

Dalrymple Bay gets \$639m expansion go-ahead

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DALRYMPLE Bay Coal Terminal will again be expanded in a \$639 million project that will allow it to process 85 million tonnes of coal a year to meet mining company's demands.

The Queensland Competition Authority has given the go-ahead to Babcock and Brown Infrastructure

(BBI) for the second and third stage of expansion at the terminal.

The first stage of expansion is already under way and on track for completion by 2007.

This \$532 million project alone will increase capacity at the terminal from eight million tonnes to 68 million tonnes a year.

BBI chief operating officer for transport, Jeff Pollock, said the expanded facilities would be built at

an aggressive speed, with completion planned for 2008.

Although the terminal will have reached its capacity after the second and third stages are completed, Mr Pollock said it still would not be big enough for some mining companies.

"The demand from mining companies was greater than expected," he said.

"Some users asked for a terminal

that could process 92 million tonnes, but we just don't have the land or the storage facilities for that amount of coal," he said.

Mr Pollock said expansion of the terminal would be good for Mackay as they expected to take on additional workers.

He said the skills shortage affecting the region had made things difficult during the first stage of expansion and he expected

contractors also would struggle to find skilled workers for the next two stages.

"But we will keep the pressure on to have them completed on schedule," he said.

BBI chief executive officer Steven Boulton said the company had long term 100% take or pay contracts in place underwriting the planned expansion.