

Transcript

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 Compere: **ANNETTE MARNER** Summary ID: **A00029546383**
 Item: **ANNETTE MARNER TALKS TO JASON KUCHEL ABOUT THE PROPOSED NEW SITE FOR A PORT AT PORT BONYTHON.**
INTERVIEWEES: JASON KUCHEL, CEO, SA CHAMBER OF MINES AND ENERGY

Demographics:	Male 16+	Female 16+	All people	ABs	GBs
	N/A	N/A	N/A	N/A	N/A

ANNETTE MARNER: We're joined now by Jason Kuchel who is the CEO of the South Australian Chamber of Mines and Energy.

Jason Kuchel thank you for coming on to Late Afternoons.

JASON KUCHEL: Good afternoon Annette.

ANNETTE MARNER: Now you've already echoed that call today haven't you, as fate would have it? You're in the news saying that you think Port Bonython near Whyalla is firming as the best site for a port in the Upper Spencer Gulf for the mining industry.

JASON KUCHEL: Certainly, it's - whilst the Government is still doing some work to determine exactly which is the best option, it's reasonably clear at this stage, failing some information that we might not know about at this point in time, that Port Bonython would be the best facility because - as I think Bob pointed out -



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because of its access to deep water, the 20 metres that's required for the large 150 to 180 plus thousand tonne vessels that are used for carrying iron ore. And also because of its proximity to the standard gauge rail network, albeit 20 kilometres away. That's a relatively short amount of rail to have to construct.

ANNETTE MARNER: And storage sheds - and would you do, would you build a second jetty there, or use the one that's there already?

JASON KUCHEL: Oh well, yes, certainly if you can use the one that's there, if it's viable to do so and if it doesn't get in the way of the existing users, the patrolling users, then that would be the ideal and also - not only does it make the project cheaper, but it also means that you need less tonnes of iron ore to be shipped initially to make the project viable.

And, of course, although we've got about four new companies expected to come on stream, Western Plains being the first of those, they are not all going to come onboard at the same date. Western Plains, I think, are hoping to start exporting from the 1 January 2009, and the other three companies would be coming on strength successively over the following year or so.

ANNETTE MARNER: So you're happy with the way it's all developing? You think it will be Port Bonython and it will go ahead?

JASON KUCHEL: I wouldn't say it's right to say that we're happy with the way it's all developing, because at this point in time - with the processes that we would need to go through government - it would probably take nearly two years at best to get something up and running. What we're - as Bob pointed out, what we're wanting to do by getting all of the players together in the one room, is to ensure that we have the best possible information on an ongoing basis to be able to use that information, direct that into the State Government's processes, and ensure that they understand that this is actually viable now. There is still some numbers to be done, but we believe it would be viable now. And so that they can press ahead, perhaps much more rapidly than they would otherwise do, to make it happen.

ANNETTE MARNER: And who pays for that infrastructure there?

JASON KUCHEL: Sorry?

ANNETTE MARNER: Who would pay for the infrastructure required at Port Bonython.

JASON KUCHEL: Well if there's sufficient quantity of ore going through, and we believe there would be, then the private provider will have no problem with paying for that infrastructure, because they will be receiving the income from operating the port, to justify that expenditure.



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ANNETTE MARNER: Right, so they pay for the building of the infrastructure, the sheds and whatever has to be done to the jetty and so forth?

JASON KUCHEL: The sheds for the individual iron ore producers would probably be built by them, but that's a relatively small part. The cost of the rail, any adjustments to the jetty, the conveyor belts, the systems that they would need there. Buildings associated with running the port and so forth, that's what we would expect a port provider to pay for. And I understand from the State Government that they've already had a number of port operators express an interest in funding it and getting it up and running.

ANNETTE MARNER: Is there a danger, if it doesn't happen, South Australia could miss out on potential income from the mining boom, especially from iron ore deposits?

JASON KUCHEL: Absolutely. Companies like Western Plains stand to lose their funding that they've secured from overseas partners, if there is no way of getting the ore out economically.

And whilst the Port of Darwin may be an option, as a temporary option for a few months, it is not a long-term option. It's not viable to run these projects for their full life span, by exporting out of Darwin.



ANNETTE MARNER: Jason Kuchel, thanks very much for your time today.

JASON KUCHEL: Thank you.

ANNETTE MARNER: The CEO of the South Australian Chamber of Mines and Energy. Also my thanks to Bob Duffin, executive chair of Western Plains Resources, which is based in Sydney and I realise now that the problem with the phone was actually is that there's a big thunder storm happening in Sydney and Bob Duffin was unable to do anything about that of course - static on the line.

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