

Northern Gas Pipeline Project Update

CCNT: Maximising Your Opportunity &

Jemena Business Briefings / Open Office

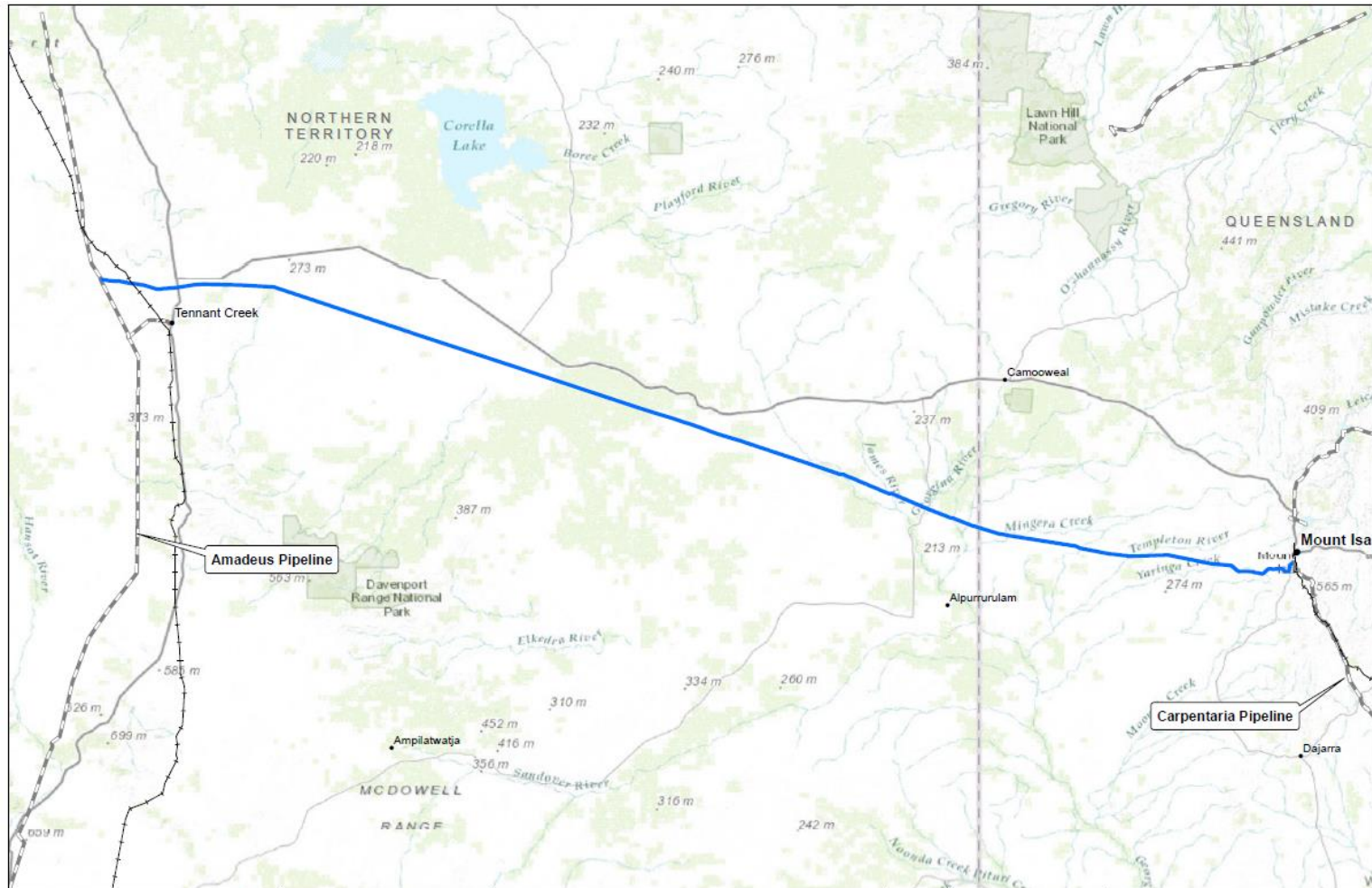
March 2016

Alice Springs (17, 18 March)

Tennant Creek (21, 22 March)

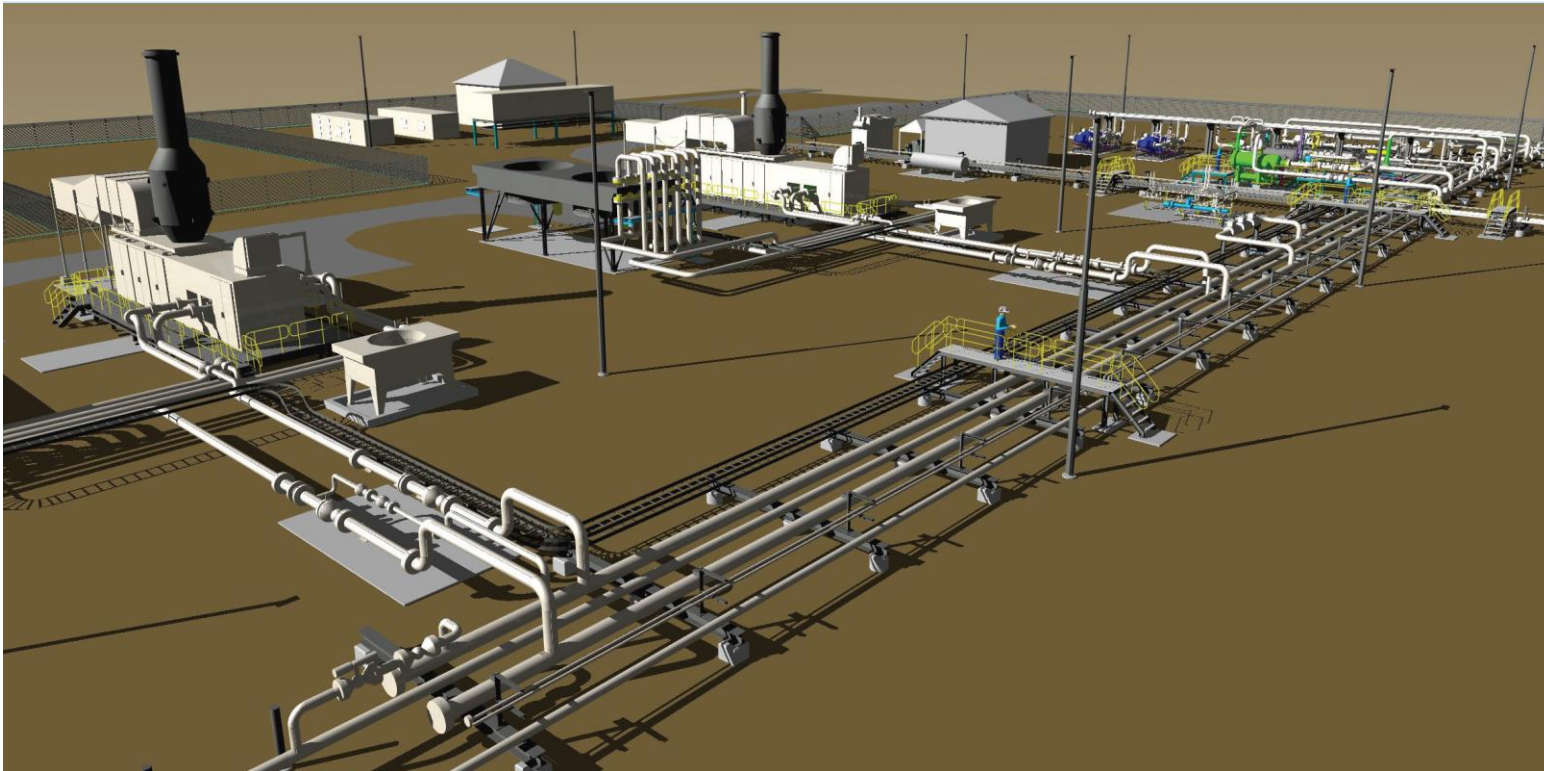
The Northern Gas Pipeline

- **NEGI Pipeline** 622 km, AS2885 gas transmission pipeline.



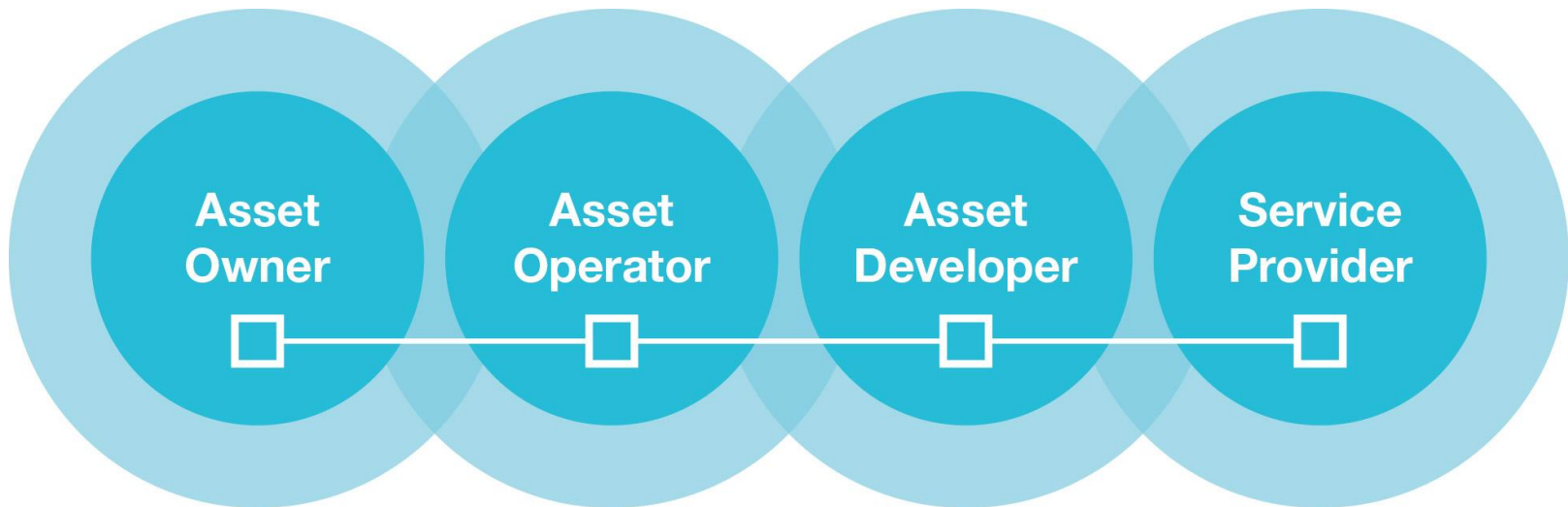
NGP Facilities

- **Phillip Creek Compressor Station** 2 Taurus 60 Compressor Station Site with inlet metering and potential nitrogen separation skid (TBC). Located at Tennant Creek end.
- **Midline** Main Line Valves, CP Stations and Scraper Station.
- **Mt Isa Compressor Station** 2 Taurus 60 Compressor Station Site with offtake meter station.



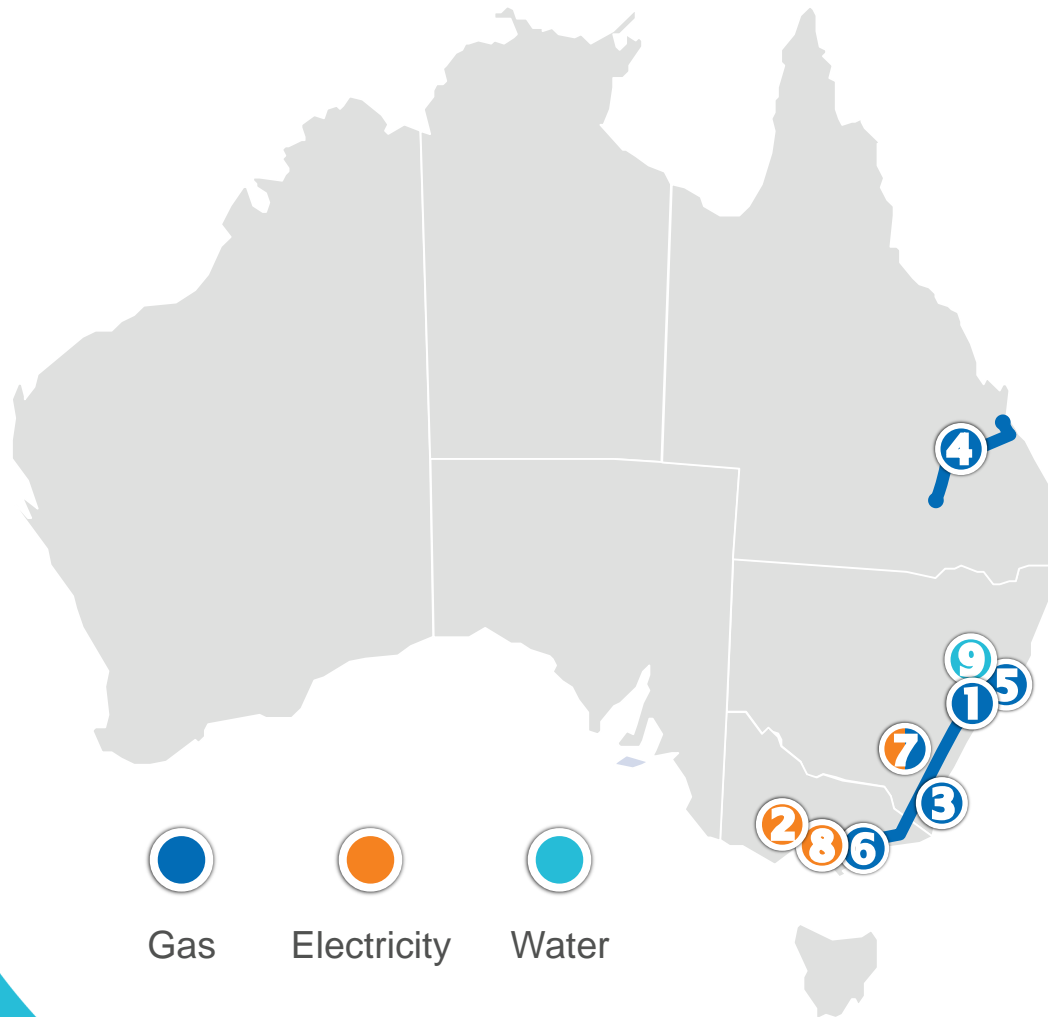
Who is Jemena?

One of Australia's **leading, experienced & innovative** energy infrastructure companies



\$8.5B of Australian infrastructure assets

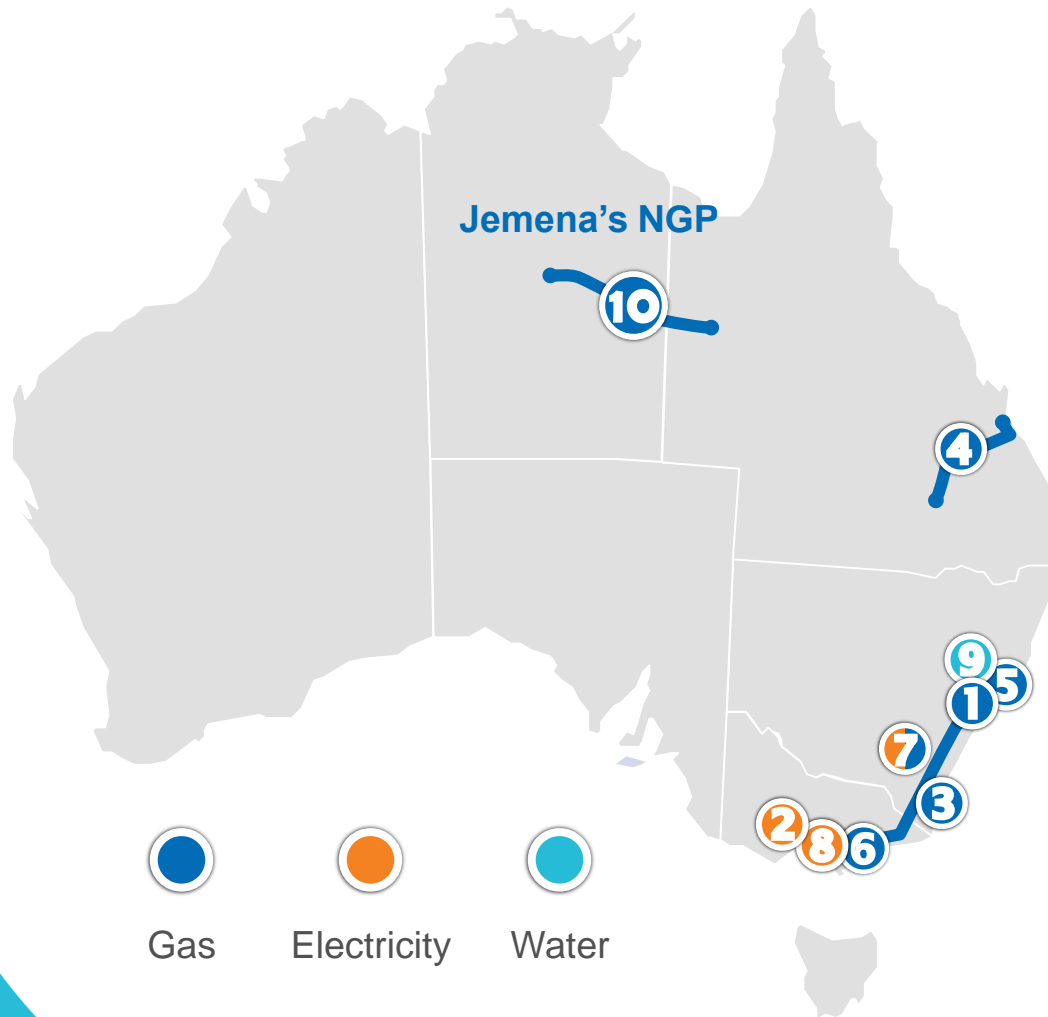
Who is Jemena?



- ① Jemena Gas Network
- ② Jemena Electricity Network
- ③ Eastern Gas Pipeline
- ④ Queensland Gas Pipeline
- ⑤ Colongra Gas Transmission and Storage Pipeline
- ⑥ VicHub
- ⑦ ActewAGL Distribution Partnership (50%)
- ⑧ United Energy Distribution (34%)
- ⑨ Rosehill Recycled Water

Supporting the needs of Australians every day...

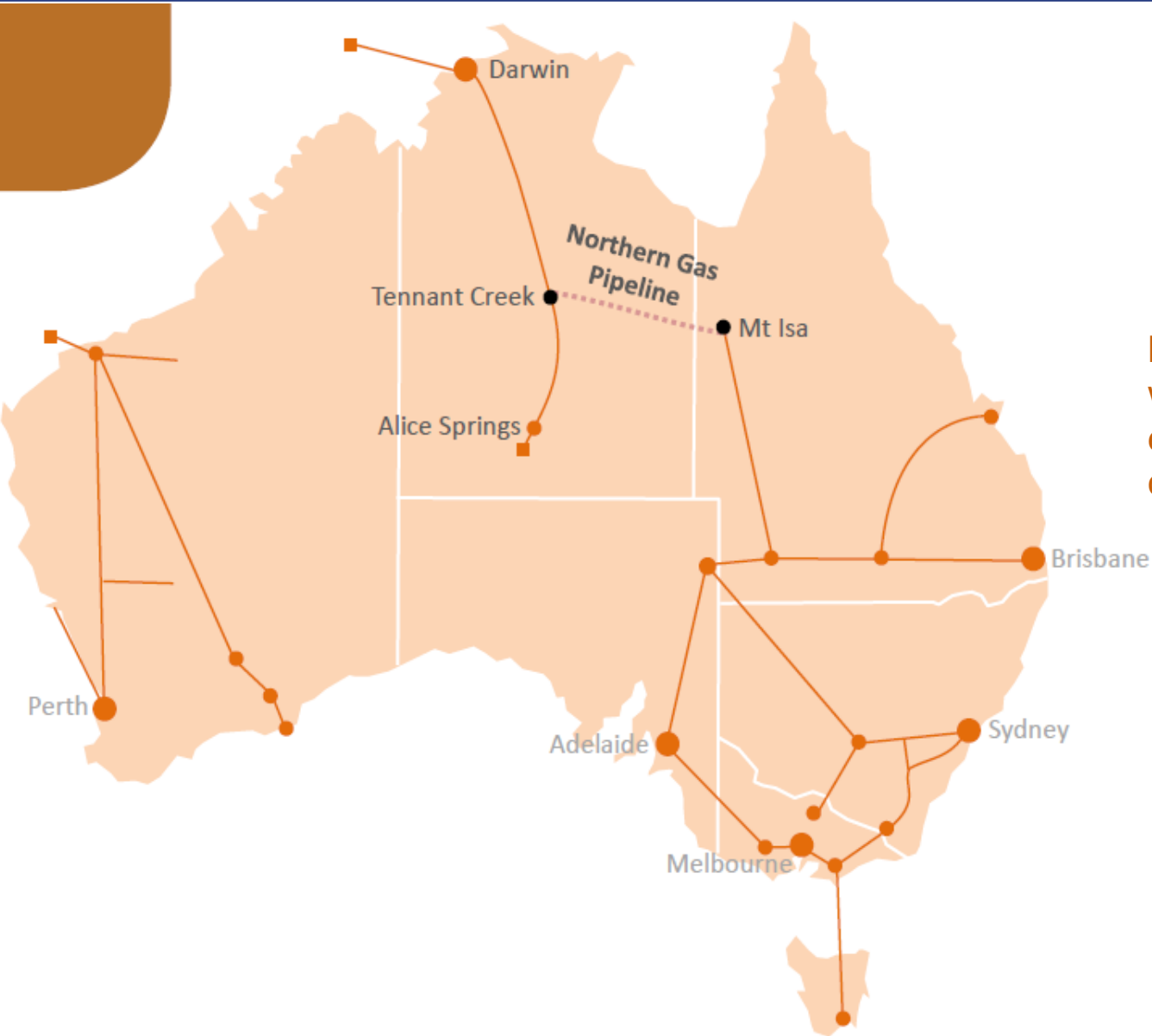
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- ⑩ NEGI North East Gas Interconnector

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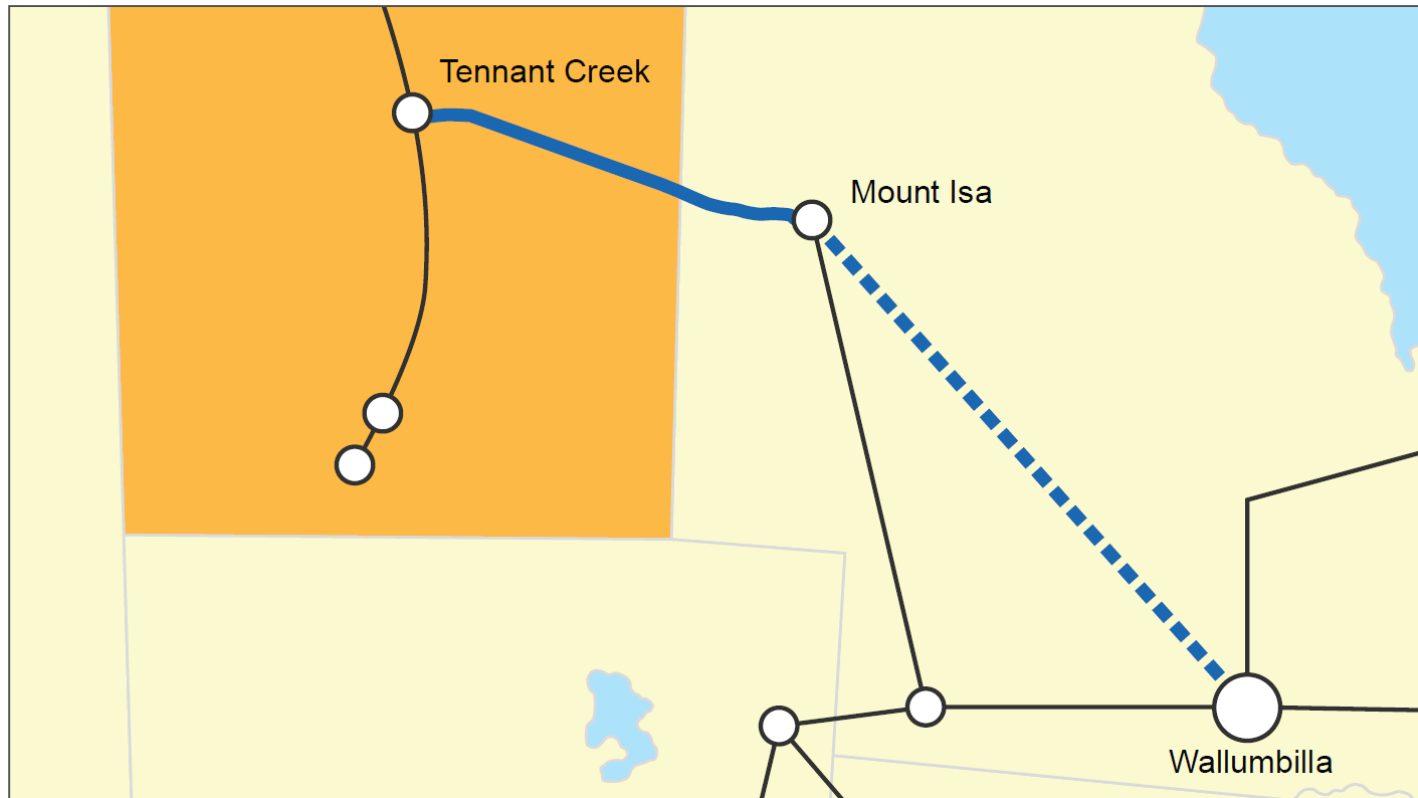
Connecting the NT to the east coast



Northern Australian gas will be transported to eastern Australian gas customers.

Jemena's Vision

Linking Mt Isa to Wallumbilla



✓ Improve reliability of the gas transmission network

✓ Increase competition

✓ Reduce reliance on Moomba

✓ Supporting growth of the NT gas sector.

Jemena's Project Team

1. **Jemena's Project Experience** with a proven track record of delivering projects under budget & on schedule
2. **Jemena's O&M practices** have driven high service availability and reliability
3. **McConnell Dowell Constructor** – the most experienced for the job
4. **EcOz Environmental** – Territory based experience
5. **Circle Advisory Industry participation and indigenous engagement** - with significant, long term northern Australian experience
6. **Maloney Field Services Land access & valuation** – a strong market reputation with over 40 years experience



Jemena's Project Team

7. **KBR Facility Designer** – proven, experienced compressor station and gas facility designer
8. **GPA Engineering Pipeline Designer** – proven, experienced AS2885 pipeline designer
9. **MRC Global Coated Linepipe Supplier** – recent Australian experience of similar pipe supply

KBR

GPA
ENGINEERING

MRC Global™

Target Project Timeline

Project Delivery Phases	2015		2016				2017				2018				2019+	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2019+	
NT Govt Tender Process		NT Govt Project Award														
Consultation			Community & Business Consultation													
Approvals			Approvals													
Design			Design													
Long Lead Procurement			Long Lead Procurement													
Short Lead Procurement							Short Lead Procurement									
Offsite Fabrication							Offsite Fabrication									
Pipeline Construction							Construction									
Compressor Construction							Construction									
Commissioning											Commissioning					
Operations & Maintenance											Operations & Maintenance					

Our approach to the NGP Project

1. Leverage

off existing strong customer relationships to contract full utilisation of the NGP

2. Optimise

route and design to achieve lowest construction capital cost and ongoing O&M cost

3. Minimise

construction risks through route refinement & good works planning

4. Maximise

NT and Qld participation, particularly indigenous and from the Barkly and Mt Isa regions



Our Objectives for NGP



Competition

Bring a competing pipeline owner & operator to the Territory market



Innovation

Challenge norms to reduce risks and cost



Development

Further develop the Territory as a key energy provider



Stimulation

Stimulate economic growth in the Territory and western Queensland



Local Content

Maximise local participation

Project and Operations Opportunities

- **Procurement Opportunities** – Local fabrication, supply of equipment and other materials where services available.
- **Construction Support** – Contract works for Jemena and McConnell Dowell and direct labour hire into the construction team.
- **O&M Support Contracts**

Project Supplier Opportunities

- Camp Accommodation/ Catering
- NDT
- Survey
- Hydrotesting Compressor Station
- Pipe Haulage From Laydown Area To RoW
- Drill & Blast
- NDT
- Field Joint Coating
- Piping Fabrication
- Structural Steel Fabrication
- Electrical and Instrumentation
- Concrete Supply
- Plant and Equipment Hire
- Haulage / Transport Services
- Local Accommodation and Catering
- Waste Management
- Water Bore Drilling
- Security Fencing Supply & Installation
- Bulk Earthworks
- Civil Works
- Thrust Bore / HDD
- Roads – New access tracks, upgrade of existing and road maintenance

INTERESTED IN BECOMING A SUPPLIER OR SUB-CONTRACTOR TO McCONNELL DOWELL?

www.northerngaspipelineconstruction.icn.org.au

supplier.database@mcdgroup.com

Labour Employment Opportunities

- Trades Assistants (20)
- Labourers (70)
- Field Joint Coating (10)
- Mechanical Fitters (5)
- Pipe Fitters (10)
- Various Plant/Crane Operators (60)
- HR Drivers (50)
- Pipe Class Welders (15)

**INTERESTED IN CAREER
OPPORTUNITIES AT
McCONNELL DOWELL?**

<https://apply.mcdgroupcareers.com/pipelinejobs>



Jemena prequalification requirements



Demonstrated experience in similar work scopes



Australian / local good references



Cost competitiveness



Robust HSEQ systems and processes



Ability to negotiate commercial terms and conditions

Register with the ICN, express interest in the NGP Project and refer to the packages on the ICN Gateway portal when posted to see more specific requirements.

www.northerngaspipeline.icn.org.au



Capacity building for local participation

Practical and real initiatives for local involvement

A \$2 million plus investment by Jemena in capacity building initiatives:

Small to
Medium
Enterprise
Business Growth
Program

Regional
Employment Plan

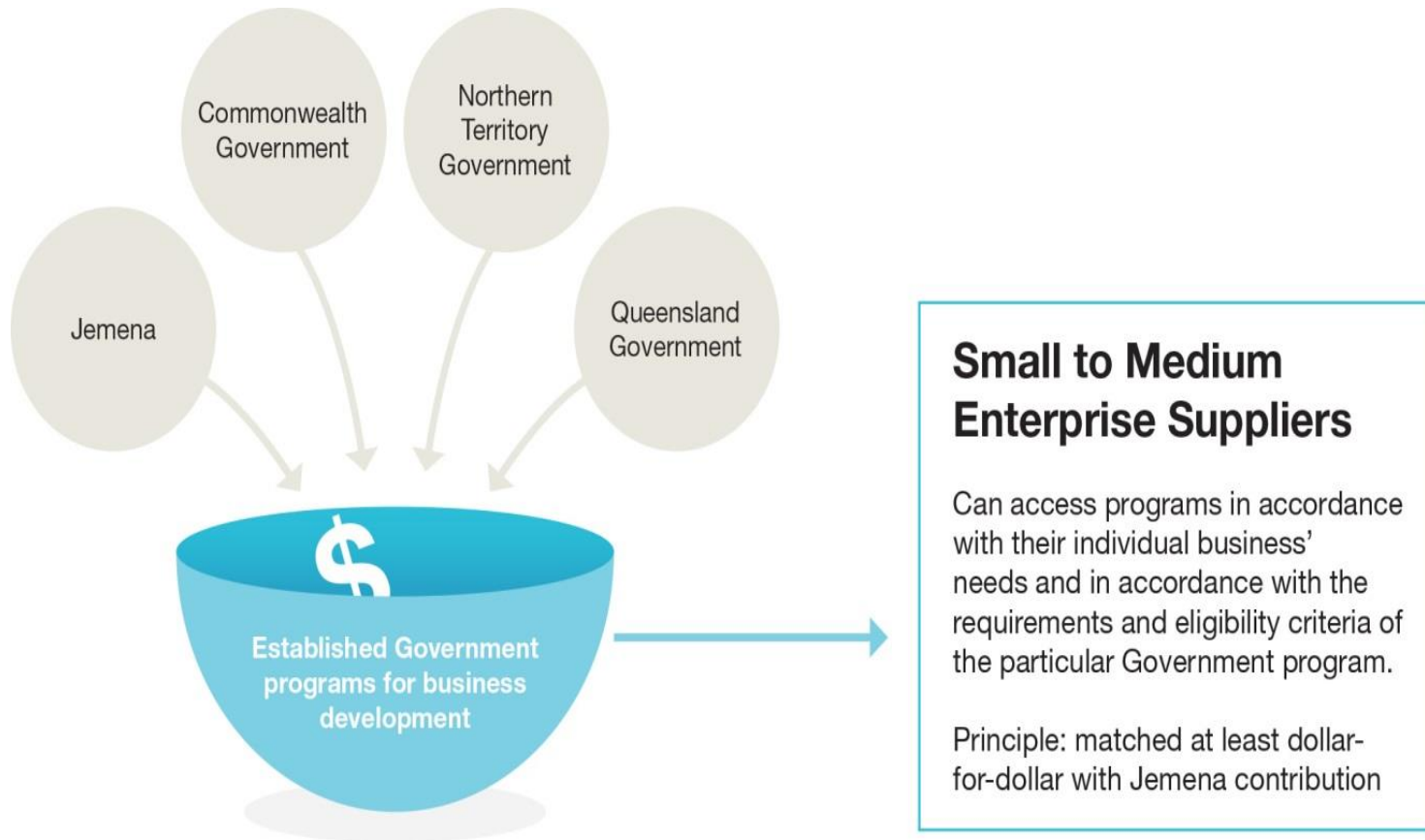
Tennant Creek
Business
Enterprise

Remote
Community
Social Investment
Program

To underpin our local content effort

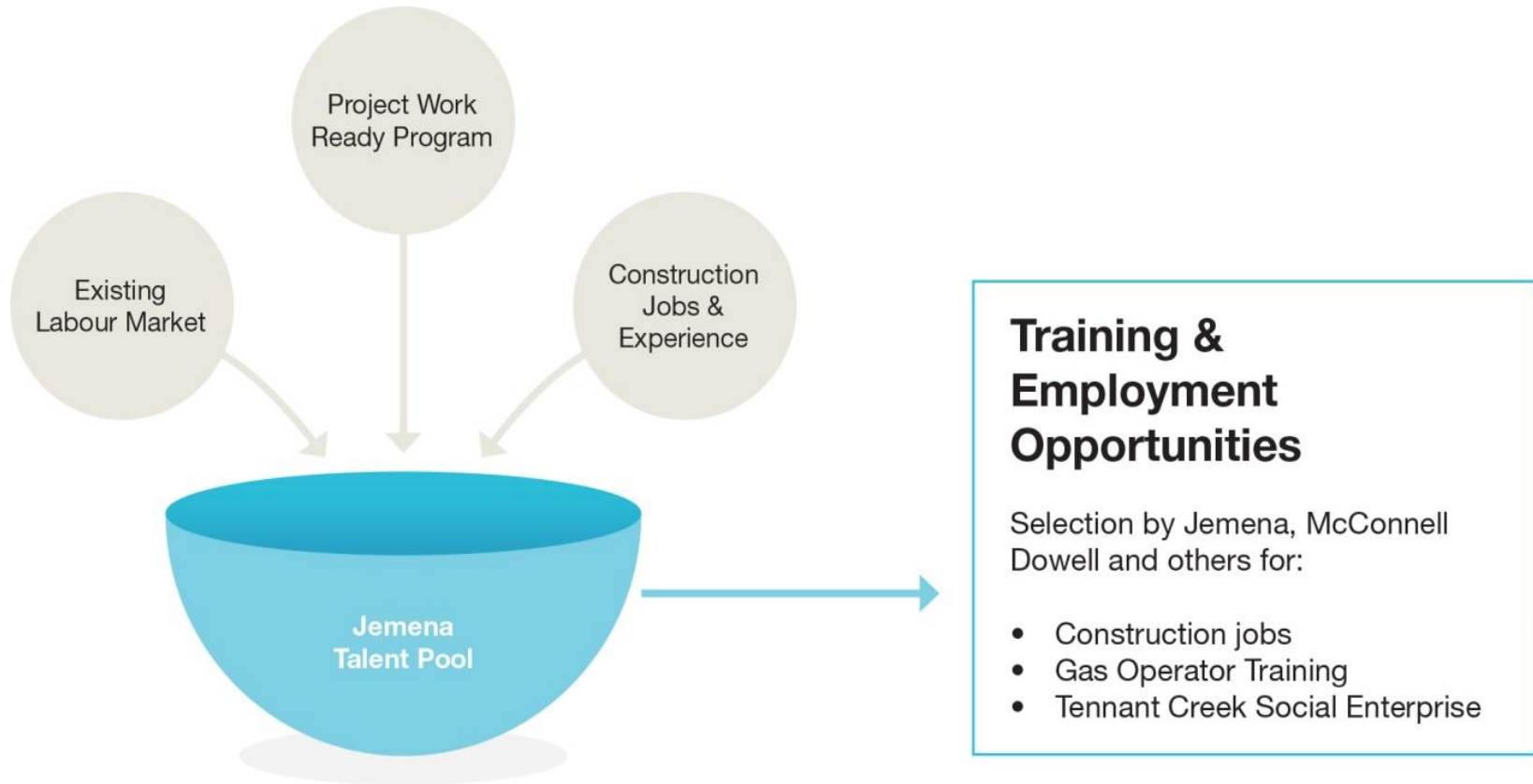
Small to Medium Enterprise Business Growth Program

SME Business Investment Fund

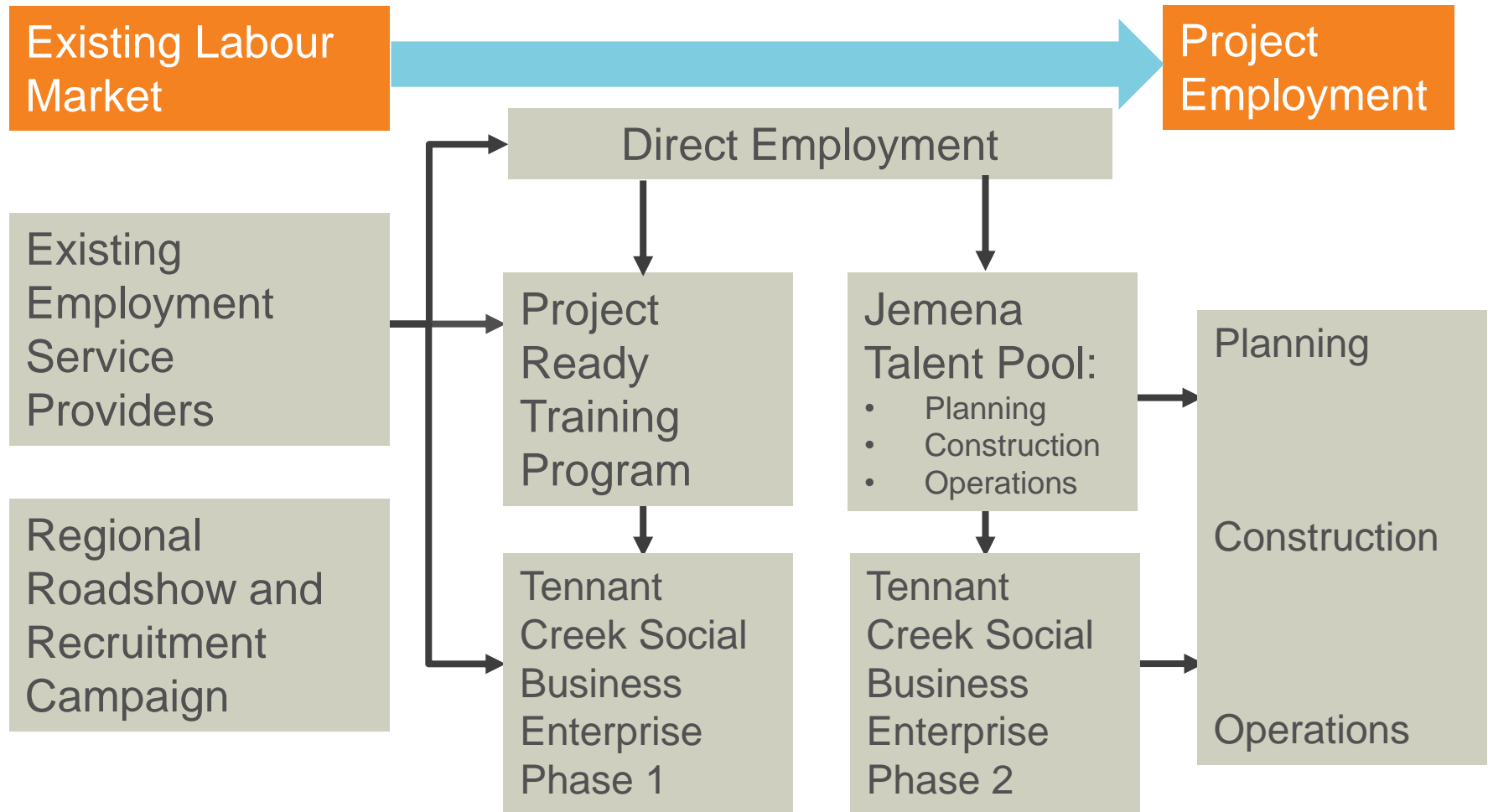


And Regional Briefings & Procurement Workshops

Regional Employment Plan



Regional Employment Plan



Tennant Creek Social Business Enterprise

Tennant Creek Social Enterprise

Objective

To provide local training and employment opportunities for Indigenous people in Tennant Creek.

Plan

To establish a local (for-profit) social enterprise in Tennant Creek that starts well ahead of the Construction Phase (e.g. early 2016) with the aim of transforming into a local SME that can compete effectively for contract employment opportunities in the Operations Phase.

Phase1

- Manufacture of pipe skids, sand bags and sawdust bags
- Established outside of Tennant Creek at the compressor station site
- Significant Government funding for the enterprise very possible
- Social enterprise governance model
- Can be done in joint venture with existing supplier
- Development of skill sets and capacity for operations contracts

Phase 2

Aim for potential simple Operations Phase contracts, including:

- Weeds and vermin management and biosecurity
- Fire extinguisher/hazardous area inspections
- Inspection/testing of back-up batteries
- Test and tagging
- Right of Way and access track repair and maintenance

Thank you

Questions?

