities including the potential for the Port to own or control the Old Tyabb Reclamation Area as a key development area
- The development of critical transport links, including, Western Port Highway and Thompsons Road upgrades, east west connections to Peninsula Link and improving the important connections to Gippsland
- The separation of Stony Point operational and public areas. to enhance further development and compliance of the current ferry facilities.

*The PDS concludes that the Port is positioned well to develop and respond to market needs providing flexible options for industry whilst preserving the State significant development potential of the Port and associated port development land.*

# 01

Introduction





The Port of Hastings (the Port) is located approximately 70 kilometres south east of Melbourne on the shores of Western Port (as shown in Figure 1) and provides a major gateway and supporting role for Victoria, Melbourne and south east Australia. The Port provides access to major industries including, a hub for oil and gas imports and a major steel product manufacturing facility.

Industries located at the Port provide connection to oil and gas offshore platforms, import and processing facilities and connection to Victoria's two oil refineries via pipeline. Oil and gas and petroleum products are distributed from Hastings across south east Australia supporting the energy needs of the region.

Steel product manufacturing is linked to major interstate facilities and supports local and export demand. The Port provides a major gateway to domestic supply chains and industries that provide significant economic activity and jobs for the region.

Overall, 1.5 million tonnes of petroleum products, steel and gas are handled across all wharves. Additional outputs of an equivalent scope are despatched from the Port in pipelines and via transport corridors to Melbourne and south east Australia.

The Port is responsible for a significant share of the State's bulk liquid trade and offers the deepest channel in Victoria. There are four established jetty complexes, the BHP Steel Industries Wharf, Long Island Point Jetty, Crib Point Jetty, and the Stony Point Port Services Complex.

The Western Port-Altona-Gippsland (WAG) pipeline links the Bass Strait oil and gas fields with port processing facilities at Hastings and refineries in Altona and Geelong. This pipeline provides an important link in the State economy.

Major industry facilities at Hastings include:

- BHP's Western Port Steelworks
- The Esso-BHP Gas Fractionation Plant
- The United Petroleum fuels Storage and Distribution facility.

As the Port is located to the south east of Melbourne, it also provides potential to support major trades in the Gippsland region without the need to transport materials through the central urban areas of Melbourne. Victoria's 2018 Freight Plan identifies the Port as an option in reserve for development as a container port subject to the needs of the State.

The 2018 Port Development Strategy (PDS) gives the Port community the opportunity to prepare and promote a robust structure for the growth and promotion of the Port of Hastings. Developed in consultation with port users and the broader port community, the Strategy provides a comprehensive overview of the Port's current status and related issues. It identifies the key stakeholders, considers future growth scenarios and outlines planning directions that will allow the Port to continue to thrive in coming years.

This PDS focuses on:

- Communicating - the role of the Port of Hastings in the development of Melbourne and the State; potential changes and what the future holds
- Possibilities – detailing the possible trade needs that will drive the Port's development and the factors that can challenge the Port
- Port Environs – the potential land requirements to allow for future development and connections with surrounding land uses
- Logistics chain – detailing the infrastructure requirements to ensure the Port remains competitive and is an efficient and productive contributor to the supply chain of trade.

# Introduction





Figure 1 Port of Hastings locality

## 1.1 What is the Port Development Strategy

The Port of Hastings 2018 PDS forms part of a suite of port related strategies across state, regional and municipal levels. As a public document, the development vision in a PDS provides a platform for ports to exchange information on relevant matters with Government departments, agencies and municipalities. It enables better alignment of port related proposals with other Government policies and strategies.

Section 91K of the Port Management Act 1995 (PMA) sets out the requirement for port authorities to prepare a PDS. It also provides the legislative standing for the Ministerial Guidelines for Port Development Strategies and that such strategies are to be prepared at regular intervals.

Requirements for a PDS are focused on the potential for port development, its transport links, land requirements, port infrastructure and associated trade. It also gives consideration to the community and social aspects of the strategy. The PDS is to look forward, planning for 30 years and is to be updated every five years.

The Port of Hastings Development Authority (PoHDA) is a public entity that was established under the Transport Integration Act 2010 (Vic), and is responsible for the management and operations of the Port of Hastings. The channels in Western Port fall within the jurisdiction of the Victorian Regional Channel Authority (VRCA) who are the manager of port waters.

There are also a number of significant port users who own large parcels of land abutting the Port. The PDS focuses on the infrastructure and land needs of the Port as a whole to enable investment to occur and meet potential trade demand.

## 1.2 How has the PDS been developed

### *Identification of current and future port trades and operating arrangements*

The existing operations of the Port were reviewed: what trades now, in what quantities, berth use, present freight flows to and from the Port by ship, rail and road and future trade possibilities were identified through stakeholder engagement and desktop literature review. A particular focus was applied to understand whether there were any interface issues between tenants that effect capacity or freight flows into and out of the environs of the Port of Hastings and onward into the domestic market.

### *Current port infrastructure arrangements*

The current use of berths, channels, road and rail infrastructure that define the current operational capacity of the Port were examined and reviewed with consideration of the future trade possibilities. This has considered the suitability of existing road connections, rail infrastructure, channels, land areas and berth infrastructure.

### *Current planning and zoning arrangements affecting the port*

Consideration was given to the availability of suitably zoned land for port expansion and prospects for land becoming available in the future that might need to consider port activity as highest and best use. Past planning for the Port has included a large area of land which has been reserved for the Port of Hastings under the Mornington Peninsula Planning Scheme, for port related purposes (Special Use Zone 1 [SUZ1]) and this provides a solid base sufficient to cater for the foreseeable planning of the Port at the current time. The bulk of this SUZ1 zoned area is farm land with some rural residential and small to medium size commercial operations.

There is also approximately 25 hectares of land located between the BlueScope Wharf and the Long Island Point jetty known as the "Old Tyabb Reclamation Area", which is owned by Government and has been identified as critical for the future development of the Port.

### *Consultation*

The development of the PDS has involved targeted consultation and interviews with key port stakeholders, tenants, owners and users.

Interviews were held with over 20 different stakeholders, which comprised a range of:

- Face to face meetings (FtF)
- Teleconference discussions
- Email communications.

Each interview was structured to understand the scope and directions of business operations relevant to the port, a perspective trade outlook, logistics & supply chain and maritime shipping needs.

### 1.3 Port vision /Strategic objectives

**Vision:** To be a vibrant and growing port facilitating continued growth and development of existing and new bulk trades in a sustainable manner.

The following factors have been determined to be critical to PoHDA's future success:

- Being attractive for our customers (port users)
- Port has a citizen / leadership role in the region
- Removing barriers to development within the Port
- Increasing utilisation of existing assets.

**Mission:** To manage and operate the Port of Hastings and to continue to respond to requests from bulk proponents who are seeking to use and/or develop facilities within the Port of Hastings.

The Government is seeking to grow employment and create the necessary conditions to sustainably develop the Victorian economy. Development opportunities will be assessed to ensure that as far as possible these two goals can be met.

**Objectives:** PoHDA's objectives are:

- Safely and efficiently manage the Port operations
- Market the port and respond to requests from bulk proponents who are seeking to use and/or develop facilities within the Port of Hastings
- Ensure Port developments do not constrain the future options for development of the port
- Assist the State's consideration of future ports policy development
- Deliver effective governance of Authority activities
- Manage Authority resources efficiently and effectively.

#### Community Consultation Surveys online

As part of the study, port members, stakeholders, staff and the community were invited to undertake a survey to provide their insight and views on port related issues that have been considered in the PDS. The survey was advertised and released as an online tool that occurred over a three-week period between October and November 2018.

Surveys were provided with a pre-determined list of 'important/ material issues' for internal and external stakeholders to consider in terms of importance.

Each issue was assigned a ranking from 1 (low) to 10 (high) and respondents could also provide any other comments. A total of 76 responses were received with 43 responses received from the local community.

Responses received were categorised between, social/ community, environmental, economic/commercial and operational concerns and considered within the PDS development.



#### Community Consultation

Public information and local advertising

Summary reporting from website and community



#### Community Consultation

Industry consultation

Assess current and future trade outlooks

Community consultation

# 02

## Strategic Context





## 2.1 Previous port development strategy

The Port of Hastings Port Land Use and Transport Strategy (PLUTS) was developed and issued in 2009 providing a framework for future land use development based on the existing bulk liquids and break bulk steel trades, with a clear focus on developing the Port as the second container port to supplement the Port of Melbourne.

Since the release of the PLUTS, further investigation and strategic planning was undertaken for container port development in 2013 – 2015. Following the lease of the Port of Melbourne in late 2016, the Government requested that Infrastructure Victoria (IV) provide advice on when to invest in container port capacity and whether a second container port should be located at the Port of Hastings or a new Bay West Location. IV's Second Container Port advice recognised Bay West as the preferred location for a second major container port in Melbourne.

In mid-2018, the Government released the new Victorian Freight Plan 'Delivering the Goods' which confirmed Bay West as the Government's preferred location for Victoria's second container port but importantly highlighted the need to retain the Port of Hastings as an option in reserve. As such, the current planning strategy for the Port of Hastings focuses on non-containerised trades while acknowledging the need to reserve and protect port land use operations to offer flexibility in end use as port planning in Victoria evolves over the coming decades.

## 2.2 Government legislation, regulation and policy environment

Australia is an island that is heavily reliant on maritime services to provide a gateway to the world wide economy. Legislation, planning and policy are the quintessential ingredients for preserving the economic significance. Ports encourage the use of these corridors and preserve their competitiveness in the public and private sectors whilst stimulating investment.

Key legislation and policy guidelines relevant to the PDS are included in the summary at Table 1 below with additional details in Appendix A.

### *Environmental Context*

The Port of Hastings is situated on the western shores of Western Port. There are significant tidal fluctuations of approximately three metres and a range of environmental factors of importance which need consideration in day to day operations and the development of strategic directions.

Relevant environmental considerations for land use planning within the Port include:

- Protection of coastal areas, seagrass and mangrove areas
- Inclusion of Western port as listed in the international treaty – the Ramsar convention on wetlands and migratory birds
- Native vegetation and habitat are widespread within the SUZ1 port related zone and vary from local to international significance
- The interface of port operations and associated traffic with local communities
- A range of other localised environmental issues which are managed as part of port operations.

# Strategic Context

**Table 1 Legislation and Policy Guidelines**

<b>Jurisdiction</b>	<b>Legislation/policy/ guideline</b>	<b>Relevance</b>
<b>Commonwealth</b>	National Ports Strategy (2011)	Provides a national approach to port roles and integration.
<b>State</b>	Transport Integration Act	Provides a framework for integrated transport delivery Aligns and integrates.
	Port Management Act (1995)	Provides for the establishment, management and operation of commercial trading ports and local ports in Victoria.
	Marine and Coastal Act (2018)	Provides an integrated and coordinated approach to planning and managing the marine and coastal environment.
	Planning and Environment Act (1987)	Sets out procedures for preparing and amending the Victoria Planning Provisions and planning schemes in Victoria.
	Mornington Peninsula Planning Scheme	Provides the local planning scheme and relevant State planning policy which references the Port of Hastings and the significance of the industrial land use at the Port.
	Victorian Freight Plan – Delivering the Goods (2018)	Sets out short, medium and long-term priorities to support Victoria's freight and logistics system and its relevance to the Port, including "Planning for Bay West as Victoria's second container port whilst retaining the Port of Hastings as an option in reserve.
	Infrastructure Victoria Second Container Port advice	Provided independent advice to Government on Victoria's Second Container Port and port planning.
	Western Port Steel Works Act (1978)	Relates to land use and parameters for the land use within the current BlueScope land area.
	Western Port Development Act (1967)	Relates to the development of port facilities at Western Port.

## 2.3 Existing land, infrastructure, channels, and transport network connections

The Port of Hastings is located within the Mornington Peninsula Shire Council and subject to the requirements of the Mornington Peninsula Planning Scheme (MPPS).

The predominant land use zone for the Port is the Special Use Zone (Schedule 1) - Port Related Uses (SUZ1) which covers approximately 3,500 ha of land designated for port related use and development within the zone.

The purpose of the SUZ1 is:

- To provide a location for selected port and industrial uses which depend upon, or gain significant economic advantages from the natural deep water channels in Western Port
- To enable the effective implementation of the Hastings Port Industrial Area Land Use Structure Plan (Department of Planning and Development 1996)
- To protect the environmental values of the waters, coastline and intertidal areas of Western Port and adjoining land
- To provide for the interim rural use of land to the extent consistent with maintaining land resources for future port and port related development
- To protect the towns of Tyabb, Hastings, Crib Point and Bittern by ensuring that no port industrial development, which may have an adverse effect on the amenity or safety of residents occurs in proximity to residential areas.

The Port Zone (PZ) denotes land owned and operated by the PoHDA, as well as loading dock areas owned and operated by BlueScope Steel (the declared Port Manager).

The purpose of the Port Zone is to:

- To implement the Municipal Planning Strategy, Planning Policy Framework and Port Development Strategies
- To recognise the significant transport, logistics and prime maritime gateway roles of Victoria's commercial trading ports in supporting Victoria's economy

- To provide for shipping, road and railway access and the development of each of Victoria's commercial trading ports as key areas of the State for the interchange, storage and distribution of goods
- To provide for uses which derive direct benefit from co-establishing with a commercial trading port
- To provide for the ongoing use and development of Victoria's commercial trading ports that support the relevant PDS prepared pursuant to the Port Management Act 1995.

Notably, while the SUZ1 is the predominant land used for port uses, there are a number of other land use zones within the Hastings Port related area which reflect, amongst other matters, port operations, land tenure and environmental values and include:

- Commonwealth Land
- Public Conservation and Resource Zone
- Public Land Use 7 – Other
- Public Park and Recreation Zone
- Public Use Zone 4 – Transport
- Road Zone (Category 1)
- Road Zone (Category 2).

BlueScope is a key owner and occupier with the Port related and extends east of Whitneys Road into Western Port within the SUZ1. The Esso / BHP Fractionation Plant occupies approximately 158 hectares at Long Island Point that is accessed via Bayview Road. The Esso / BHP site abuts the foreshore area which is Crown land (Coastal Foreshore Reserve). The land is included within the SUZ1.

The Old Tyabb Reclamation Area is located between BlueScope Steel Wharf and Long Island Point Jetty. The site is reclaimed land from previous dredging campaigns and is now owned by the Department of Environment, Land, Water and Planning. The reclaimed land is approximately 25 hectares and is zoned Public Use Zone 7 (Other Public Use) (PUZ7).



A process that will allow the PoHDA to control the parcel of land is currently underway, with a view to future port uses for this land. The land has consistently been identified in previous planning instruments as an important area for port development in the future.

The Port of Hastings precinct is well-protected with long term objectives established in the Mornington Peninsula Planning Scheme. Large parcels of land have been reserved under the Special Use Zone 1 (SUZ1). The Special Use Zone highlights the strategic objectives for the area and clarifies that the land may need to be developed for port related purposes.

The Port of Hastings is surrounded by a diverse number of zones with special conservation value. These are of regional, national and international significance. These areas include parks, habitats and marine areas on Western Port and Port Phillip Bay and the Mornington Peninsula National Park.

The Western Port Area is a well-recognised ecosystem and has been nominated under a number of international treaties for protection of migratory bird habitats. Treaties include the Ramsar Convention on Wetlands and the JAMBA and CAMBA treaties protecting areas of zoological, botanical or geomorphological significance. Therefore, the waterways surrounding the Port present is of State environmental significance and is critical to biodiversity objectives.

Any port facility development will need to comply with the above treaties and protections and ensure appropriate consideration is given within areas of noted environmental significance.

The main challenge lies in ensuring that there is adequate protection for the Western Port area, its catchment and environmental systems and that it is properly managed in line with infrastructure development. Understanding these parameters is key to supporting the growth of industry and protecting the natural environment.

The Hastings Port Industrial Area Land Use Structure Plan (1996), provides a comprehensive assessment for land-use in the area. The plan highlights the need to ensure that the land in proximity to the Port area remains available for port development purposes and is not compromised, that further subdivision pattern in some areas do not raise conflict, that port and port development must be carefully planned and managed to avoid environment or the amenity of existing residential communities and the need to promote major transport infrastructure improvements related to port matters.

The Mornington Peninsula Planning Scheme identifies the land surrounding the Long Island Fractionation Plant and Crude Oil Storage Tanks as a restricted occupation area to prevent human habitation. The purpose of the provision is to:

*'prevent human habitation on the land surrounding the Long Island Fractionation Plant and Crude Oil Storage Tanks. The land south of Bayview Road and east of Jeremiahs Road, Tyabb (Long Island Point) must not be used for a dwelling other than a Caretaker's house'.*

A small area of BlueScope Steel land located to the north west corner of Bayview Road at Long Island has also been reserved for a pilot program for Hydrogen Liquefaction and export with approval being granted in September 2018.



### 2.3.1 Long Island Precinct

Long Island Precinct is an extensive area of largely rural coastal hinterland situated between the towns of Hastings, Tyabb and Somerville.

The precinct contains the existing Steel Works Wharf, owned by BlueScope steel, and the Long Island Point Jetty, used by Esso for export of LPG and crude oil. The precinct also includes a heavy industrial estate and the Old Tyabb Reclamation Area.

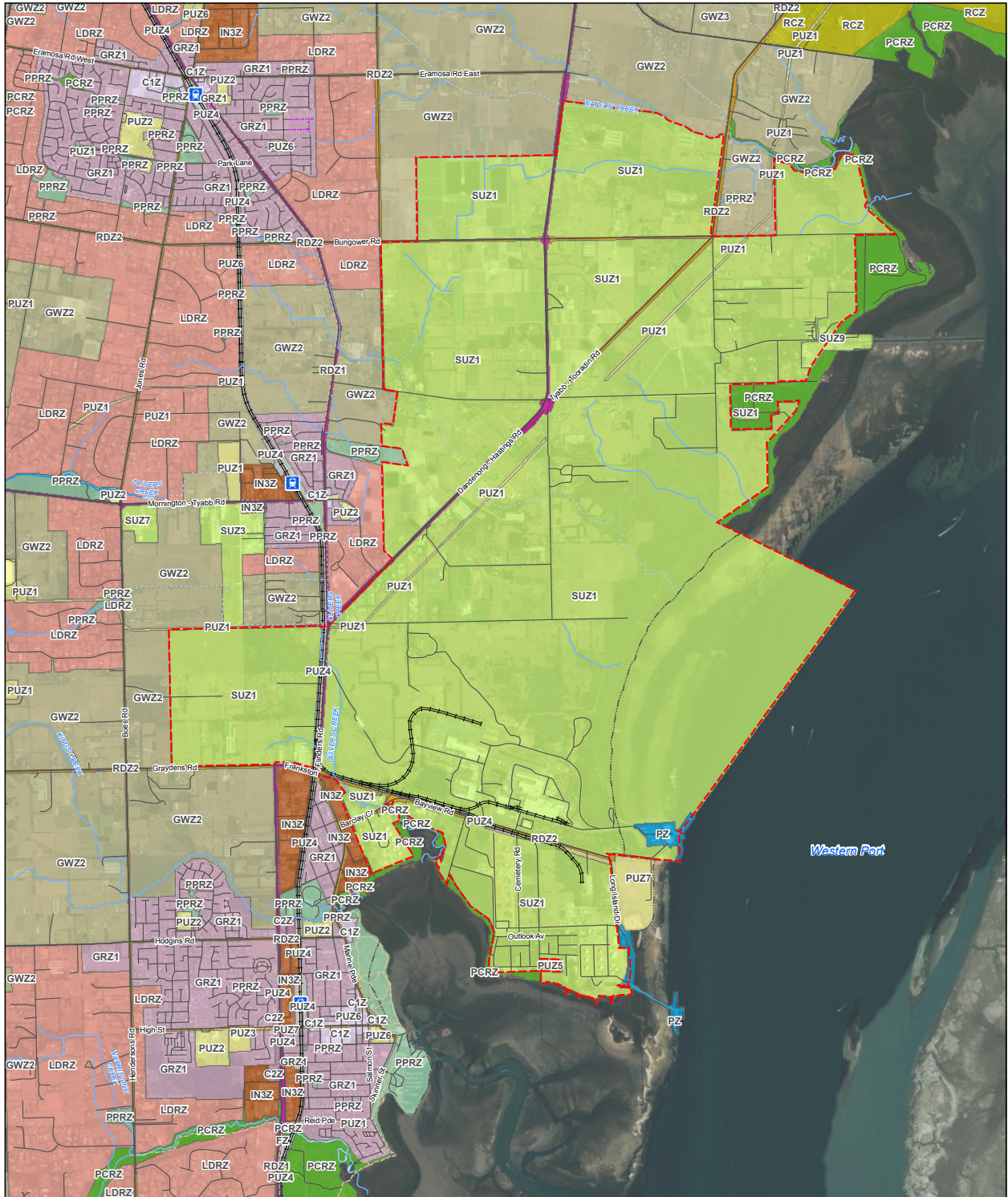
Land use within the Long Island precinct of the Port is quite diverse and the SUZ1 special use zone is a dominant feature on the current land use map in Figure 3. This SUZ1 zone is also the area previously identified as suitable for a future container port and supporting port precincts.

Long Island also includes the largest contiguous parcel of Special Use Zone (SUZ1) land in the Port area (3,206 Ha).

The bulk of the precinct is some distance from the major residential centres of Hastings and Tyabb. Within the SUZ1 land designation, there is an area designated for wildlife conservation and some areas designated for public use (PUZ7). The wildlife conservation area is understood to be maintained with assistance from BlueScope Steel.



**Figure 2 Aerial view of the Long Island coastal area**



**LEGEND**

<span style="border: 1px dashed red; padding: 2px;"> </span> SUZ1 - Port Related Uses	<span style="background-color: #d9ead3; border: 1px solid #ccc; padding: 2px;"> </span> General Residential	<span style="background-color: #c6e0b4; border: 1px solid #ccc; padding: 2px;"> </span> Public Park and Recreation	<span style="background-color: #f4cccc; border: 1px solid #ccc; padding: 2px;"> </span> Road - Category 1
<span style="background-color: #fce4d6; border: 1px solid #ccc; padding: 2px;"> </span> Commercial 1	<span style="background-color: #d9ead3; border: 1px solid #ccc; padding: 2px;"> </span> Green Wedge	<span style="background-color: #fff2cc; border: 1px solid #ccc; padding: 2px;"> </span> Public Use	<span style="background-color: #fce4d6; border: 1px solid #ccc; padding: 2px;"> </span> Road - Category 2
<span style="background-color: #d9ead3; border: 1px solid #ccc; padding: 2px;"> </span> Commercial 2	<span style="background-color: #f4cccc; border: 1px solid #ccc; padding: 2px;"> </span> Industrial 3	<span style="background-color: #d9ead3; border: 1px solid #ccc; padding: 2px;"> </span> Public Use 4 - Transport	<span style="background-color: #c6e0b4; border: 1px solid #ccc; padding: 2px;"> </span> Special Use
<span style="background-color: #c6e0b4; border: 1px solid #ccc; padding: 2px;"> </span> Farming	<span style="background-color: #f4cccc; border: 1px solid #ccc; padding: 2px;"> </span> Low Density Residential	<span style="background-color: #d9ead3; border: 1px solid #ccc; padding: 2px;"> </span> Port	
	<span style="background-color: #c6e0b4; border: 1px solid #ccc; padding: 2px;"> </span> Public Conservation & Resource	<span style="background-color: #d9ead3; border: 1px solid #ccc; padding: 2px;"> </span> Rural Conservation	

**Figure 3 Current land use in the northern areas of the Port**

### 2.3.2 Crib Point

The Crib Point precinct, south of Hastings, is an extensive area of coastal hinterland situated between the town of Crib Point and the foreshore reserve.

The area contains an existing port facility, a former oil refinery site and jetty, foreshore reserves and rural open space. The jetty has two liquid product berths: the northern berth is currently used for the import of fuel products and the southern berth is being considered for a project that, if approved, would see Berth 2 utilised by AGL for the importation of Liquefied Natural Gas.

The Crib Point precinct includes additional areas of the special use zone (SUZ1) including the Crib Point Terminal landholdings situated on the western side of The Esplanade (Former Oil refinery site).

On the eastern side of The Esplanade, PoHDA occupy an area of approximately 4 hectares, which is zoned Port Zone and presently used for port activities. The Public Use Zone managed by DELWP extends southwards through to Stony Point Road. Adjoining foreshore land to the north is zoned Public Conservation and Resource Zone. There is also an irregular slither of Public Use Zone land that is isolated between the Port Zone land and Western Port that appears to be an anomaly in the planning scheme.

On the western side of the Esplanade is 323 hectares of land zoned SUZ1, the majority of this land is the disused former BP refinery site.



Figure 4 Aerial View of the Crib Point Coastal area



**LEGEND**

SUZ1 - Port Related Uses	General Residential	Public Park and Recreation	Road - Category 1
Commercial 1	Green Wedge	Public Use	Road - Category 2
Commonwealth Land	Industrial 3	Public Use 4 - Transport	Special Use
Farming	Low Density Residential	Port	
	Public Conservation & Resource	Rural Conservation	

**Figure 5 Current Land use at Crib Point**

### 2.3.3 Stony Point

The Stony Point precinct is a small coastal hinterland strip at the extremity of Stony Point, comprising a jetty, railway station, public boat ramp and access road in an otherwise undeveloped foreshore reserve. The Stony Point Precinct has a variety of land uses existing within the precinct. This area contains existing marine support service facilities serving shipping at the Port.

The PoHDA controlled port operations and maintenance depot is located at Stony Point. The jetty is used by harbour service craft, for the berthing of tugs, line boats and maintenance craft. The Stony Point Jetty (southern portion) is also used as a terminal point for public foot passenger ferry services to French Island and Phillip Island. The approach trestle has shared access for public and port operations staff and vehicles.

The adjacent public boat ramp has its own dedicated car and trailer parking area.

Figure 7 provides the current land use at Stony Point.



**Figure 6 Aerial View of the Stony Point Jetty and Port operational area looking south**



**LEGEND**

<b>Zoning</b>		
Commonwealth Land	Public Use 4 - Transport	
General Residential	Port	
Public Park and Recreation	Road - Category 1	
Public Use		

**Figure 7 Current land use Stony Point**

## 2.4 Current channel characteristics

The Port of Hastings waters are managed by the Victorian Regional Channels Authority (VRCA).

The Western Entrance buoyed channel has a minimum width of 400 metres and a maintained depth of 14.8 metres and is a two-way traffic channel. The main channel has a depth of 14.2 metres and a width of 180 metres between Hanns inlet and Crib Point Jetty swing basin and a width of 245 metres between Crib Point Jetty and Long Island Point Jetty swing basins which support a one way traffic channel.

The North Arms of the channel provide access to the swing basins at Long Island Point Jetty & Crib Point Jetty which have a maintained depth of 14.2 metres with berth pockets alongside the jetties of 15.7 metres.

The tidal impacts in Western Port which vary up to three metres are important to the current operations, providing tidal assistance to larger ships and improved access to the BlueScope and bulk liquid berths.

## 2.5 Transport network connections

Given the large population base in Melbourne's South East, there are known congestion constraints between Melbourne and Hastings within peak commuter hours. Road projects, such as the recent widening of the Monash and the Westgate Tunnel Project may offer some abatement however, until the building of the North East Link there will be continued challenges connecting to the North and West of Melbourne.

The Victorian Freight Plan highlights that there is limited spare capacity for freight movements on the Melbourne-Dandenong-Cranbourne rail corridor on the basis of current and future passenger rail demand. Additionally, the road capacity surrounding the Port would also need to be upgraded to provide sufficient access for the growing freight task and growing residential areas.

### Road Access

Road access for the movement of freight provides B-double truck access to the Port broadly across the network with heavy vehicle access for High Productivity Freight Vehicles (HPFVs) and A-double configurations via Victoria's Principle Freight Network and Heavy Vehicle network. This includes access via Eastlink, the Mornington Peninsula Freeway and also via the Western Port Highway from Dandenong at the north.

A number of roundabouts are currently in place on the Western Port Highway, which slow traffic to spread the traffic load but generally deter truck traffic compared to the Mornington Peninsula Freeway and Eastlink where a more consistent travel speed can be maintained, as shown in Figure 9.

### Rail access

Rail access is provided via the Melbourne to Frankston and Stony Point line which accommodates daily freight trains to the Port for steel traffic, metropolitan services and the regional passenger service to Stony Point. Increases in population and metropolitan rail services, together with an intended extension of the Frankston line to Baxter are likely to continue to limit freight capacity on the line, as shown in Figure 9.



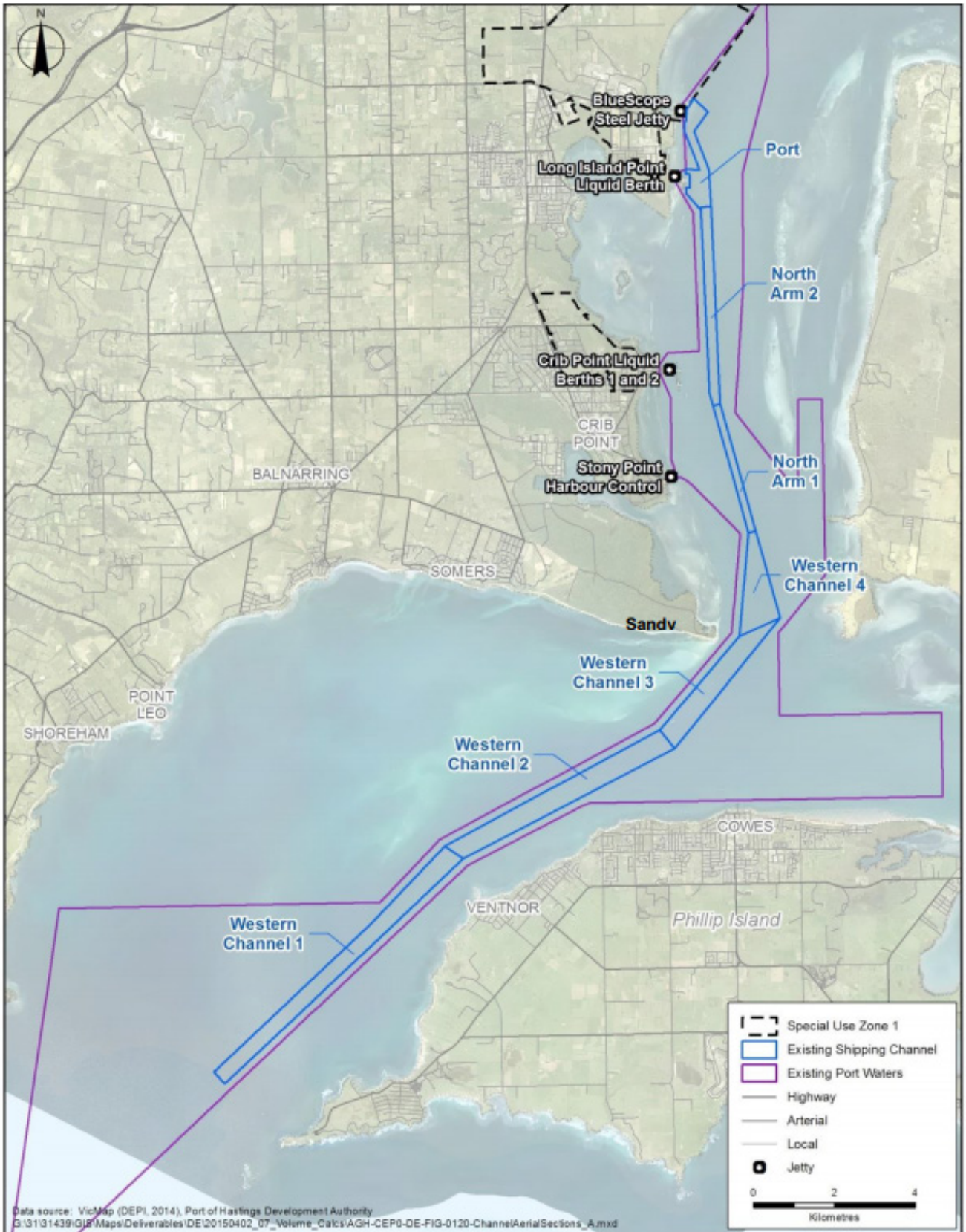
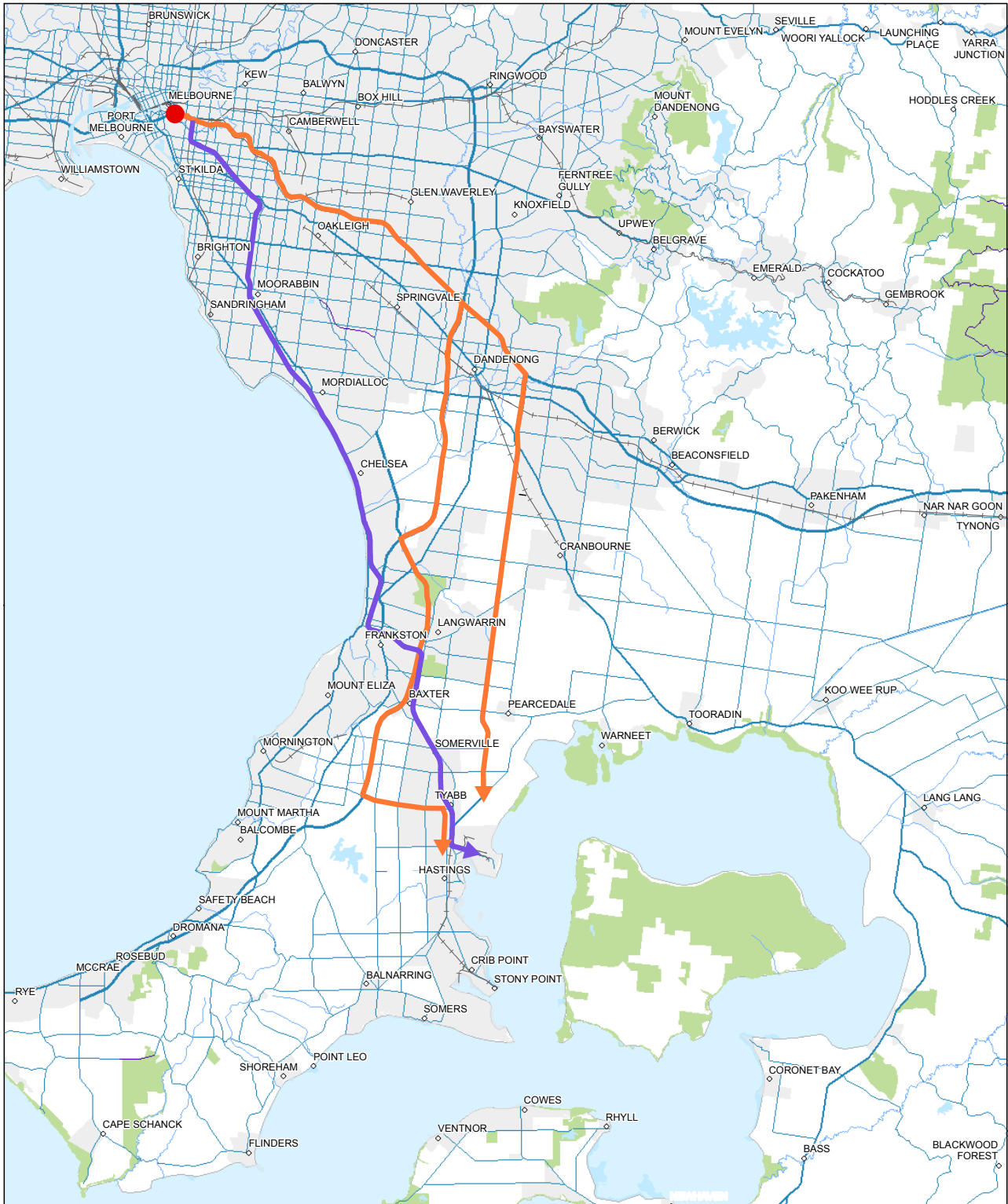


Figure 8 Western Port Channels



LEGEND

- Existing Rail Connection
- Existing Road Connection

Figure 9 Current Road and Rail access to Hastings

## 2.6 Stakeholder engagement

Stakeholder engagement has included a range of industry and port users to assess the strategic needs of the Port and to gauge the demand outlook for port services and infrastructure over the next thirty (plus) years. Government engagement has included state agencies and local government.

Community engagement included an advertised web page survey enabling local communities and interested parties to express their views and issues as inputs to the planning process.

All of these inputs have contributed to the development of the PDS and future planning for the Port.

The stakeholder consultation did not generally repeat the consultation in relation to future container port operations as this has been the subject of previous studies and the current Government position has indicated that it will Plan for Bay West as Victoria's second container port whilst retaining the Port of Hastings as an option in reserve.

### 2.6.1 Industry and Government consultation

Industry consultation focused on non-containerised trades and included face to face interviews with users of the Port and stakeholder groups. The aim being to understand the key needs of industry and future directions which are relevant to the Port development. Understanding the current and future potential demand for port services and infrastructure was a key element of this consultation which has positioned the Port for an evaluation of future demand within port related activities including:

- The scope and needs of the channels providing access to the Port
- The Jetty infrastructure which is required to support activities at each of the berthing locations, at Long Island, Crib Point and Stony Point Jetty
- The terminal and landside infrastructure relevant for business activities associated with the Port
- The landside transport corridors.

Industry consultation has also included State and Local Government departments and agencies to provide a basis for a wide range of stakeholders that can provide the basis of broad views on the needs of the Port.

Industry responses indicate that infrastructure needs have been identified as being within the scope of current operations with limited need for change to the infrastructure for current trades. Some local changes to equipment form a normal part of port operations, updating relevant equipment at berths and within channels to align to technology changes and operational efficiency.

**Table 2 Industry consultation**

<i>Agencies / Authorities</i>		
<b>Organisation</b>		<b>Comment</b>
Transport for Victoria	✓	FtF
Freight Victoria, Transport for Victoria.	✓	FtF
VRCA	✓	FtF
Committee for Gippsland	✓	FtF
LaTrobe City Council	✓	FtF
Community / user groups	✓	Survey
Mornington Peninsula Shire	✓	FtF
<i>Tenants / potential port users</i>		
BlueScope	✓	FtF
Esso	✓	FtF
United Petroleum	✓	FtF
SeaRoad Ferries	✓	Phone
AGL	✓	FtF
KHI	✓	FtF
Bass Island Line	✓	Phone
Stockmans Group	✓	Phone
Hancock Victorian Plantations	✓	Phone
JCOAL/KEPCO	✓	FtF
Kalbar Resources	✓	Phone

### 2.6.2 Community Consultation

Community consultation has been informed through public notices highlighting the PDS Process and targeted emails to local ongoing port stakeholder groups.

A website access and online survey process was provided for community inputs for a period of three weeks from 16 October 2018 to 5 November 2018 to provide a basis of key community inputs and issues relevant in relation to port activities.

Seventy-six respondent surveys were completed during the three week period with general data collected indicating the issues below.



**Table 3 Important issues**

Rank	Important Issue
1	Managing Transport Corridor Impacts
2	Ensuring Environmental Protection and Management of Impacts
3	Clarifying Future Dredging Programs & Material Placement Options
4	Ensuring successful Port-Township 'Interface' Management (i.e. 'Good Neighbour' principles)
=5	Preserving a range of options for future development
=5	Facilitating Anticipated Commercial Shipping Fleet Growth
=7	Facilitating Trade Growth
=7	Activating & Supporting Economic Activity
=7	Ensuring Infrastructure Investment is Economically viable
=7	Protecting & Management of Port Access / Supply Chains (Road, Rail & Channel)
=11	Ensuring Port Safety and Security
=11	Ensuring Climate Change resilience
=11	Clarifying the relationship between Hastings, Melbourne and Bay West
=14	Confirming a 'Port Vision'
=14	Providing Confidence for Investment
16	Management of Port Buffers
17	Promoting Cargo Diversity
18	Consistency with State Freight Policy

**Key**

Social / Community
Environmental
Economic / Commercial
Operational

### 2.6.3 Responses from Who?

Of the 76 responses, the highest numbers of responses were received from the local community (43). Also participating in the survey were academics, potential port users, state/local government, VRCA, transport operators and those identifying as 'other'.

### 2.6.4 Issues identified as important to stakeholders

Table 3 shows the 18 'important issues' ranked from 1 to 18 based on results from the survey from all respondents.

### 2.6.5 Community Consultation Conclusions

The community consultation process has captured the feedback and ratings from stakeholders participating in the online survey platform and has proven effective.

The PDS provides the chance to articulate a robust, consolidated vision for the Port and it represents an opportunity to reconfirm the Government's desire to see Hastings remaining a vital link in the Victorian supply chain for a range of bulk products.

Critically, and in light of the significant feedback via the survey, the PDS must provide clear commitments to robust environmental stewardship and strong governance by the PoHDA and the Victorian Government in forward years.

## 2.7 Development drivers and considerations

Key development drivers for the Port relate to the demand for local products to support the Victorian population and Victorian resource products for export to markets overseas.

Oil and gas related products from the East Gippsland offshore region have been a significant driver of port activity with products processed at the Port supplying local demand and also exports to overseas markets. The Port is also a major hub for imported fuels supporting the local market. While some offshore oil and gas resources have reduced in recent years, the demand continues to grow and these needs are supplied through increased imports.

Steel product production at BlueScope Steel continues to drive both shipping and rail related traffic to the Port, creating local employment and supplying the local markets of south eastern Australia and also export markets.

Increased population in Melbourne and South East Australia will continue to impact demand with these changes flowing through to port based activity.

Opportunities exist through the emergence of new export commodities such as hydrogen that could have a material impact on throughput volume. Subject to approvals, the AGL facilities for Natural Gas imports would also provide an essential energy resource to support increasing east coast demand.

## 2.8 Role of the Port in the wider economy

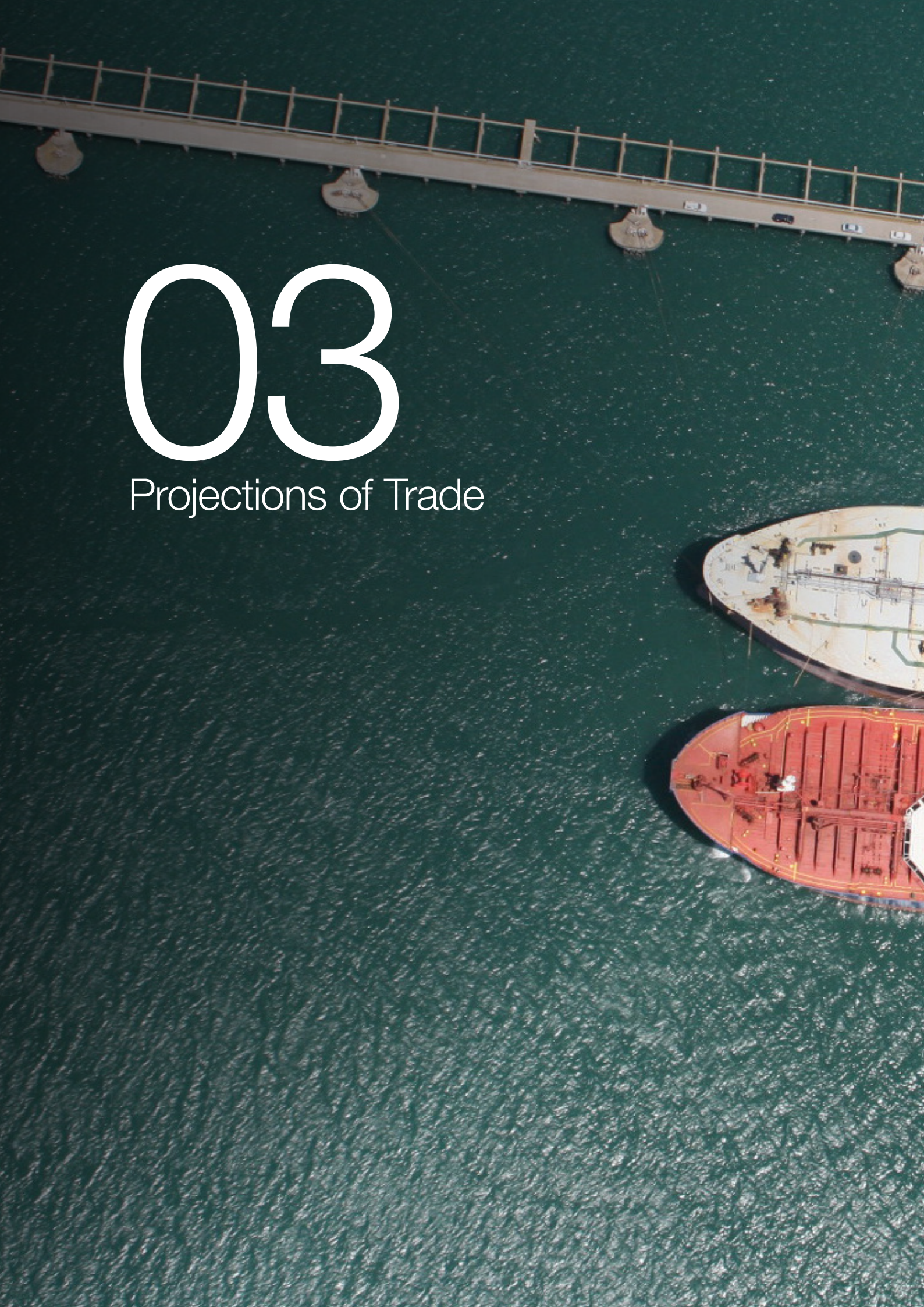
The Port of Hastings provides essential infrastructure and an accessible hub and gateway for Victoria and South East Australia. It's role in the provision of oil and gas products to the communities of south east Australia is perhaps not seen by the general community as the majority of outputs are transferred by pipelines and infrastructure which are not visible to the general public.

The provision of fuels and energy products is a major driver of economic activity supporting the manufacture and transport needs of industry, business and communities. Port activities in shipping, tugs, and the industries it supports provide significant local employment (well in excess of 1000 jobs) and economic benefits in the Hastings local area, all of which support economic activity across Melbourne and regional areas.

The Port has previously been planned as the supporting port for future growth in areas such as container expansion, bulk product exports, break bulk products and fuels. While Bay West is planned as Victoria's second container port and the Port of Hastings is retained as an option in reserve, the Port provides an opportunity gateway for non-containerised trades in the region. Its connection and proximity to Gippsland remains a key driving factor to support a range of future industries onshore and offshore in the region.

# 03

Projections of Trade





### 3.1 Victoria's freight task and the contribution from the Port of Hastings

The Port of Hastings is well positioned to support growth in Victoria's freight task that is expected to grow from about 360 million tonnes in 2014 to nearly 900 million tonnes in 2051. Much of this growth is expected to be in urban freight driven by continued strong population growth in Victoria.

State-wide strategic planning identifies the Port of Hastings as a future hub for freight in the longer term, with a key focus on the movement of bulk goods into and out of Victoria. Planning for Bay West as Victoria's second container port, whilst retaining the Port of Hastings as an option in reserve.

Looking forward, it is essential that Hastings is able to enhance its connections with traditional markets while also expanding into new markets to allow businesses to grow and our economy to be more resilient.

IV has reported that Victoria's overall trade environment remains positive and exports will continue to grow. Asia's rapid industrialisation and urbanisation, including increased demand for high-value consumer goods, are creating significant opportunities for Victorian businesses able to access and supply markets in this region and beyond.

This outlook is supported by Australia's comprehensive network of free trade arrangements, which are providing Victoria with a competitive edge in a number of key markets. Of relevance to the Port, is the knowledge that commodity movement forecasts for the Port of Melbourne suggest that dairy, wheat, cereal and other agricultural products will almost double by 2060. This trend has the potential to significantly impact regional Victoria and the Port of Hastings in future years, and is a clear indication that Victoria (and Hastings) will benefit from and require a higher performing and efficient freight and logistics network.

In addition to the export task, our growing population will also lead to increased demand for imports and consumables. For Hastings this will affect liquid bulk volumes (Crude oil, Fuels, Gas products etc) together with construction products, manufacturing materials and project cargo.

### 3.2 Historical trade

Trade through the Port during FY2018 was approximately, 1.5 million tonnes, a decrease of approximately 8 per cent per year since 2014 due to a decrease in crude oil exports resulting from a decline in Bass Strait production levels.

The Port has a main focus on bulk commodities, particularly liquid bulk commodities with the value of trade of approximately \$1.4 billion. Crib Point Jetty as shown in Figure 11 provides a key role in this trade.

Liquefied petroleum gas (LPG) was the largest contributor to exports, accounting for 62 per cent of the trade with approximately 550 kt exported during FY2018. Similarly, fuel was also the largest contributor to imports in FY2018, accounting for 76 per cent with approximately 450 kt imported.

# Projections of Trade



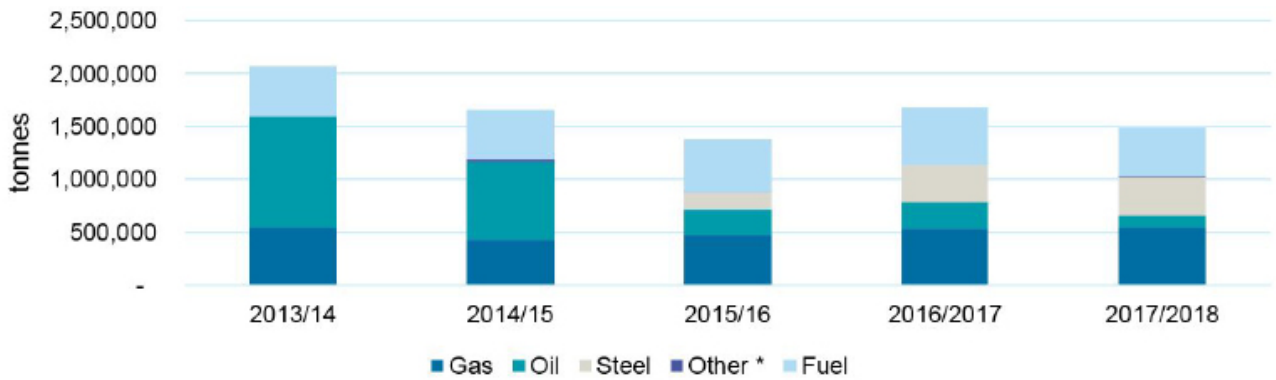


Figure 10 Recent trade through the Port of Hastings



Figure 11 Crib Point Jetty

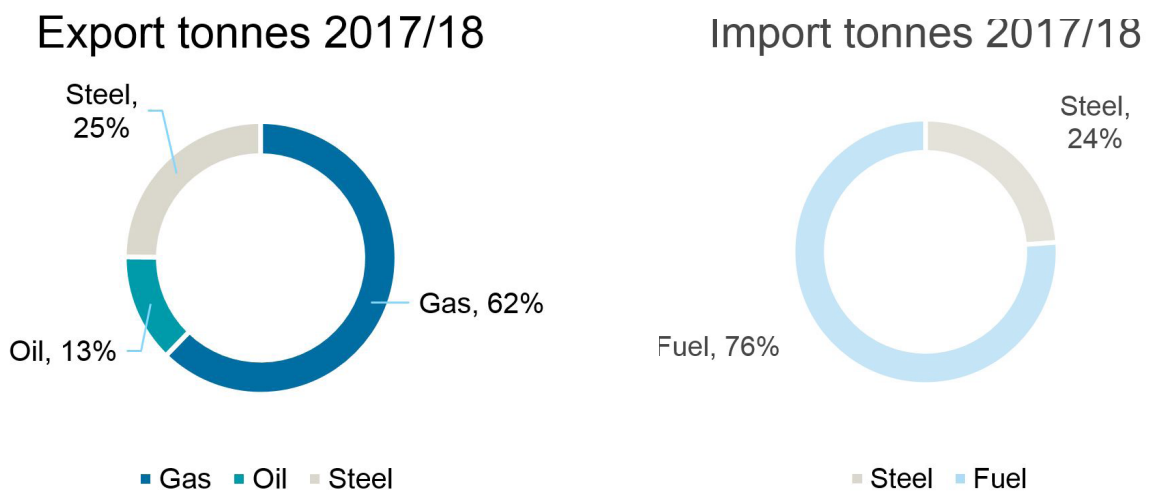


Figure 12 Export and import cargoes to the Port 2017-18

### 3.3 Historical vessel calls

The number of vessel calls has reduced slightly over the last few years with changing logistics needs of port tenants and users. In recent years there has been approximately 100 ship calls per year. The maximum ship calls in the last 5 years was in 2016 with 111 calls in total.

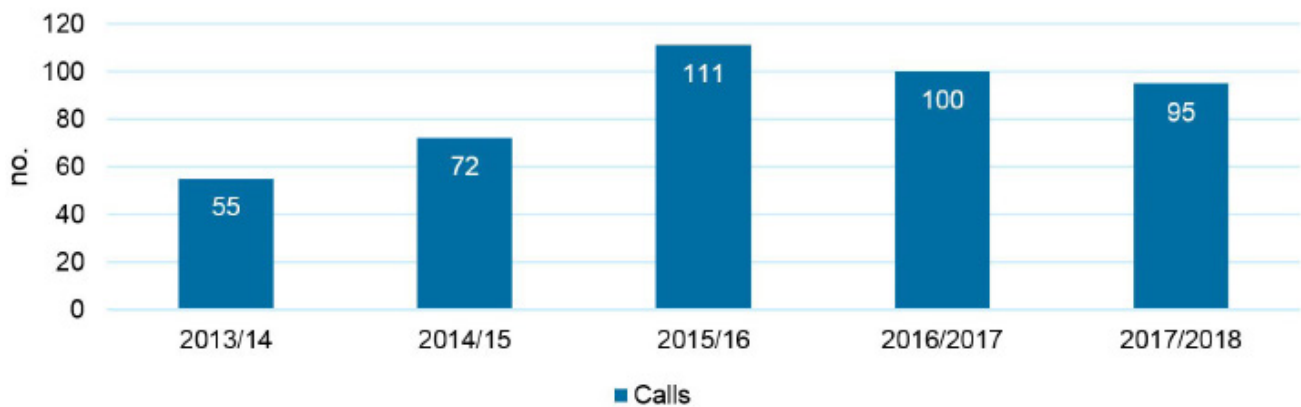


Figure 13 Historic ship calls

### 3.4 Trade opportunities

The Port of Hastings will continue to be a key gateway for the movement of bulk goods into and out of Victoria and over the next 30 years. It is recognised that significant trade possibilities exist for the Port and its environs as both Melbourne, the local region and Victoria grow.

The emerging trade possibilities for the Port of Hastings consequently include, existing and new products and trades arising from a combination of the following market development scenarios:

1. Growth in existing products and trades handled through the Port and its environs in response to increasing international and domestic demand and other influencing market factors
2. Prospective trade and products identified and/or have indicated that they may choose to use the Port of Hastings and the local region for their operations in the future – typically bulk products
3. Relocated bulk and break-bulk trade from other ports as changes occur within shipping markets and growth impacts current scope of operations.

These scenarios are discussed further.

### 3.5 Growth in core commodities handled at the Port of Hastings

All trades currently handled at the Port are expected to grow over future years, with exception of crude oil import and export volumes.

The magnitude of trade growth will be dependent on a multitude of variables, with the plausible growth factors being noted to include:

- Increase in international and domestic demand driving additional business investment in Victoria. This includes recent, planned and future (potential) expansion of processing facilities associated with the Port of Hastings
- Increased domestic consumption arising from population growth leading to greater volumes of material across the berths for storage, processing and distribution
- The possible redistribution of cargo volumes between competing service providers and exporters in response to market competition. This has the potential to change the balance of flows across through different port precincts in future years.

Figure 14 summarises the 30 year forecast trade task, and highlights under the low, medium and high growth scenarios:

- A low demand outlook will have a sharp decrease in the next 5 years followed a gradual decrease over the remaining years from 1.5 million tonnes to a minimum of 0.80 million tonnes in 2048
- A similar volume of total trade (tonnes) under the medium case resulting in total trade remaining around 1.44 million tonnes.
- A high growth outlook will result in growth of total volumes of around 2.2% per year over the next 30 years to a maximum of 2.8 million tonnes in 2048
- Growth in liquid bulk volumes will incorporate growth in LPG, natural gas and refined petroleum products
- The high estimate with bulk products increases trade substantially but can only occur following further development within the planning period.

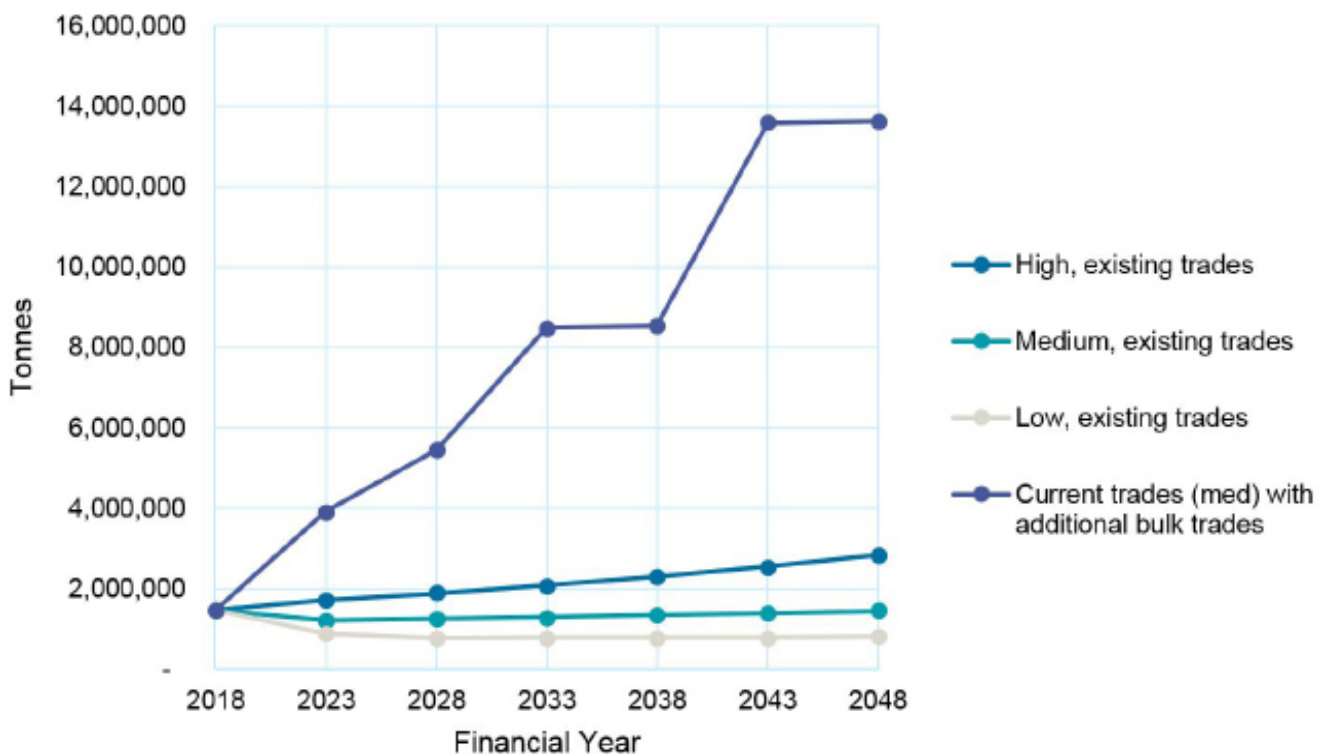


Figure 14 Trade scenarios

### 3.5.1 Relocated trades from other ports

The recent study completed by IV relating to the planning of Victoria's second international container port, recognised that the Port of Melbourne and other ports will go through a significant redevelopment phase over the next 20-25 years. This is in response to the Port of Melbourne's need to enhance its container handling capacity and accommodate larger container vessels in the future.

In addition to changes in markets, shipping and logistics dynamics will present opportunities for trades to relocate to other ports as businesses review their supply chains in an effort to maximise efficiency and competitiveness. The Port with its good transport links to Melbourne and Gippsland and natural deep water is well suited to playing a greater role in the State's freight network over the next 30 years.

Hastings could also increase the resilience of Victoria's maritime and port services. For example, Hastings may have the ability to provide support Station Pier in times of emergency situations and in support of a growing cruise task. Example scenarios include:

- Back-up facility for the Spirit of Tasmania in case of incident in Port Phillip Bay
- Overflow capacity for cruise ships on peak occasions and in case of incident.

IV's advice to Government also concluded that the Port of Hastings will be an important part of Victoria's future commercial port network, and is particularly well suited to the management of trades such as the automotive trade when a new terminal is required in coming decades.

### 3.5.2 Future trade directions

In addition to the defined trade opportunities, the PDS recognises the Port needs to be flexible and resilient to future changes in freight demands within Victoria and other States.

The Plan for Bay West as Victoria's second container port whilst retaining the Port of Hastings as an option in reserve is set-out in the Victorian Government's Freight Plan (Delivering the Goods). This PDS is focused on the development of non-containerised trades but must also make allowance for land use planning, berth development, and port precinct reservations to ensure that bulk trade developments do not preclude the port from accommodating international container trade in the future.



# 04

## Ship Fleet Projections





## 4.1 Historical ship fleet characteristics

Many of the ship fleet projections previously in place at the Port of Hastings, were focused on progressive movement from Bulk liquids and break bulk trades. The fleet characteristics; relevant to current trades are indicated as an average in the table below (Table 4) although ships of up to 15 m draft and up to 115,000 DWT regularly call to the Port.

**Table 4 Average size of vessels at the Port for current trades**

<b>Trade type</b>	<b>Average vessel size calling at Hastings</b>	<b>Max vessel size calling at Hastings (DWT= Dead weight tonne)</b>
Fuel	Fuel imports average 57,000 DWT	Max fuel import is 115,000 DWT
Gas	LGP exports average 55,000 m3	Max LPG is 84,000 m3
Steel	Steel imports and exports average 34,000 - 36,000	Max steel ships 46,000 DWT
Oil	Oil exports average 97,000 DWT	Max oil is 115,000 DWT

# Ship Fleet Projections



## 4.2 Ship fleet forecasting assumptions and forecasts

Forecasts for current Port of Hastings trade in oil, gas, fuels and break bulk indicates a reducing requirement for oil exports and some increase in fuels. Break bulk remains constant with some opportunity for growth subject to exchange rates and world markets. The channel and berths available have sufficient capacity for anticipated trades in these areas. The current berth utilisation provides for significant growth opportunities.

The scope and flexibility of the global shipping fleet and Hastings calling fleet provide no clear constraints based on forecast growth in existing trades.

Potential future trades have a variety of shipping options within the global fleet and all trades (with the exception of the contingency of containerships if Hastings ever developed as a container port in the future), have reference size of vessels that are capable of calling to Hastings today with some tidal assist if required.

Based on trade forecasts the potential ship fleet likely to call at the Port of Hastings are indicated in Table 5 below.

**Table 5 Anticipated typical ships required for non-containerised trades**

Trade type	Description	DWT	LOA ( length)	Beam (Width)	Summer Draft
Liquid Bulk -Fuel	LR2	115,000	250m	44m	15m
Liquid Bulk -LPG	Large	79,000	290m	49m	12m
Liquid Bulk – LNG	Large	50,000	230m	37m	12m
Dry Bulk	Panamax	75,000	225m	32m	13m
Multi Purpose	Large	37,000	180m	30m	11m

### Port marine services

As ship calls increase in the future, there will be an increase in support services required including tugs and other services. This will increase usage on the Stony Point Jetty and may require further expansion over time that should be planned now. Risks associated with public access on the jetty and interfaces with shipping operations are likely to lead to a need for separation over time to ensure safety for all parties.

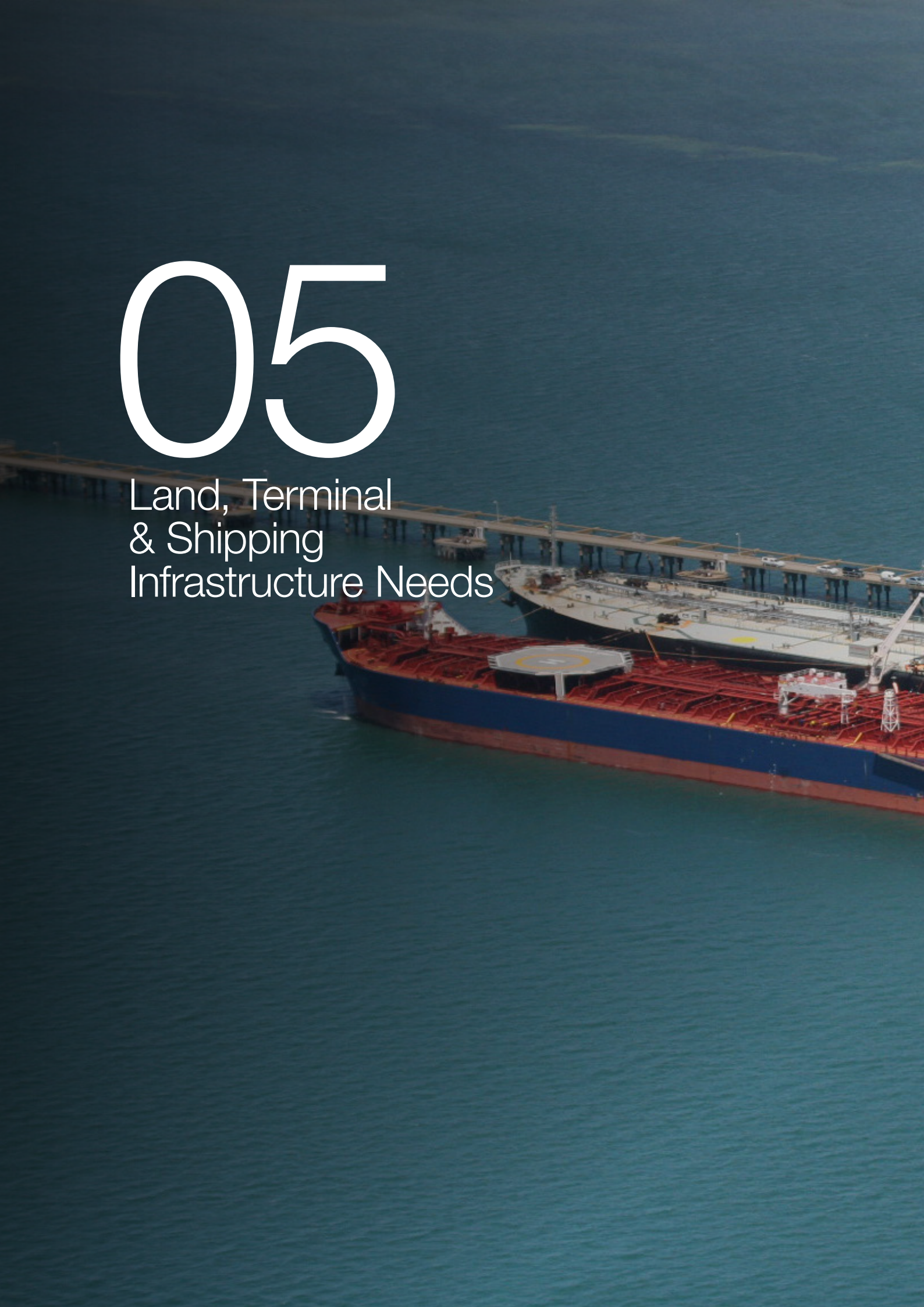
### Stony Point Ferry Development

Increased demand in Western Port Ferry services and the need for safe access (including a current lack of Disability Discrimination Act (DDA) compliance to the Ferry) has led to some investigation by Government of the potential to upgrade facilities and or relocate the services locally at Stony Point to improve access and separation of public areas from broader port operations.

This aligns to a longer term view of increased demand for port operational services on the jetty and improved access for the public at the Stony Point precinct.

# 05

Land, Terminal  
& Shipping  
Infrastructure Needs





## 5.1 Future port trade drivers

The Port of Hastings bulk liquids trades are closely linked to domestic and international energy demand which includes cleaner fuels in the future (including LNG, hydrogen, and other products). The Port has potential to expand its role as a bulk liquids handling port for gases and petroleum products. This will drive a need for additional land reservation to cater for the storage/pipeline network with relevant, interface management to residential areas.

Hastings remains well positioned to serve the Gippsland region, as the region continues to develop various resource projects including renewable energies (i.e. further wind-farms). This is best served through a common-user multi-purpose berth facility which can handle dry bulk, general cargo and project cargo operations all of which may be relatively short-lived (1-5 years). Relocation of trades from other ports in the longer term is also a potential driver of growth.

All of these factors will require additional development at Hastings including new berths for shipping, landside terminal development and transport link upgrades aligned to demand.

## 5.2 Future infrastructure needs

Future infrastructure needs at the Port will be directly aligned to increases in demand for port services and the impact of growth in current and potential additional port trades. There is a need to identify current constraints to trade growth and identify infrastructure needs that would be required to facilitate such trade or unlock existing constraints.

### 5.2.1 Solutions to accommodate growth in core commodities

Table 6 summarises the envisaged requirements to accommodate the growth in core commodities handled through Hastings.

# Land, Terminal & Shipping Infrastructure Needs

**Table 6 Commentary on infrastructure needed for growth in port commodities**

	Trade / commodity	Berth needs	Landside needs	Comment
<b>Long Island precinct</b>				
Current Core Trades	Liquid bulk operations (Esso)	Nothing new	Expanded storage capacity within existing site boundaries.	
	Liquid bulk operations (Others)			
	Break Bulk (BlueScope)			
Potential trades	Dry bulk exports Break bulk Smaller liquid Bul	Single berth (~220m) to accommodate dry bulk loading of Handy size bulk carriers and associated bulk equipment and/or materials handling capacity.	Product storage areas, stockpiles or rotainer stacking. Hardstand and associated material handling equipment.	Berth can be provided through either redevelopment of the existing BlueScope ro-ro wharf or from a new multipurpose wharf built in front of the old Tyabb reclamation area. Dependent on scope berth pocket expansion may be required.  A multi user berth could also cater for smaller liquid bulk operations at the old Tyabb reclamation area with associated storage facilities.
<b>Crib Point precinct</b>				
Current trades	Liquid bulk operations	Rehabilitation of CP#2 berth for liquid bulk imports.	Product storage facilities and product pumping infrastructure Appropriate pipeline development to meet trade requirements.	
Potential trades	Liquid bulk operations	A future new southern berth, if facilities aren't accommodated at LIP or larger vessels are proposed.	Product storage facilities and product pumping infrastructure.	This option continues to provide a basis for ongoing development of the Crib Point Site based on additional demand.
<b>Stony Point precinct</b>				
Current trades	Port services and passenger ferry relocation	Additional 1-2 tug / small craft berths for PoHDA use. DDA compliant berth infrastructure for passenger loading.	None	Berths can be created through relocation of the public ferry service to the boat ramp precinct. The existing ferry berth will be repurposed for tug use.
Potential operations	Ro-pax ferry service to Phillip Island.	Ro-Ro berth infrastructure.	Ticketing, vehicle marshalling and waiting areas.	Expected to be accommodated within the existing boat ramp area.

5.2.2 Future trade directions and resilience planning

With Hastings identified as a 'reserve' international container terminal site, it is important the Port maintains its ability to provide such capacity.

For this reason, the PDS has considered container port planning options and requires that existing land use zonings be retained to facilitate such development options should they be required at a later date. Near term port development will be arranged and constructed so that it does not constrain such future port development.



Figure 15 Indicative positioning of a new multi-purpose berth

### 5.3 Channel arrangement

The current channel at the Port of Hastings provides the deepest water access in Victoria and a strategic advantage which allows flexibility for larger vessel options that may be required in the future and development options locally and for the State. It provides access for all requirements of the current trades including indicative demand growth. Proposed needs of the current developing trades for gas products is also met by the current channels scope.

Historically, ships with beam as wide as 39 m (the BP Challenger) and with draft as deep as 15.5m have sailed through The Port's channels and 14-15m draft LR2 tankers make regular calls. Depending on loadings they sometimes need to utilise tidal assistance in the upper reaches of the channel.

Based on forecast, shipping needs the channels will allow for current and proposed oil, fuels and gas trades at the Port. Most of the near future trade vessels will be able to navigate through Hastings channels in their current configuration, although some may need tug assistance due to the channel width.

### 5.4 Channel capacity

Navigation of vessels with beam of 40m and above are potentially constrained by the width of the bend of Western Channel 4 and North Arm1. More investigation, modelling and consultation with pilots and the Port Harbour Master is recommended to understand this constraint.

An example of the Port of Hastings channel capacity, was indicated within the Infrastructure Victoria Second Container Port Advice, where a navigation simulation was undertaken that used a Maersk 'triple E class' Vessel. The vessel used was the MV Maersk McKinney Moller, 18,270 TEU capacity, 400 metres LOA, 59 metre beam, and 14 metre sailing draught.

The navigation concluded that the western entrance to Western Port is wide and deep enough that only minor modifications (dredging) are necessary to allow entry into Western Port of the largest container vessels in the world today (ultra large container ships, 18,500+ TEU), or even larger vessels.

Geotechnical investigations in 2014 identified a low risk of rock in this area and determined sediments could be easily dredged. This means there is no structural limit to the channel size that can be created, although the incremental environmental impacts of dredging would need to be assessed.

# 06

## Landside Transport Infrastructure Requirements







## 6.1 Road network and limitations

The Mornington Peninsula area is connected to Melbourne by arterial roads and freeways via north-south connectors, which include the Nepean Highway, Moorooduc Road and the Mornington Peninsula Freeway; the Western Port Highway, and Frankston-Flinders Road. Cross connector roads include, Bungower Road and Mornington-Tyabb Road. This network has been established as the private and heavy vehicle network for the region for the foreseeable future.

All main roads surrounding the precinct are part of the gazetted Higher Mass Limits (HML) approved network. The Western Port Highway currently permits the use of A-Double vehicles up to 36.5 metres, with mass restrictions of up to 85.5 tonnes. However, these vehicles are restricted on the South Gippsland Freeway by some bridges which have limitations of between 68.5 and 80 tonnes.

For vehicles to gain access to the Monash Freeway, trucks are required to traverse Thompsons Road, which is currently experiencing congestion due to local traffic, and access the Monash via EastLink. Upgrades are underway to alleviate these issues, but the constraints restrict route options for vehicles to gain access to the Monash Freeway. It is also important to note that sections of the High Productivity Freight Vehicle (HPFV) Network on the Monash Freeway are also conditionally approved on approach to Melbourne.

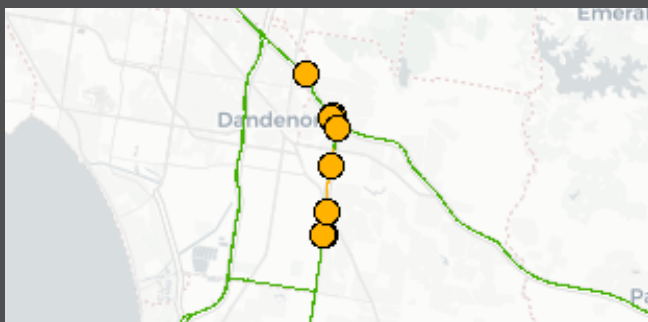


Figure 16 Location of current bridge constraints on South Gippsland Highway for some A Double configurations

Appropriate funding is required in the long-term to remove load restrictions on structures, to assist in productivity gains.

The Western Port Highway provides key links to the South Gippsland and Monash Freeway with links to Eastlink and ultimately North East link in the future. Western Port Highway is the preferred heavy vehicle route to and from the Port as it avoids major residential areas, however the road currently includes a number of roundabouts which slow traffic and interrupt the smooth travel of larger trucks and cause excessive wear of tyres. Several current operators would prefer to utilise the Mornington Peninsula Freeway/Peninsula Link as an alternative option with a faster (and smoother) travel time towards city areas.

VicRoads is currently undertaking a corridor upgrade, which involves completing a planning study that considers connection amendments to the existing planning scheme. It is proposed that the upgrade would occur between South Gippsland Highway and Cranbourne-Frankston Road. This will include considerations to transport, land use, social, environmental, cultural heritage and economic issues.

The Western Port Highway also provides connection through to Gippsland, either directly north via the Princes Highway or via Tyabb Tooradin Road to a bypass of Koo Wee Rup and connection to Pakenham bypass on the Princes Highway. The Koo Wee Rup to Pakenham section of this route is the subject of duplication and consideration of further upgrades to Freeway status in the future.

The existing road infrastructure provides a solid base to accommodate future non containerised trade tasks. However, consideration should be given to addressing structures that limit access by mass and roundabouts that hinder productivity. As a recognised key freight route, it is anticipated that with the potential upgrades to the Western Port Highway, roundabouts will be removed.

# Landside Transport Infrastructure Requirements

## 6.2 Road developments and improvements

The primary north south connectors are clearly identified in planning documents to accommodate port expansion. To accommodate growth through till 2050, Peninsula Link, EastLink and Western Port Highway are the most appropriate options based on the existing infrastructure to support larger vehicles, capacity and direct supply chain connections to markets. Continued development of residential areas in the south east, provide an additional reason to focus freight traffic to these major routes as part of the Principle Freight Network and continued protection and development of these routes is supported.

Recent road projects such as the widening of the Monash will offer short term abatement however until the building of the North East Link and possible completion of the Outer Metropolitan Ring Road (OMR/E6) there will be continued challenges connecting to the North and West of Melbourne.

Several key routes are already included in planning for upgrading by VicRoads.

The key road improvements required for increased port efficiency and to cater for future port growth are:

- Continued development of Western Port Highway to remove restrictions and roundabouts
- Greater focus to east west connections on Tyabb Mornington Road and Bungower Road with assessment of the preferred option to connect with Peninsula Link
- Development of Tyabb Tooradin road to provide an option for bulk or break bulk products from Gippsland as trade volumes increase.

As forward planning for these upgrades has included reservations for any future widening or duplication of carriageways, no new road corridors are required.



**LEGEND**  
 —+— Existing Rail  
 — Potential Road Connections

**Figure 17 Key Road network connections and Principle Freight network**

### 6.2.1 Rail connections

Broad gauge is the Victorian standard for suburban passenger services and the state freight task. Interstate trade is serviced via the standard gauge network, which is operated by the Australian Rail Track Corporation (ARTC), linking states. The Murray Basin Rail Project will see broad gauge lines converted to standard gauge along with standard gauge line upgrades. In total 1055 km of rail lines will be upgraded or converted. Therefore, for interstate matters and efficiency, standard or dual gauge options should be considered, allowing direct access into the Victorian and national markets.

Rail connection to Hastings is currently via the Frankston and Stony Point line on broad gauge. This line has limited capacity for freight operations, limiting the number of trains to a small number of services per day (2-4). Subject to demand alignment in the medium to longer term, a new rail corridor may be needed to connect Hastings with the industrial and manufacturing areas around Dandenong and beyond to Melbourne (particularly under a scenario where a container port may be required in the future) or growth in Gippsland trades.

The current broad gauge line carries steel coils for the BlueScope Steel Works which require gauge conversion (cargo moved between broad and standard gauge trains) at Dynon in Melbourne.

### 6.2.2 Rail Development Options

Limited rail capacity on the Frankston line will not provide for the forecast transport requirements to the Port in the medium to longer term. Increased metropolitan services, freight services being limited to outside of passenger train peaks and the potential extension of metropolitan services to Baxter will further limit freight opportunities. In addition, any rail trip from the east currently needs to run to Melbourne to turn back to access the Frankston line.

Previous planning undertaken provides for rail development along the Western Port Highway a 29 km extension of the current network. Actions proposed by the Government to extend the Cranbourne line to Clyde highlight the opportunity to construct a new rail corridor further south with reduced impacts from the south Gippsland rail corridor south of Clyde, to cater for medium term needs of the Port of Hastings. This connection would also require planning for an easterly connection to the Gippsland line or permanent turn back facilities at Dandenong station.

In view of the bulk focussed role of Hastings, rail development options need further consideration to meet medium term options for non-containerised trades at Hastings. Further assessment should consider a link from the South Gippsland rail corridor as an option to the connection direct from Dandenong. This connection potentially provides an option of less cost and reduced impact.

### 6.2.3 The Dandenong South Inland Port

The State government has signalled its continued interest in connecting a large freight hub in Melbourne's South East to rail. The Dandenong South Inland Port is approximately 187 Ha of industrial zoned land with a direct connection to the Western Port Highway. It is currently home to warehouses servicing Bunnings DC, Silk Logistics, Visa Global and Woolworths.

This container-centric freight hub is earmarked to be connected to the Port of Melbourne via 600m long rail shuttles. This project may enable additional opportunities for the Port to connect to more regular rail services or diversify into other freight related opportunities such as coastal shipping.

### 6.2.4 Gippsland based trade and the Logistics Precinct and Rail Terminal

In April 2018, the Victorian Government committed to stage 2 of the development of a logistics hub in Morwell in the Latrobe Valley. This stage will include the 'reactivation' of the rail siding near Tramway Road in Morwell. Stage 1 of the project was an upgrade to the Australian Paper Maryvale Line. This location provides a potential hub for a rail connection to ports, however connections to the Port of Hastings currently require trains to access through the metropolitan area in of peak passenger times and run into the North Melbourne area to turn back to the Frankston line and Hastings.

A future alternative corridor alignment from the Dandenong area (relevant to a high demand scenario) would also require an easterly access to avoid interruption and delays in the metropolitan area.

Currently, port options for bulk or break bulk products from the Gippsland area propose substantial transport of outputs to the Port of Geelong where there is capacity for a laydown and storage area to build up product loadings and an available wharf for appropriately sized bulk carrier vessels (handysize/handymax). Unfortunately, these products need to move through the Melbourne city area which potentially constrains volumes and efficiency of the supply chain. The increasing population, traffic volumes and increased passenger rail services will only further limit these options.

Based on a medium to higher level demand outcome, further development of both roads and rail connections to Hastings and an additional multi user development at the wharf, could accommodate Gippsland trades and eliminate the need for freight traffic through the City of Melbourne traffic.

## 6.3 Forecast road and rail network demand

Transport demand changes of current core Port of Hastings trades indicates organic growth and use of larger vehicle combinations where possible, to reduce the number of vehicle movements. Indicative growth in new bulk liquids and gases relate largely to pipeline based development which will have little impact on road or rail usage.

However, potential bulk product trades (largely from Gippsland) have the potential to increase truck traffic with a need to continue to develop the existing north south corridor and the east west link to Gippsland. The potential bulk volumes can be accommodated on existing road corridors during the early development and early commercial stages of operation (1-3 mtpa) however road capacity will potentially become an issue and a focus on rail transport would be required on larger volumes.

Rail development options will need to consider links to the existing network and if focused on Gippsland, the capacity and development of network connections along the Gippsland corridor to the source of the supply chains.



- LEGEND
- +—+— Existing Rail
  - - - - - Proposed Clyde Extension
  - - - - - Potential Rail Extension

**Figure 18 Rail development options**



# 07

## Land Use Planning Considerations







## 7.1 Overarching land use issues

The overarching land use planning controls and development controls in the Port have been reviewed and refined over the last 40 – 50 years. Initial development at Western Port proceeded on a site by site based in accordance with special acts of Parliament. For example, the BP refinery at Crib Point (since demobilised) was developed in accordance with the *Western Port (Oil refinery) Act 1963*, the Esso fractionation plant was developed in accordance with the *Western Port Development Act 1967* and the BHP Steelworks (now BlueScope Steel) was developed in accordance with the *Western Port (Steelworks) Act 1970* and *Western Port Steel Works (Development Control) Act 1970*.

In addition to these Acts, there are prescriptive land use and development controls which apply to the area under the Mornington Peninsula Planning Scheme (MPPS). In relation to the land use controls which apply to the Port, the MPPS provide the following commentary:

*Planning policies since the 1970's have emphasised the need to strike a balance between local interests and those of the wider Victorian community. In this context, regional planning has focused on managing and preserving the State significance of the Mornington Peninsula for conservation, recreation and port development purposes. This has been expressed in both Statements of Planning Policy 1 (Western Port) and 2 (the Southern Mornington Peninsula), as well through the preparation, by the former Western Port Regional Planning Authority, of the Conservation Plan for the Mornington Peninsula and the Hastings Port Industrial Area Planning Scheme.*

Key strategic documents which guide development for the Port and related area include:

- Hastings Port Industrial Area Land Use Structure Plan, April 1996 (Incorporated Document)
- Statements of Planning Policy 1 (Western Port) (as varied 1976)
- Statements of Planning Policy 2 (Western Port) (as varied 1976)

- Port of Hastings Land Use and Transport Strategy (Port of Hastings Corporation, 2009) (Reference Document)
- Victorian Freight Plan – Delivering the Goods (July, 2018).

Currently the SUZ1 provides for broad allocation of land for port related activity and covers an area of approximately 3206 ha within Hastings and 322ha in Crib Point. The Port Zone (PZ) covers an area of 4 hectares at Crib Point and approximately 3 hectares at Stony Point as it focuses predominantly to direct land holdings by the Port of Hastings Development Authority (POHDA).

Over the years, strategic planning for a container port at Hastings has focused the overarching of planning controls to consider the anticipated needs of the Port and its contribution to the Victorian community.

The Victorian Freight Plan – Delivering the Goods (July, 2018) identifies the ongoing need for land use considerations at the Port of Hastings with the Plan for Bay West as Victoria's second container port whilst retaining the Port of Hastings as an option in reserve. Although changes in the Port's trades can occur quickly with technology and supply chain development the Port development zone should continue to provide for future port scenarios as a flexible and adaptable space.

The service corridors for power and pipelines are a key to the success of current port operations and while the visibility of these assets to the public is generally limited, there is a clear need to maintain and protect these corridors and preserving development options for the future.

The communities of Hastings, Tyabb and the surrounding areas are also important to the Port's growth in the provision of labour at the Port and as a related community. Management of the Port interface to surrounding areas is essential to maintain the balance of liveability within the Port environs. This balance requires management of development at the Port and transport access corridors and visibility of planning directions so that community awareness of potential changes at the Port is understood.

# Land Use Planning Considerations

## 7.2 Port environs issues and considerations

The local port environs currently contain large areas of rural land, which provides a broad separation to port operations at Long Island and Crib Point with limited direct interface to residential areas. Stony Point is also separated from residential areas resulting in little direct Port interface to the community.

Transport corridors continue to develop to accommodate increasing population growth in the area and the interface to road transport activities supporting port related operations is a key issue in maintaining defined corridors for freight traffic. The need to maintain and preserve freight corridors is common across areas experiencing increased population growth along the Principle Freight Network in Victoria to enable transport of goods to broader markets of the Port activities.

During the consultation process, Esso highlighted a concern in relation to low flying aircraft over the fractionation plant plume output and safety concerns with this interaction. A request for further consideration of this issue from a planning perspective was discussed and is referred to in implementation issues.

## 7.3 Interactions of the PDS with planning scheme and approval requirements

The PDS provides an overview of land use planning aligned to the potential operation of the Port and the needs of trades operating within the Port precincts. Development of non-containerised commodities including oil and gas products, break bulk activities including steel imports and exports and other multi-use scenarios provide the highest focus at the current time. However, broader land use planning issues also need to be considered, most notably the need to develop a strategy which provides for flexibility and adaptability for the Port as reserve for a container port development in the future.

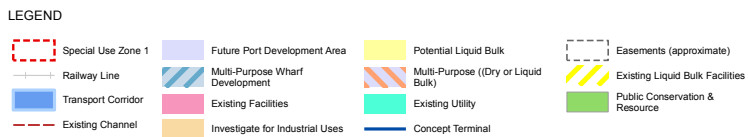
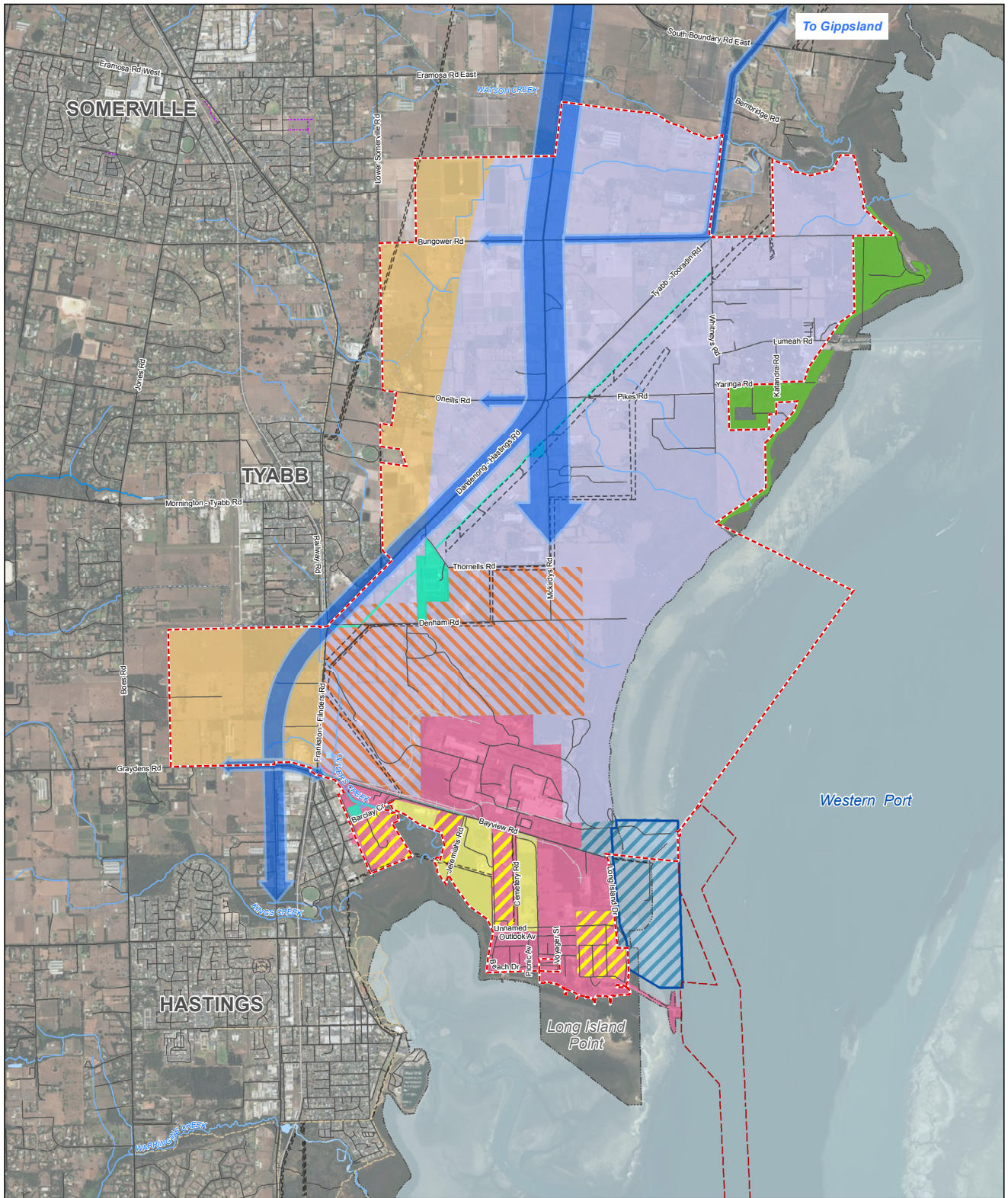
As container port planning has been the subject of an extensive planning process previously, the needs of current non-containerised trades and potential demand scenarios in this area have been the main focus for the PDS notwithstanding that the Port is to be retained as an option in reserve for Victoria's second container port.

### 7.3.1 Long Island Point

The scope of potential port needs is indicated on the land use planning for the Long Island precinct, including the northern access areas for transport, services and pipeline infrastructure. Much of the land within the SUZ1 zone provides for the reserve scenario of a possible container port in the future with essential space for related logistics and related industry and transport development.

Areas adjacent to the main port precincts and activity centres allow for supporting industry and activities which provide a lower impact interface to communities of Hastings and Tyabb. These areas should be investigated for industrial uses that are compatible with the nearby communities and the activities of an adjacent port at some time in the future.

These elements are included in the future northern area and Long Island land use framework in Figure 19. This provides for the reserve scenario should a container port be required in the future with consideration of how the development of other trades may also require additional land within the SUZ1 zone.



**Figure 19 Future land use planning framework – northern area and Long Island**

### 7.3.2 Crib Point

The Crib Point area has generally been used for the import and export of fuels, oils and gases although it provides a broad area of development opportunity. The focus of development in this area will remain with bulk liquids and gases with pipeline connections to major storage and distribution outlets. Some potential for broader multi user activities at this location remain within the significant area of development zone, however current demand forecasts do not indicate a need within the short term. This location is strategically important based on its exceptional deep water that can cater for large vessels, accessibility, recognising it is an old refinery site and the need for continual maintenance of buffer zones to the Crib Point community which is important in planning for the precinct.

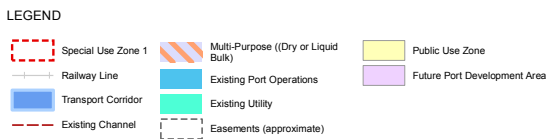
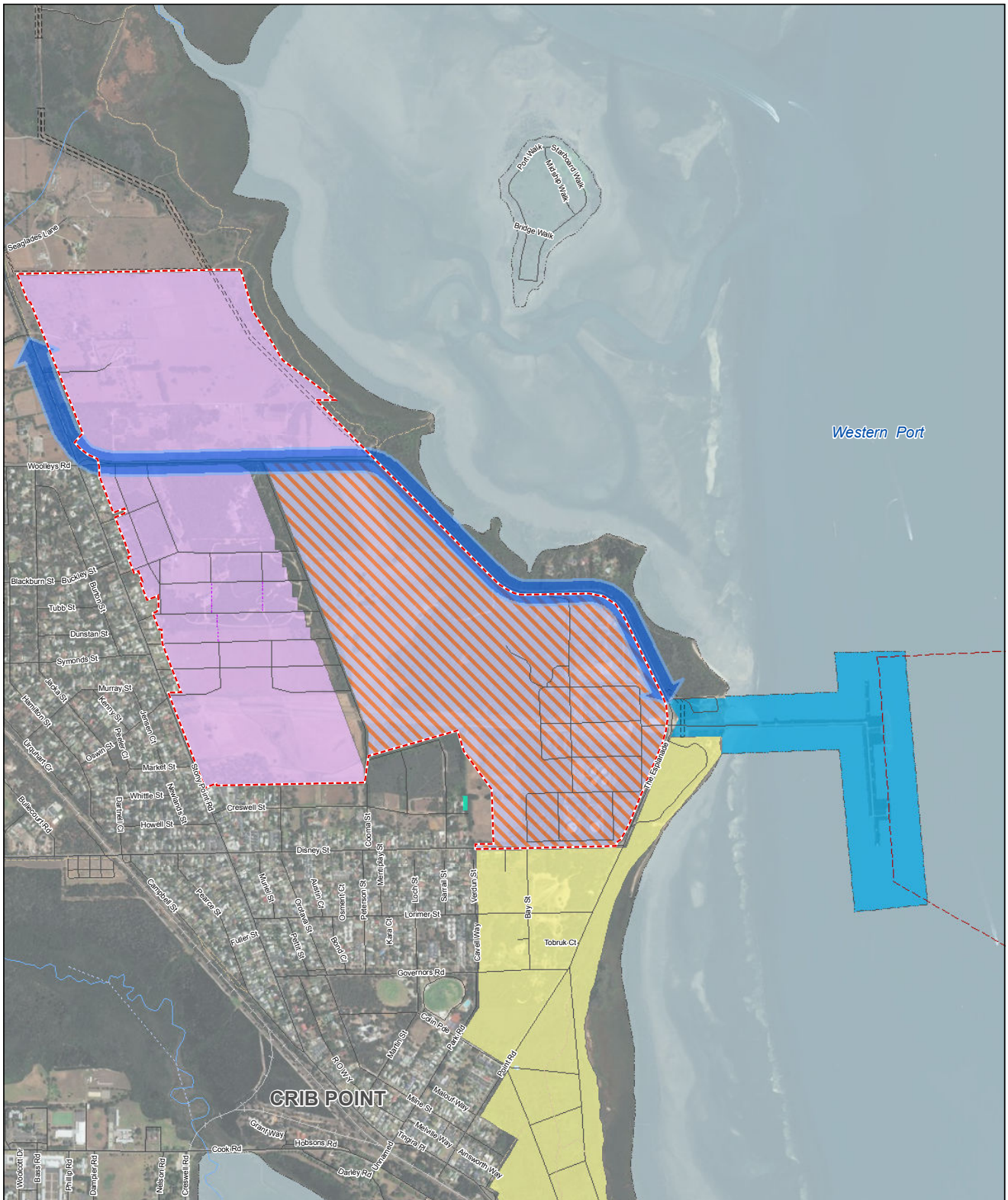
### 7.3.3 Stony Point

The Stony Point area is likely to be the subject of an increased focus and use of the operational areas on the jetty with supporting services for shipping expected to grow to support port growth. This will require further scope for the potential of 1-2 support service berths and more operational activity which has the potential to create a more active interface with public use for Ferry operations.

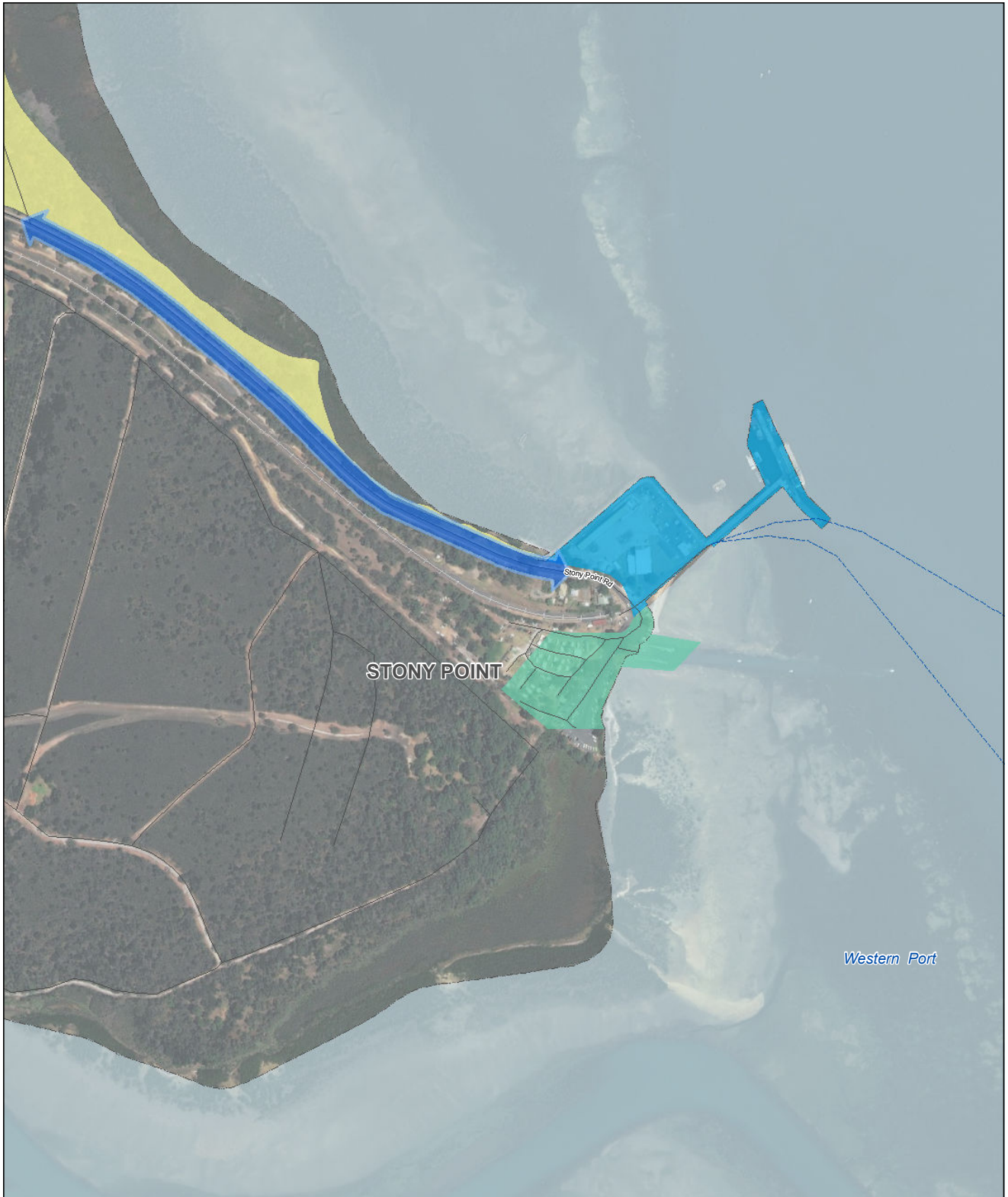
The Government has investigated the option of development of upgraded ferry facilities to enable DDA compliance. The separation of the Port operational areas and public use areas for recreation and Ferry services is appropriate over time to ensure safety of operations and efficiency of port services and the ferry operation.

Accordingly, relocation of Western Port Ferry Operations to the southern Public use I area would align land uses and support future development options.

Progressing the following implementation actions will assist in creating certainty and clarity on land use direction for current and future occupiers, port stakeholders and the community. A full list of implementation actions to support development options at the Port of Hastings are provided in Section 9 Implementation and Evaluation.



**Figure 20 Future land use framework for the Crib Point precinct**



LEGEND

- +— Railway Line
- Ferry
- █ Transport Corridor
- █ Existing Port Operations
- █ Recreation / public
- █ Public Use Zone

Figure 21 Future Land use framework for the Stony Point Precinct

# 08

Environmental &  
Social Considerations







## 8.1 Existing environmental condition and management

The Port of Hastings is located on the western shoreline of Western Port, an embayment which covers an area of approximately 680 km<sup>2</sup> including two large islands, French Island and Phillip Island, which lie at the centre and entrance of the bay respectively.

Western Port is an area of high ecological importance. The bay and surrounding areas contain a diverse array of marine life and the intertidal areas and fringing mangroves and saltmarsh provides important roosting and feeding areas for birdlife. Western Port is listed as a Wetland of international Importance under the Ramsar Convention on Wetlands.

The Western Port Ramsar site extends across approximately 60,000 hectares of the bay with its southernmost extent crossing between Point Leo in the east and Observation Hill on Phillip Island and across to a point just west of San Remo. The shoreline of French Island is part of the Ramsar site, however the island itself is excluded from the Ramsar site.

The boundary of the Ramsar site includes the intertidal areas. Western Port meets seven of the nine criteria for listing as a Ramsar site. Of particular importance to the listing are the extensive intertidal flats, mangroves, saltmarsh, and seagrass beds and the importance of these areas for water birds including migratory species, other threatened flora, fauna and communities and fish and invertebrate species and communities.

Native vegetation and habitat are widespread within the area designated as SUZ1 and these vary from local to international significance. Within the vicinity of Long Island Point there are diverse coastal and marine habitats consisting of fringing woodland vegetation, saltmarsh and mangrove communities, intertidal mudflats and intertidal and subtidal seagrass communities. The coastal fringing vegetation includes grassy woodland and grassy plains vegetation that may provide habitat for a number of threatened flora and fauna species, and there is a largely intact area of vegetation on the BlueScope land.

Adjacent to these communities in the upper intertidal zone are listed temperate coastal saltmarsh and mangrove communities. Intertidal mudflat areas consist of extensive beds of seagrass extending from Long Island Point to Yaringa National Park.

Foraging and roosting habitats for waterbirds are also present in Western Port. The area north of BlueScope includes extensive areas of intertidal mudflat providing foraging areas for shorebirds (waders) including resident and migratory species. The intertidal area immediately south of Yaringa National Park is also a primary foraging area for shorebirds. The area closer to (within one kilometre of) BlueScope is less utilised by shorebirds. The Little Penguin, Short-tailed Shearwater, Fluttering Shearwater and Crested Tern are amongst a range of bird species that use the western arm of Western Port for foraging and for which this area is important habitat.

There are several parks and reserves in the vicinity of the Port of Hastings including French Island National Park, Devilbend Natural Features Reserve and Crib Point (G229) Bushland Reserve. There is also a Public Conservation and Resource Zone and Public Park and Recreation Zone on the Hastings foreshore reserve, and a small park managed by the Mornington Peninsula Shire Council at the northern end of the SUZ1 area. There is a coastal reserve located at Stony Point which contains locally significant flora and fauna.

Western Port contains three Marine National Parks, each of which has a Special Protection Area for national values which includes saltmarsh and mangrove habitat used by wading birds. These parks are intended to conserve the biodiversity of a range of unique marine environments and provide for the future protection of these areas. Five Special Management Areas are also found in Western Port. Designated through state legislative these areas are usually consistent with International Union for Conservation of Nature (IUCN) categories for marine protected areas.

Western Port is also within the area defined as the Mornington Peninsula and Western Port Biosphere Reserve. The area (including the Port of Hastings) was designated under UNESCO's Man and the Biosphere program in 2002, joining a network over 400 Biosphere Reserves in more than 100 countries. The reserve includes the whole of the Mornington Peninsula Shire, parts of the City of Frankston, and coastal areas of the municipalities of Casey, Cardinia and Bass Coast including French and Phillip Islands.

# Environmental & Social Considerations

## 8.2 Existing social context, issues and considerations

The Port of Hastings is located largely away from residential areas. The SUZ1 area includes the Esso Long Island Point Plant and Western Port Blue Scope Steelworks at Long Island Point in the south, a number of smaller industries, and rural land uses, some with residential properties.

Residential areas and smaller areas zoned for commercial and industrial uses are concentrated within the townships of Hastings, Tyabb, Somerville, Crib Point and Pearcedale (further to the north-east). Outside of these townships, much of the surrounding land is within the Mornington Peninsula Green Wedge. Mornington Peninsula Shire Council's objectives for the Green Wedge area include retaining its green and rural character by minimising further subdivision and development; promoting and supporting farming and agricultural productivity; and maintaining its long term recreational value.

The Port areas are generally located some distance from the major residential areas including the townships of Tyabb and Hastings. The Crib Point precinct of the Port is located near to the residential areas of the Crib Point Township.

State owned land located between Crib Point and Stony Point has been identified for environmental rehabilitation and management to be implemented in collaboration with local community organisations, the Mornington Peninsula Shire and relevant State government agencies.

Boat based fishing is popular in Western Port and fishing is permitted throughout. There are a number of boating facilities in the Port area and surroundings. Boating facilities nearest to the Port are the Western Port Marina and Yaringa Boat Harbour. The Yaringa Boat Harbour hosts a handful of related commercial users including boat building and associated industries. Rezoning the land it occupies from SUZ1 to Special Use Zone Schedule 9 (Yaringa Boat Harbour), was recently approved by the Minister for Planning (Mornington Peninsula Shire, 2016). This expansion provides for a new inland harbour basin containing 180 wet berths and 18 holding berths, tourist accommodation and conference facilities, and the expansion of the existing marine service industry.

Several other tourism operators and businesses in Hastings, and Western Port more broadly, promote and offer for hire non-powered vessels such as sail craft, kite boards, kayaks and canoes as well as powered water craft for hire.

### 8.2.1 Aboriginal and historic cultural heritage

Western Port, its coastline, localised dunes, Cranbourne Sands, watercourses and a large Aboriginal place registered north of Bayview Road are considered to be areas of Aboriginal cultural heritage sensitivity as defined by the Aboriginal Heritage Regulations 2007. Within the northern portion of the Port of Hastings SUZ1, several stone artefact scatters of relatively low density, shell middens and object collections are present. These are located largely within rural landholdings that could be intersected by the proposed port-related precinct and/or road corridor and rail terminal.

There are places that have been identified as being of local historic heritage significance (identified and protected by Heritage Overlays) within the western edge of the SUZ1, including existing historic homes, farmland, and associated trees and outbuildings.

## 8.3 Key environmental issues and considerations

The key environmental issues for consideration in any port related activity including development options, are:

- The status of Western Port as a Ramsar Wetland of International Importance indicating the high level of significance of the marine areas in particular the intertidal areas that support migratory shorebirds
- The coastal mangroves and saltmarshes which provide important habitat for birdlife as well as providing important nursery areas for fish
- The importance of the area as a recreational resource for fishing and other water based activities
- Traffic and noise issues along the transport corridors
- Landscape and visual including from vantage points such as Phillip Island.

## 8.4 Future Requirements

Any significant development within the Port of Hastings would require a number of approvals under Victorian and Commonwealth legislation as well as local government approvals. The need for these approvals is influenced by the project location, land tenure, footprint and activities, as well as by the environmental values that may be impacted by the proposed action. It is noted that legislation and approval requirements may change in the future, potentially affecting obligations for and likelihood of obtaining approvals.

### 8.4.1 Key approvals for future development may include:

- Commonwealth Environment Protection and Biodiversity Conservation Act (1999) (EPBC Act)
- Victorian Environment Effects Act (1978) (EES Act)
- The Victorian Major Transport Project Facilitation Act (2009)
- The Victorian Aboriginal Heritage Act 2006 (Victoria)
- A Marine and Coastal Act Consent under the Marine and Coastal Act 2018
- Planning Scheme Amendment
- Other approval.

The approvals under this legislation provide relevant controls over environmental issues during the development of infrastructure.

# 09

## Implementation & Evaluation





The PDS is based on potential demand changes at the Port of Hastings focussing on non-containerised trades including current trades, new liquid bulk and bulk products and in the longer term, the potential for relocated trades from other ports. The PDS also provides for development of the Port to cater for international container trade should this be required by Government in the future.

### 9.1 High level implementation plan for significant port investment

The main focus on implementation and investment will be in the area of bulk liquids and gases, dry bulk opportunities and multi user facilities. However, given the plan for Bay West as Victoria's second container port whilst retaining the Port of Hastings as an option in reserve, planning will take a "do not preclude" approach to container port development. Plans for any future need for a container port at Hastings are well advanced and strategies for management of future bulk trade opportunities while preserving options for future container trade are well understood.

The Port is presently well placed to cater for bulk liquid and bulk gas trades throughout the plan period. However, it lacks the infrastructure required to cater for dry bulk and break bulk trades that are located nearer to the Port.

Planning will focus on a staged approach across different trade groups, with current trades operating within the scope of existing infrastructure with limited change, subject to developing ship types and market conditions.

The potential for new bulk trades through the Port of Hastings relates directly to the need for transport links from Gippsland and access to Victorian ports for these products. Some existing dry bulk commodities are proposing exports through the Port of Geelong or Port Anthony however, capacity for transport through Melbourne is limited or inefficient and smaller export parcels through Port Anthony provide an inefficient shipping option for these products. Accommodating these trades at the Port requires accessible multi-purpose berth facilities that presently do not exist.

The development path for bulk products requires adequate road and berth based infrastructure which can be staged through the early implementation stages. Higher capacity transport links, including rail connections are likely to drive the long term viability of these trades. Investment in berth, and transport infrastructure is high and suitable business case investigations will need to be made to consolidate planning in this area.

#### *Berth capacity*

Development of berth capacity to support potential bulk product trades can develop initially through enhancements around the BlueScope Wharf. The option to develop a multi-purpose berth on the Old Tyabb Reclamation area, provides the focus for longer term outcomes to meet non-containerised trades. This option also aligns to any future need for the container trade at Hastings providing a flexible option for all scenarios.

Development would allow for a berth extended into the current channel area aligned to the BlueScope wharf to the north and the Long Island Point quay line to the south. Storage and hardstand areas would be situated with clear consideration of environmental issues within the area.

# Implementation & Evaluation

## 9.2 Resulting precinct plans

### 9.2.1 Long island

The precinct plan for Long Island Point is shaped by the requirement to preserve the longer term option of future international container operations, whilst accommodating shorter term trade opportunities with efficient solutions that do not restrict future port development options.

Hence, the proposed longer term precinct plan is based on the future development thinking that was put forward by IV under their assessment of future second container port options for Victoria and consideration of previous port planning work undertaken during the Container Expansion Project (PODHA 2014/15). It is noted that this work considered alternative options for the container terminal in the Long Island area of the Port, where positioning of the infrastructure could be adjusted according to final need and the preferred layout.

The precinct and land zoning in the shorter term, provides good opportunity to support the development of marine facilities suited to the import and export of bulk and break bulk trade. In particular, there is sufficient land at Long Island Point to accommodate all contestable trades identified as part of this study.

The existing BlueScope berth at Long Island Point alone provides some immediate opportunity for handling a number of the contestable dry and break bulk trades, but is considered to be limited by the berth apron width and berth dimensions. The BlueScope berth is owned and managed by BlueScope and access is subject to the approval of BlueScope however, some further berth development at this berth may be an option.

The footprint of the Old Tyabb Reclamation area and existing alongside depths at Long Island Point provide an ideal opportunity for a flexible and multi-trade port facility in the longer term.

For the scenario that considers all 'plausible' products, it is envisaged that at least 2 -3 berths would be required to handle liquid bulk, dry bulk and break bulk products. These products could not be handled satisfactorily across the existing assets at BlueScope.

In terms of land needs, all scenarios can be accommodated within the available zoned land located to the north and west of BlueScope. The plan for Long Island Point subsequently recognises port development through:

- Retention of existing land use designations and the proposed inclusion of land use zone designations recommended under the previous port development options studies focussed on Hastings
- Expansion of existing facility infrastructure on current (owned / leased) land areas already occupied
- Specific upgrades to existing port infrastructure and equipment
- Low cost and simple redevelopment of existing berth infrastructure to unlock constraints on trade throughput. This includes, wharf upgrades, widening, local dredging and or extension

- Possible new wharf construction in / around the existing Old Tyabb Reclamation area
- Expansion of material storage and distribution on SUZ1 land in response to the forecast trade demand.

### 9.2.2 Crib Point

The precinct plan for Crib Point is shaped by the forecast growth in liquid bulk commodities.

- The precinct, berths and land zoning provides excellent opportunity to support the development of marine facilities suited to the import and export of liquid bulk trade. In particular, there is sufficient land at Crib Point to accommodate all contestable trades identified as part of this study
- The existing jetty at Crib Point provides opportunity for handling contestable trades from other ports, but may require expansion if other business is located there
- In terms of land needs, all scenarios can be accommodated within the available zoned land (former refinery site) located to the west of the jetty. The plan for Crib Point subsequently recognises port development through:
  - Retention of existing land use designations
  - Expansion of existing berth facility infrastructure with specific upgrades to existing port infrastructure and equipment
  - Possible repurposing of the former refinery site to support the storage and distribution of liquid bulk materials in response to the forecast trade demand.

### 9.2.3 Stony Point

The precinct plan for Stony Point is shaped by the need to improve the passenger transport services and expand the marine service facilities in a cost effective manner.

- The public zoned boat ramp area provides excellent opportunity to accommodate improved foot passenger ferry infrastructure and a future Ro-pax service should this be established. Such development will enable the ferry services to improve the accessibility for disabled persons
- The existing jetty at Stony Point (with passenger ferry relocated) is sufficient for the PoHDA's future needs, and the relocation of the ferry will also improve safety outcomes with respect to the interaction of public and port operations
- In terms of land needs, all scenarios can be accommodated within the available zoned land. The plan for Stony Point subsequently recognises port development through:
  - Minor extensions to existing land use designations to facilitate Ro-pax facility development
  - Repurposing of the existing jetty for small craft / tug berthing operations.

### *Planned Road Access Improvements*

Table 7 indicates transport network upgrade projects that will increase the connectivity with the Port and the wider transport network.

Land Use actions to support these plans should include:

- PoHDA to work with DELWP to gain control of the OTRA
- Provide multi-purpose capacity (to accommodate bulk, break bulk and motor vehicles) while ensuring short and medium term planning does not preclude potential container trade related activities
- Continue detailed investigations to select the port layout options where marine and terrestrial environmental impacts can be avoided, minimised or mitigated
- Retain all existing land zoned SUZ1 and ensure all land within the Hastings Port Related Area is appropriately zoned. Investigate some areas in outer zone for light industrial interface areas
- Progress the establishment of appropriate transport corridors in conjunction with relevant State and local government agencies
- Advocate for the progression of upgrades to the Western Port Highway to freeway standard from the north to the Tyabb-Tooradin Road
- Investigate Relocation of the Western Port Ferry Service to the Recreation area at Stony Point with relevant safety and Disability Discrimination Act requirements.



### 9.3 Proposed PDS monitoring and reporting framework

Table 8 outlines the monitoring program for the strategy and its relationship to PoHDA operations.

**Table 7 Road access and upgrades**

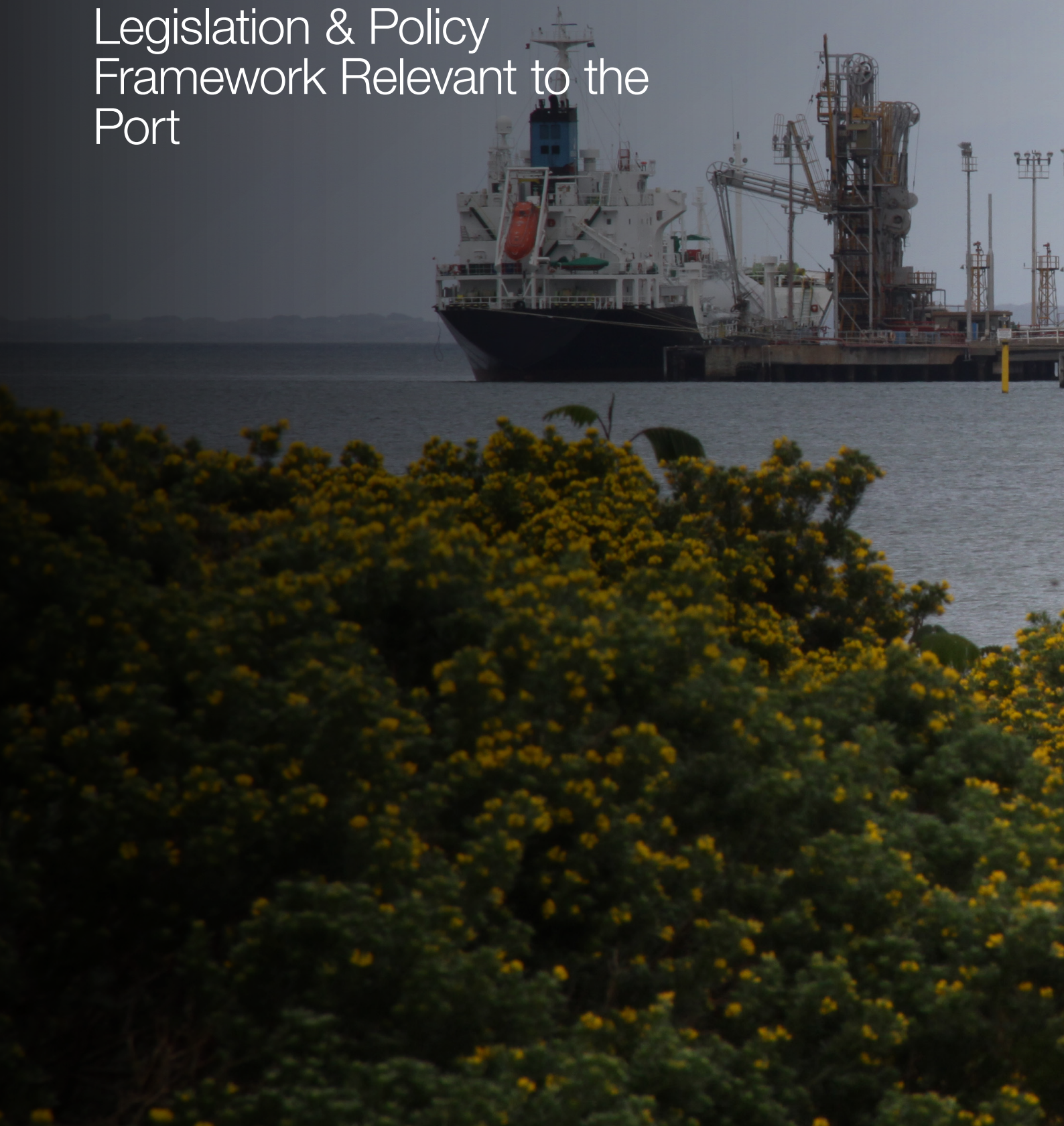
Road Access Upgrade Project	Description	Action
Western Port Highway Bridge Upgrades.	Upgrade bridges in the northern section of the Western Port Highway to allow Higher Mass Limit (HML) vehicles up to 88.5 tonnes.	Work with port users to identify efficiency increases attributable to bridge upgrades.
Western Port Highway, removal of roundabouts.	Removal of roundabouts to allow more efficient road access.	Support the removal of roundabouts to permit more efficient movements of high productivity freight vehicles.
Upgrade of Baxter–Tooradin Road.	Baxter–Tooradin Road is a key connection between the Port and Gippsland, it is currently HML approved but not A Double approved.	Continue to support the development of Baxter – Tooradin Road for high productivity vehicle freight movements through to Gippsland.
Continue to support the development of Baxter –Tooradin Road for high productivity vehicle freight movements through to Gippsland.	Thompsons road between Western Port Highway and Eastlink is an approved HML and High Productivity Freight Vehicle (HPFV) route however it experiences significant congestion.	Support the planned upgrade of Thompsons Road to dual carriageway to allow better connectivity between Eastlink and the Western Port Highway.
Thompsons Road Duplication (dual carriageway).	Thompsons road between Western Port Highway and Eastlink is an approved HML and High Productivity Freight Vehicle (HPFV) route however it experiences significant congestion.	Support the planned upgrade of Thompsons Road to dual carriageway to allow better connectivity between Eastlink and the Western Port Highway.
Bungower Road and Mornington-Tyabb Road connection to the Mornington Peninsula Freeway.	Connections to the Peninsula Freeway are limited and should be the subject of further inputs from council and the overall planning scheme.	Further investigate options for priority along Bungower Road which has a full diamond intersection (north and south access) at Peninsula Link Assess support for a full diamond (north and south access) intersection at Peninsula Link and Mornington-Tyabb Rd.

**Table 8 Monitoring and reporting framework**

Monitoring	Method	Reporting	Frequency/Timing
Port Throughput (Actual)	Monitor trade volumes and engage port users in regular trade volume discussions.	Operational and Board Reporting	Monthly
Port Throughput (Forecast)	Update throughput forecasts.	Financial and Board Reporting	Annually
Strategic Freight Corridors	Monitor VicRoads and TfV projects via regular engagements.	Operational and Board Reporting	Quarterly
Economic Climate and Vessel Trends	Monitor trade movements and changes.	Operational and Board Reporting	Report when trends occur
Industry Trends and Economic Environment	Stakeholder Engagement Framework – Trends by trade (commodity) type – Vessel size trends – Charter Rates – Emerging Trades.	Operational and Board Reporting	When trends occur
Land Use Policy	Monitor proposed planning scheme amendments and policy changes.	Board Reporting	As changes occur
Relevant Legislation and Policy	Monitor proposed changes to the legislative and policy environment and make submissions where appropriate.	Board Reporting	As changes occur

# Appendix A

Legislation & Policy  
Framework Relevant to the  
Port





# Appendix A

## Legislation & Policy Framework Relevant to the Port

**Table 9 Commonwealth legislation**

Legislation/policy/ guideline	Relevance
<p><b>National Ports Strategy (2011)</b></p> <p>This report sets out priorities and actions for the national ports strategy. The strategy recognises the criticality of having a unified approach that preserves the competitiveness of Australian businesses to deliver exports to the global market. By having a long-term plan it increases the attractiveness for public and private investment in ports and related logistics sectors.</p>	<p>The national ports strategy covers both bulk commodity ports and container ports, identifying:</p> <ul style="list-style-type: none"> <li>- The most effective regulatory and governance framework</li> <li>- Ways to improve land planning and corridor preservation</li> <li>- The future infrastructure requirements of Australia's ports, including road and rail link</li> </ul>

**Table 10 Victorian Government legislation**

Legislation/policy/ guideline	Relevance
<p><b>Port Management Act (1995)</b></p> <p>The Port Management Act was developed by the Parliament of Victoria in 1995 to:</p> <ul style="list-style-type: none"> <li>- Provide for the establishment, management and operation of commercial trading ports and local ports in Victoria</li> <li>- Provide for the economic regulation of certain port services</li> <li>- Provide for the imposition of certain port charges and fees</li> <li>- Require the engagement of licensed harbour masters in certain circumstances and set out their function</li> <li>- Provide for transfer of property, rights and liabilities and the management of Crown land.</li> </ul>	<p>Part 6B of the Act requires the preparation of a PDS for each commercial trading port:</p> <p>A PDS must be prepared at intervals of 4 years and include:</p> <ol style="list-style-type: none"> <li>1. Projections of trade through the commercial trading port</li> <li>2. Current and projected land use requirements, including transitional land uses designed to protect the port from constraints on efficient operations and mitigate adverse impacts of port operations on adjacent users</li> <li>3. Current and projected infrastructure requirements for land and water in the commercial trading port</li> <li>4. Current and projected transport infrastructure requirements for land and water in the commercial trading port</li> <li>5. Any other matters specified in any guidelines</li> </ol> <p>Consultation with land owners and the relevant channel operator must be undertaken in preparation of the PDS.</p> <p>The requirement for the update of the PLUTS is legislated in the Port Management Act (1995). The content of the PDS must include matters identified in the Act (as noted above together with other relevant guidelines).</p>
<p><b>Marine and Coastal Act (2018)</b></p> <p>The Marine and Coastal Act 2018 provides an integrated and coordinated approach to planning and managing the marine and coastal environment:</p> <ul style="list-style-type: none"> <li>- Enabling protection of the coastline and the ability to address the long-term challenges of climate change, population growth and ageing coastal structures</li> <li>- Ensuring all partners work together to achieve the best outcome for Victoria's marine and coastal environmental.</li> </ul>	<p>Key elements include:</p> <ul style="list-style-type: none"> <li>- Clear objectives and guiding principles</li> <li>- Simpler advisory arrangements (including the introduction of a new Marine and Coastal Council)</li> <li>- Integrated policy and strategy development</li> <li>- Creation of a Marine Spatial Planning framework</li> <li>- Delivery of the first 'State of the Marine and Coastal Environment' report</li> <li>- Stronger regional and strategic partnerships</li> <li>- Implementing more comprehensive Environmental Management Plans (including for Port Phillip Bay)</li> <li>- Improved local planning and management</li> <li>- Better coastal erosion management.</li> </ul> <p>The Marine and Coastal Act is relevant legislation to the Port of Hastings given its proximity to the ocean and environmental values on land and in the marine environment.</p>
<p><b>Planning and Environment Act (1987)</b></p> <p>The Act sets out procedures for preparing and amending the Victoria Planning Provisions and planning schemes. It also sets out the process for obtaining permits under schemes, settling disputes, enforcing compliance with planning schemes and permits, and other administrative procedures.</p>	<p>The main functions of the Act are to:</p> <ul style="list-style-type: none"> <li>- Set the broad objectives for planning in Victoria</li> <li>- Set the main rules and principles for how the Victorian planning system works</li> <li>- Set up the key planning procedures and legal instruments in the Victorian planning system</li> <li>- Define the roles and responsibilities of the Minister, councils, government departments, the community and other stakeholders in the planning system.</li> </ul> <p>The Act is 'enabling' legislation and gives effect and legal weight to Planning Schemes. The land use controls and overarching objectives are given weight through the Mornington Planning Scheme.</p>

Legislation/policy/ guideline	Relevance
<p><b>Mornington Peninsula Planning Scheme</b></p> <p>Under Victoria's planning system, local councils and the State Government develop planning schemes to control land use and development.</p> <p>Planning schemes are also developed to ensure the protection and conservation of land in Victoria in the present and long-term interests of all Victorians.</p> <p>Planning schemes are developed in accordance with planning policies and strategies. They contain planning policies, zones, overlays and other provisions that affect how land can be used and developed.</p>	<p>The purpose of the Planning Scheme is to:</p> <ul style="list-style-type: none"> <li>- Provide a clear and consistent framework within which decisions about the use and development of land can be made</li> <li>- To express state, regional, local and community expectations for areas and land uses</li> <li>- To provide for the implementation of State, regional and local policies affecting land use and development.</li> </ul> <p>Relevant State Planning Policy which references the Port of Hastings and significant of the industrial land use is identified below.</p>
<p><b>Victorian Freight Plan – Delivering the Goods (2018)</b></p> <p>In July 2018 the Victorian Government released their updated Freight Plan – Delivering the Goods.</p> <p>Delivering the Goods sets out short, medium and long-term priorities to support Victoria's freight and logistics system through a period of growth in freight volumes and change in the broader environment.</p>	<p>Key elements include:</p> <ul style="list-style-type: none"> <li>- Clear objectives and guiding principles</li> <li>- Simpler advisory arrangements (including the introduction of a new Marine and Coastal Council)</li> <li>- Integrated policy and strategy development</li> <li>- Creation of a Marine Spatial Planning framework</li> <li>- Delivery of the first 'State of the Marine and Coastal Environment' report</li> <li>- Stronger regional and strategic partnerships</li> <li>- Implementing more comprehensive Environmental Management Plans (including for Port Phillip Bay)</li> <li>- Improved local planning and management</li> <li>- Better coastal erosion management.</li> </ul> <p>The Marine and Coastal Act is relevant legislation to the Port of Hastings given its proximity to the ocean and environmental values on land and in the marine environment.</p>
<p><b>Infrastructure Victoria</b></p> <p>In May 2017 Infrastructure Victoria delivered its advice on the location of a second container port in Victoria.</p>	<p>Three key elements of the advice included:</p> <ul style="list-style-type: none"> <li>- Capacity of Victoria's existing commercial ports should be optimised, having regard to social and environmental factors, before any investment in a second major container port</li> <li>- A second major container port will not be required until the Port of Melbourne reaches approximately 8 million TEU which is likely to be around 2055</li> <li>- Bay West is the preferred location for a second major container port.</li> </ul>
<p><b>Western Port Steel Works Act (1978)</b></p> <p>Relates to legislation for the Establishment in Western Port of Steel Works for the Production of Iron and Steel and other Products, to authorise the Construction of certain Port Facilities, to make Provision with respect to the Reclamation of certain Land and for other purposes.</p>	<p>Instigated by the proposed development of the BlueScope facility and limits use of the berth for non-steel related activities.</p> <p>The Governor in Council, amongst other matters, authorised BlueScope to use the whole of the land for any use permitted by Law, including the handling of non-steel related trades and for carrying out of geotechnical works on the land subject to conditions.</p>
<p><b>Western Port Development Act (1967)</b></p> <p>Relates to the preparation of legislation to authorize the Construction of Additional Port Facilities in Western Port to make Provision with respect to the Reclamation of Certain Land at Old Tyabb and for other purposes</p>	<p>Sets out the terms of access under which Esso uses the PoHDA owned berth at Long Island Point and imposes obligations on the State in relation to the supply of port services to Esso.</p>

**Table 11 Actions - Regional Road Access**

Action	Relevance	Comment
VicRoads develop Western Port Highway to progressively to freeway standard from the north to the Tyabb-Tooradin Road.	Remains relevant Do not preclude in current strategy.	
PoHDA support the construction of Peninsula Link.	No longer relevant	Now completed
PoHDA encourage improved port connections to Gippsland via the use of Tyabb-Tooradin Road, Baxter-Tooradin Road, South Gippsland Highway and the Koo Wee Rup-Pakenham Road with a local bypass of Koo Wee Rup.	Relevant	Progress of this is essential to development of bulk product opportunities.
VicRoads design and encourage use of appropriate regional east-west freight routes such as Thompsons Road and Greens Road to connect to EastLink. This should now also include Tyabb Mornington Road and Bungower Road.	Relevant	Connections to and from Eastlink and Peninsula link are essential however Western Port Highway should remain the main access route for the Port.
PoHDA/DoT/VicRoads to develop strategies which facilitate the establishment of specific port-related regional road freight routes (similar to Over Dimensional routes).	Relevant	Essential that arterial connections to the Port are included in the development of the Principle freight network.
PoHDA/VicRoads upgrade McKirdys Road to provide direct access to Western Port Highway.	Relevant	Longer term and aligned to demand.
VicRoads and local government provide upgrades as required to all preferred transport routes.	Relevant	

**Table 12 Actions – Local Road Actions**

Action	Relevance	Comment
PoHDA/DOT/VicRoads/Mornington Peninsula Shire to develop strategies which facilitate the establishment of specific port-related local road freight routes.	Relevant	
PoHDA support the extension of Bayview Road to provide a direct connection with the Western Port Highway.	Do not preclude but subject to specific planning of the Port.	
PoHDA support the proposed connection between the Western Port Highway and Watts Road (with a grade separation over the Frankston-Stony Point rail line) and initiative for widening of Watts Road through to Reid Parade.	Relevant and do not preclude for container operations.	
PoHDA/DoT/VicRoads/Mornington Peninsula Shire consider local improvements required to link Hastings with the Mornington Peninsula Freeway corridor and Frankston and to avoid existing built-up residential areas (Graydens Road, Coolart Road and part of the Frankston-Flinders Road).	Relevant	Considerations should include Tyabb Mornington Road and Bungower Road.
PoHDA support upgrades to all preferred transport routes.		

**Table 13 Actions – Rail Access**

Action	Relevance	Comment
<b>Regional Rail Connections</b>		
DoT to lead further detailed assessment of rail corridor capacities and options and requests that DoT provide a recommendation to Government on a preferred rail corridor.	Relevant	
For the long term, and to connect the Port with the Dandenong & Gippsland regions, PoHDA support planning for a new rail line from the Port of Hastings along a new route to be established by the Government.	Relevant	Subject to demand and port development.
<b>Local Rail Connections</b>		
DoT consider provision of a rail line connection from the existing BlueScope/Esso spur to "Old Tyabb Reclamation Area".	No longer relevant	The Cresco line extension has been in place to the rear of the Old Tyabb Reclamation area for many years and needs to be protected.
PoHDA support initial use of available capacity on the existing Melbourne-Frankston-Stony Point Corridor until capacity is reached.	Relevant	Subject to demand and relevant use for bulk products.
DoT upgrade the signalling/safe working arrangements on the Hastings to Frankston section to allow off-peak freight train operations (medium term).	No longer relevant	This is a secondary issue to overall Line capacity.
DoT enhance the capacity of the Hastings-Frankston corridor by either providing crossing facilities at selected locations or by duplicating the entire track length (medium term).	No Longer relevant	There is not capacity to enable these options and the overall capacity of the line is a greater issue.



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