

21st July 2022

Customer Advisory

FUEL ADJUSTMENT FACTOR (FAF) – UPDATE

Ports of Auckland has in place a formula for calculating the Fuel Adjustment Factor (FAF) to compensate our business as and when the price of fuel fluctuates. This process has been in place since August 2006 and we have continued to keep customers informed of the trend to the changing purchase price of fuel.

Our original calculation to implement the Fuel Adjustment Factor was based on pricing as of 1 September 2006, working in bands of +/- 20%. If the six-week average triggers a move up or down, the following formula applies with two weeks' notice of change.

As a consequence of the ongoing increase in fuel costs and to enable ongoing recovery, two additional bands from +121% to +140% and +141% to +160% have been added to the Terminal and Marine rates as outlined in the tables below.

Currently we are sitting in the +81% to +101% band and will move into the +101% to +120% band from 25th July 2022

Terminal handling rates:

Based on POAL purchase price in NZ\$ as of 1 September 2006.	Charge per container handling– Full containers (Imports, Exports and Tranships).	
	Full containers	Tranship per leg
Band		
Below - 20%	No charge	No charge
-20% to +20%	\$5.00	\$2.50 / \$2.50
+21% to +40%	\$7.50	\$3.75 / \$3.75
+41% to +60%	\$10.00	\$5.00 / \$5.00
+61% to +80%	\$12.50	\$6.25 / \$6.25
+81% to +100%	\$15.00	\$7.50 / \$7.50
+101% to +120%	\$17.50	\$8.75 / \$8.75
+121% to +140%	\$20.00	\$10.00 / \$10.00
+141% to +160%	\$22.50	\$11.25 / \$11.25

Marine Services rates:

Based on POAL purchase price in NZ\$ as of 1 September 2006.	Charge per ship call.	
	Under 10,000GRT	Over 10,000GRT
Band		
Below - 20%	No charge	No charge
-20% to +20%	\$75.00	\$150.00
+21% to +40%	\$115.00	\$225.00
+41% to +60%	\$170.00	\$300.00
+61% to +80%	\$230.00	\$380.00
+81% to +100%	\$300.00	\$460.00
+101% to +120%	\$380.00	\$540.00
+121% to +140%	\$460.00	\$620.00
+141% to +160%	\$540.00	\$700.00

For your information our buy prices of fuel is based on the MOPS (Mid of Platts Singapore) Gas/Oil Index adjusted for exchange rate movements and shipping. We continue to have the application of FAF audited by an external third party and examples of the audit letter can be found on our website. Please don't hesitate to contact the below for a copy if required.

For further information contact:

Customer Service

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