

Australian Industry Participation (AIP) plan Summary – Project Phase

1. Project Details

Nominated project proponent: Iberdrola Renewables Australia Pty Ltd

Project name: Port Augusta Renewable Energy Park (PAREP)

Description of the project The Port Augusta Renewable Energy Park (PAREP) is a hybrid renewable energy development integrating wind generation and solar photovoltaic (PV) technology. The project was approved under the Development Act 1993 by the South Australian Minister for Planning on 5 November 2019 (development number DA 660/V008/15 V1) and allows for up to 375MW of generation assets to be installed.

The project will be constructed and operated by means of a special purpose vehicle entitled PAREP1 Pty Ltd, whereby PAREP1 Pty Ltd is entirely owned by Iberdrola Renewables Australia Pty Ltd.

The Project will occupy approximately 5,400 ha of land between Port Paterson in the north and Winninowie in the south and will span either side of the A1 Princes Highway. It will house 50 wind turbines and 250,000 solar modules along with a number of other permanent components including transformers, a substation and associated buildings (including offices, welfare facilities and workshop), electrical export connection, site access and maintenance tracks, underground cabling, security fencing and a public viewing platform.

Temporary components include construction laydown compounds, concrete batching plants and temporary metrological masts.

The project has been divided into 3 major contracts as follows:

Contract 1 (awarded in July 2020)

- a. 275kV substation
- b. 275kV export cable
- c. Civil infrastructure and cable reticulation

Procurement of goods & services relating to items a & b is expected to commence in Q3-2020 following completion of the design phase.

Procurement of goods & services relating to item c is currently being performed by the procurement entity through a competitive tendering process. In the interests of preserving the project schedule, a discrete package of mobilisation works were sub-contracted to a South Australian earthmoving company in July 2020.

Contract 2 (awarded in August 2020)

- a. PV Balance of Plant

Procurement of goods & services is expected to commence in Q3-2020 following completion of the design phase.

Contract 3 (awarded in May 2020)

- a. Wind turbine supply & install

Procurement of goods & services is expected to commence in Q3-2020

Bidding for the above contracts has been conducted through a formal and competitive tendering process whereby bids are evaluated against health, safety & environment performance, technical compliance, commercial compliance and costs.

Parties contracted for each of the 3 contracts listed above shall become procurement entities for the purposes of the AIP Plan.

Key project milestones:

- a. Actual construction commencement: July 2020
- b. Estimated first PV modules to site: January 2021
- c. Estimated first wind components to site: March 2021
- d. Estimated first generation to grid: September 2021
- e. Estimated practical completion: April 2022

Estimated project value: AUD\$500M

Project location: 15km south of Port Augusta, South Australia

Link to project information: www.parep.com.au (estimated to be online in September 2020)

Information on the Project, including expression of interest phase opportunities for goods and services will be published on the Industry Capability Network (ICN) Gateway at <http://gateway.icn.org.au>

Project contact for procurement information: Emilio Urruchi, eurruchi@iberdrola.com

Other project proponents involved in the project: PAREP1 Pty Ltd

2. Opportunities to supply Goods and Services

Key goods and services	Opportunities for Australian entities*	Opportunities for non-Australian entities
Balance of plant		
Materials Supply (e.g. road material, quarry, concrete & reinforcing)	YES	NO
Construction of site facilities	YES	NO
Geotechnical investigations	YES	NO
Foundation construction	YES	NO
Earthworks	YES	NO
Road construction inc. dust suppression	YES	NO
Electrical design works	YES	YES
Supply of electrical equipment for substation, transmission lines and reticulation	YES	YES
Main transformers	YES	YES
Wind Turbine Supply and Install		
Nacelles (containing gearbox and generator)	YES	YES
Blades	YES	YES
Towers	YES	YES
Wind Turbine Erection Services	YES	YES
Shipping	YES	YES
Plant Hire inc crantage	YES	NO
Land transport inc. over dimensional	YES	NO
Solar Farm		
PV modules	NO	YES
Solar panel mounting structure	YES	YES
Solar PV inverter	YES	YES
Plant Hire inc crantage	YES	NO

Construction trades & services	YES	YES
Other		
Owners Engineer	YES	NO
Supply of Fuel/Oil	YES	NO
Accommodation/Meals/Entertainment	YES	NO
Labour Hire	YES	NO
Fencing, landscaping, rehabilitation	YES	NO

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’

The project demands high performance PV module panels and in considerable volumes (ca.245,000 panels). Based on recent investigations, PV manufacturers in Australia are unable to meet performance specifications, volumes or lead times for the project and no opportunity exists to procure the modules through Australian based subsidiaries.

3. Standards to be used in the project

Where Australian standards exist they are incorporated into the project.

Where no appropriate Australian standards exist, appropriate international standards common to the Australian wind farm industry, including standards developed by the International Electrotechnical Commission (IEC) and International Organisation for Standardisation (ISO) shall be adopted.

Participation by Australian suppliers in operating windfarms in Australia demonstrates that adoption of International standards is not a barrier to participation.

It is common practice to see a combination of Australian and International Standards applied to large scale infrastructure projects in Australia.

4. AIP activities to be undertaken by the Project Proponent

- Promote project opportunities through industry associations

Iberdrola will work with Business Port Augusta to promote opportunities to Australian entities for the supply of goods and services to the project.

Iberdrola will consult with Business Port Augusta in the development of the industry briefing session to be held in Port Augusta.

- Engage with vendor identification agencies on project opportunities

Iberdrola and its procurement entities will engage with ICNSA to provide advice on Australian suppliers' capability for specific project scopes of work

Iberdrola, with input from its procurement entities, will work with ICNSA to establish a project specific page on the ICN Gateway. The ICN Gateway page, which will list key project goods and services, will provide a platform to promote awareness of the project and opportunities for the supply of key goods as services

Conduct supplier information briefings on project opportunities

Iberdrola shall facilitate and host a local information session in which project opportunities shall be presented to local businesses. The information session shall be advertised on the project website with a link to the ICN Gateway project page. The session will be held in Port Augusta.

Note: This obligation is subject to mobility restrictions imposed by COVID-19

Other

Based on recent experiences at the Lincoln Gap windfarm (15km west of Port Augusta) existing suppliers will be introduced to procurement entities by Iberdrola. Introductions will be confirmed in writing (e-mail) where possible.

Procurement entities will be contractually obligated to offer feedback to unsuccessful bidders. Where requested, unsuccessful bidders will be provided feedback on items such as pricing, quality, health & safety, training, skills and capability.

Recommend suppliers undertake training and/or accreditation

Iberdrola and its procurement entities shall recommend training or accreditation to suppliers where appropriate and where specifically requested by suppliers.

Provide market intelligence to suppliers

The project proponent or procurement entities shall so far as reasonably practicable provide market intelligence to suppliers such as international or domestic market potential.

Introduce suppliers to global supply chain partners

So far as reasonably practicable the project proponent shall facilitate contact between Australian entities and global companies. This shall be facilitated through written correspondence (e-mail) between the respective parties.

5. AIP activities to be undertaken by procurement entities

Procurement entities are contractually obligated by Iberdrola to define project opportunities which will be accessible on ICN Gateway and project specific website.

All Australian and non-Australian potential suppliers will be given consistent and equitable timeframes when they are responding to requests for bids to supply key good or services to the project.