

Australian Industry Participation (AIP) plan
Executive Summary

1.Organisation and project details

**Company/organisation name:** Petrofac Facilities Management Limited

**Project name:** Northern Endeavour Decommissioning Project Phase 1

**Description of the project:** In February 2020, the registered titleholder of the Laminaria Corallina (LamCor) oil fields in the West Timor Sea went

into liquidation and disclaimed a number of assets, including the Northern Endeavour floating production storage and offtake facility (FPSO) and

associated petroleum licenses, subsea infrastructure and wells (collectively, the Facility).

The Commonwealth, through the newly established Northern Endeavour Taskforce (the Taskforce), took physical custody of the Facility and

contracted out control of the operations of the FPSO to ensure the safety of persons, maritime operations and the environment.

The Australian Government evaluated a range of options for the Facility’s future, culminating in a decision to disconnect the FPSO, decommission the

wells, remove the subsea infrastructure, and remediate the seabed (the Project).

The Project will be undertaken in three distinct phases:

1. Phase 1 – Disconnection of the FPSO and unmanned tow, including well isolations;
2. Phase 2 –Permanent Plugging and Abandonment (P&A) of the wells, including removal of Xmas Trees (XT) and wellheads; and
3. Phase 3 – Subsea infrastructure removal and seabed remediation campaign.

Procurement Strategy shall be adopted based on the good and services required for the below six packages:

Work Package A – Engineering Design and Planning; Work Package B – Operation and Maintenance; Work Package C – FPSO Disconnection

Work Package D – FPSO Sail Away; Work Package E – Monitor and Maintain;

Each work package shall be broken down into the work scopes and will be issued to the market to find the potential subcontractors. Major work-scopes can be classified as below:

* Waste management– including liquid, hazardous, sludge, mud, food, norms
* Fuel Diesel, aviation, Gas, Lubes & Oils
* Services: Charter flights, Helicopters, Charter vessels (including Standby Vessels, Work boats, Adhoc supply boats), Quayside services including Road transport, Catering services
* Subsea Services: Flushing and Chemical Cleaning services, Light well intervention vessel, Subsea Construction and tow vessels, Subsea engineering services, O&M Crewing Services

The pre-qualification stage will commence shortly after Contract award and utilize ISN to pre-qualify suitable subcontractors. After pre-qualification, RFQ and/or tenders will be issued to pre-qualified subcontractors.

**Estimated capital expenditure/total value of the project:** $325,000,000 AUD

**Estimated total value of key goods and services:** $473,500,000 AUD

**Project location:** Timor Sea

**Link to project information:** [www.petrofac.com](http://www.petrofac.com)

**Contact person for procurement information:**

**Name:** na

**Phone number:** 0861540323

**Email address:** procurement.au@petrofac.com

2. Opportunities to supply goods and services

|  |  |  |
| --- | --- | --- |
| **List of goods and services to be procured for the project and the expected opportunity for industry participation** | **Opportunities for Australian suppliers \*** | **Opportunities for international suppliers** |
| Waste management Services: - Collection and disposal of liquid waste - Collection, treatment and disposal of hazardous waste including NORMs. - Handling of Sludge, Mud, Food | Yes | No |
| Provision for Supply of Fuel Diesel | Yes | No |
| Provision for Supply of aviation fuel | Yes | No |
| Provision for Supply of Gas, Lubes & Oils | Yes | No |
| Provision for Charter flights | Yes | No |
| Provision of Helicopters, | Yes | No |
| Provision of Charter vessel (including Supply Vessels, Adhoc supply boats if required), | Yes | Yes |
| Catering Services | Yes | No |
| Provision for Quayside services including Road transport | Yes | No |
| Flushing and Chemical Cleaning services | Yes | No |
| Light well intervention vessel | No | Yes |
| Subsea Construction and tow vessels | No | Yes |
| Subsea engineering services | Yes | No |
| O&M Crewing Services | Yes | No |

\* An Australian supplier means an entity that has an ABN or an ACN

Disclaimer: The information provided in the table above is based on an initial assessment by the company. Any questions or issues should be raised with the project contact.

* Australian and International standards and certifications will be required for the key goods and services in this project.

3. Communicating and providing opportunities

* Project website OR Project supplier portal
* Liaison with industry associations
* Public announcements
* Social media
* Workshops/industry briefings
* Direct contact with Australian industry (phone/email/letter)
* Promote opportunities to Australian industry in the early stages of the project, including information on how to prequalify
* Make tender documents available to all possible suppliers at the same time
* Allow reasonable and equal time for submissions/responses
* Create, publish and distribute an AIP policy
* Include requirement in tender documents that successful tenderers comply with AIP plan
* Establish reporting requirement that shows how the AIP plan has been implemented
* Train procurement entities to ensure they understand AIP plan obligations
* All tenders from Australian and overseas suppliers will be assessed on the same basis
* The organisation will ensure all AIP plan obligations will flow down to contractors and subcontractors

4. Facilitating future opportunities

* Support and assist project suppliers to adopt specific standards and accreditations
* Brief procurement managers on the capabilities and achievements of project suppliers
* Provide strategic feedback to the Commonwealth on emerging trends in industry
* Introduce project suppliers to global companies or suppliers
* Arrange visits by project suppliers to the project proponent’s overseas facilities
* Provide references for high performing suppliers
* Provide unsuccessful tenderers with appropriate feedback to encourage future performance

5. Implementation resources

* The organisation will record and/or retain evidence to demonstrate implementation of the approved AIP plan
* Develop and implement standard contractual arrangements with suppliers to give Australian industry opportunities to participate
* Develop systems to monitor and report on the extent of Australian industry participation
* Develop systems to identify inappropriate action under the AIP plan and to monitor/record the corrective action taken
* Develop systems to identify and report any variations in AIP plan activities