

# Australian Industry Participation (AIP) plan Summary

## – Project Phase

### 1. Project Details

**Nominated project proponent:** KEPCO BYLONG AUSTRALIA PTY LTD

**Project name:** Bylong Coal Project

**Description of the project:** KEPCO proposes to develop the Bylong Coal Project, located approximately 55 km north-east of Mudgee and 53 km from Denman in New South Wales, Australia. The purpose of the project is to extract, wash and export coal. The Bylong Coal Project proposes to mine up to 6.5 million tonnes of run of mine coal per annum for supply to the thermal coal export market. The mine will cover an area of approximately 3,000 ha and will include two open-cut mining areas and an underground mining area. Activities involved in the project include:

- Front end engineering and design Procurement
- Construction
- Commissioning Operations

The life of mine is expected to be approximately 25 years, with both open-cut operations and installation and operation of an underground mine. Coal will be transported from the Project site to the Port of Newcastle via rail, which will require the construction of a dedicated rail loop connecting to the existing Sandy Hollow-Gulgong Line. The procurement strategy for the project will be the responsibility of the EPC contractor once this contract is awarded.

**Estimated project value:** \$1.3 billion

**Project location:** The Project is approximately 55 km north-east of Mudgee and 53 km west of Denman, NSW

**Link to project information:** <http://www.bylongproject.com.au>

**Project contact for procurement information:** Tim Jo 0401673847 tim.jo@kepcosaustralia.com

**Other project proponents involved in the project:** N/A

### 2. Opportunities to supply Goods and Services

Key goods and services for the project	Opportunities for Australian Entities	Opportunities for non-Australian entities
<b>Goods</b>		
IT hardware/software	Yes	Yes
Mining equipment	Yes	Yes
Complete longwall system	Yes	Yes
Development suite comprising continuous miner, feeder/breaker and shuttle cars or continuous haulage	Yes	Yes
Underground and surface conveyors	Yes	Yes

Coal handling and preparation plant (CHPP)	Yes	Yes
Stockpile equipment, including stackers and dozers	Yes	Yes
Ancillary apparatus including electrical supply system	Yes	Yes
<b>Services</b>		
Design / Engineering services	Yes	Yes
Transportation services	Yes	Yes

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.

**Explanation for item(s) in list above where it is indicated 'No Opportunities for Australian entities'**

N/A

**3. Standards to be used in the project**

- Australian Standards will be specified in all tender documents where an Australian Standard exists, otherwise an appropriate international standard will be specified.

**4. AIP activities to be undertaken by the Project Proponent**

- The KEPCO website (see links below) will be the primary website used to provide general project information and it will link to the ICN Gateway website. Post EPC award, supply opportunities will be listed on either the EPC Contractor website or the ICN Gateway according to the opportunity.

[www.bylongproject.com.au](http://www.bylongproject.com.au)

<https://gateway.icn.org.au/>

It is anticipated that the EPC Contractor will have existing global and Australian supply chains. To further assist Australian entities, KEPCO will:

- facilitate introductions between global and Australian entities
- add high performing Australian entities to its supplier database
- advocate the use of Australian entities in project contracts, and
- provide recommendations where Australian entities do not meet pre-qualification requirements (if requested).

**5. AIP activities to be undertaken by procurement entities**

KEPCO intends to develop a world class, best practice coal integrated project in NSW. Australian entities that supply this Project will have the ability to increase their knowledge and skills by virtue of their participation.

- The EPC Contractor will maintain an internal supplier database/register throughout the tendering process and add identified and pre-qualified Australian entities to the database/register to be included in future project work.
  - The EPC Contractor will support the creation of new joint ventures between Australian entities, or Australian and overseas entities on the Project, to encourage Australian entities to participate and give Australian entities that may lack some of the pre-qualification requirements the ability to participate in the Project.
  - The EPC Contractor will communicate with unsuccessful final tenderers and identify areas which, if improved, would increase the chances of these entities being successful in the future. These Australian suppliers will be referred to government support services such as Department of Industry, Innovation and Science Entrepreneurs' Programme.
  - Refer Australian entities to the ICN to receive training assistance where applicable.
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- The successful EPC Contractor will do subsequent supplier pre-qualifications and it is anticipated that this process will occur through ICN.
  - The EPC Contractor will put select employees through ICN training, which ensures that they can navigate and utilise the ICN Gateway website to its full extent, enabling it to identify relevant Australian entities.
    - KEPCO will make available to its major suppliers/contractors a copy of its AIP Plan and this will be publicly available on KEPCO's website.
    - KEPCO will make this AIP Plan available to all employees.
    - Standard EPC tenders and contracts will include a requirement to provide full, fair and reasonable opportunity to Australian industry.
    - The EPC Contractor will be re-briefed (details are already in the invitation to tender document) on its AIP obligations and KEPCO expectations at the relevant 'kick-off' meeting.
    - Relevant EPC contract clauses nominate the requirement for procurement entities to promote contact officer details and communicate on the process being carried out.
    - EPC Contractor staff involved in procurement for the project will be required to adopt and implement the AIP plan and its actions.
  - KEPCO's EPC Contractor will control the release of tender process requirements. By implementing its AIP Plan conforming procurement process, the selected EPC Contractor can identify and pre-qualify Australian entities at a reasonable time prior to approaching the market.
    - It is anticipated that the EPC Contractor pre-qualification requirements will be published at a reasonable time prior to listing the packages on the ICN Gateway.
  - KEPCO's EPC Contractor will utilise a variety of methods to publicly detail project opportunities, in the first instance will seek expressions of interest. Where possible, KEPCO will identify the requirements potential suppliers/contractors will need to satisfy in order to bid to supply key goods and/or services to the Project. KEPCO has utilised Australian or ISO Standards or equivalent and standards have been included in published tender documents. As appropriate and following award, the EPC Contractor website or the ICN Gateway will specify the relevant standards for key goods and services, as well as the procurement officer contact details
  - KEPCO's EPC Contractor will publicly list opportunities to supply the Project through an online presence (ICN Gateway) to disseminate Project information.
  - The EPC Contractor will request assistance from the ICN to identify capable, competitive pre-qualified Australian entities to supply goods and services to the Project. The assistance provided by the ICN will broadly include the:

- hosting of opportunities on ICN Gateway
- generation of automatic response to companies registered for the Project through the ICN Gateway
- seeking of additional responses to work packages if insufficient responses received
- Invitation of known companies to register expressions of interest
- closure of work package registration
- application of "First Gate" registration filter to find possible suppliers and produce Ranking Report
- Pre-qualification of expressions of interest to identify capable tenderers and supply shortlist of companies to KEPCO
- Provision of general assistance as requested.
- The EPC Contractor will present through MESCA and/or Hunternet in the Hunter region and use the Project website to alert suppliers of the EPC award. Suppliers' contact details collected by the Project prior to EPC award will be provided to the EPC Contractor shortly following award.
  - The EPC Contractor will advertise in Regional Papers or use other regional engagement methods to attract responses from Regional Businesses once procurement begins.