

Australian Industry Participation (AIP) plan Summary – Project Phase

1. Project Details

Nominated project proponent: Pilbara Energy (Generation) Pty Ltd (ACN 631 303 305)

Project name: Pilbara Energy Connect Project

Description of the project: The Pilbara Energy Connect Project (**Project**) will enhance Fortescue's existing power generation capacity through the inclusion of:

- (a) the **Pilbara Generation Project (PGP)** – 150MW of gas fired reciprocating engine-based power generation, together with 150MW of solar photovoltaic (**PV**) generation and 50MW of battery storage, will be constructed, owned and operated by Fortescue through its subsidiary Pilbara Energy (Generation) Pty Ltd; and
- (b) the proposed **Pilbara Transmission Project – Stage 4 (PTP4)** – 135km of 220kv double circuit transmission line, connection into and upgrade of the Solomon substation (being constructed as part of PGP) and a new substation at Eliwana, will be constructed, owned and operated by Fortescue through its subsidiary, Pilbara Energy Company Pty Ltd.

The Project:

- leverages Fortescue's existing gas pipeline and latent generation capacity at the Solomon Power Station;
- will provide Fortescue with a hybrid energy solution;
- will enable Fortescue to supply additional power to be delivered to its mine sites; and
- support ongoing investment in renewable energy.

Procurement activities are expected to commence in January 2020.

Construction activities are expected to commence as follows:

- **For PGP:**
 - Thermal Power Generation 150MW is scheduled to commence in August 2020.
 - Battery Energy Storage is scheduled to commence in June 2021.
 - Solar PV Generation is scheduled to commence in July 2022.
- **For the proposed PTP4** – key construction activities are proposed to commence in third quarter of FY2023.

Estimated project value: > AUD \$500 million

Project location: The Pilbara Energy Connect Project will be situated at the following locations: Solomon mine site, which is approximately 350km south of Port Hedland; Lambda Junction, which is approximately 215km south of Port Hedland; North Star Junction, which is approximately 145km south of Port Hedland; and Eliwana mine site, which is approximately 90 km west-northwest of Tom Price, each of which are located in the Pilbara region of Western Australia.

Link to project information: 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: Raymond Loh, (08) 9365 7499, Ray.Loh@icnwa.org.au

Other project proponents involved in the project: Pilbara Energy Company Pty Ltd
(ACN 624 732 878)

2. Opportunities to supply Goods and Services

Key Goods and Services	Opportunities for Australian Entities	Opportunities for Non-Australian Entities
PGP – THERMAL POWER STATION		
Key Services		
Construction of Earthworks	Yes	Yes
Engineering, Procurement and Construction of Solomon Power Plant	Yes	Yes
Principal Concrete Supply	Yes	Yes
Solomon Power Plant - Early Contractor Involvement	Yes	Yes
PGP – BATTERY ENERGY STORAGE SYSTEM (BESS)		
Key Services		
Design and Construction of Battery Energy Storage Systems and Load Bank	Yes	Yes
PGP – SOLAR PV		
Key Goods		
Supply of MV Reticulation Equipment	Yes	Yes
Supply of Piles	Yes	Yes
Supply of Power Conversion Stations and Plant Controller (Inverters and Transformers)	Yes	Yes
Supply of Solar Panel PV Modules	Yes	Yes
Supply of Tracker System	Yes	Yes
Key Services		
Clearing, Fencing and Bulk Earthworks	Yes	Yes
Design, Supply, Install of SCADA/PMS integration equipment	Yes	Yes
Electrical Construction and Commissioning	Yes	Yes
Mechanical and DC Electrical Construction	Yes	Yes
Principal Supply of Stabilised Sand	Yes	Yes

Key Goods and Services	Opportunities for Australian Entities	Opportunities for Non-Australian Entities
PROPOSED PTP4		
Key Goods		
Supply of Power Conversion Stations (Inverters, Transformers, MV switchgear)	Yes	Yes
Supply of PV Modules	Yes	Yes
Supply of Single Axis Tracker System	Yes	Yes
Supply of Piles	Yes	Yes
Supply of LV / MV Reticulation Equipment	Yes	Yes
Key Services		
Construction of Earthworks: Access and Pads	Yes	Yes
Construction of Civils	Yes	Yes
Construction of Transmission Lines	Yes	Yes
Construction of Substation	Yes	Yes
Design, Supply & Testing of Power Management System	Yes	Yes
Supply of Concrete Batch Plant	Yes	Yes
Commissioning Support 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’

Not applicable.

3. Standards to be used in the project

The Project technical requirements will be largely based on Australian Standards (**AS**).

In certain circumstances AS may not be relevant to a package or component, and accordingly the Proponent will require compliance with an industry or an international standard which is commonly adopted in Australia.

The use of AS, or another recognised industry / international standard(s) which is commonly adopted in Australia, will ensure that Australian entities are not prejudiced by the Project technical requirements and have an opportunity to participate in the tender process.

If the Proponent develops a bespoke specification for a supply / works / services package, the details of that specification will be provided as part of the package specific information published on the ICN Gateway during the prequalification phase. Additionally, the specification will be issued as part of the tender package, with applicable supporting documentation. This publication process affords reasonable opportunity for Australian entities to consider and resource appropriately to meet the standards required under the specification.

4. AIP activities to be undertaken by the Project Proponent

1. Promote project opportunities through industry associations

The Proponent will use the Project ICN Gateway and the services of ICNWA to publicise tendering opportunities to Australian entities and provide instruction and information to suppliers and contractors to respond to Project tender opportunities.

2. Conduct supplier information briefings on project opportunities

The Proponent will inform regional communities and suppliers about the Project and the associated benefits such as employment, business and infrastructure opportunities via easily accessible channels and events.

The Proponent will work with ICNWA to conduct public industry briefings in Perth and Port Hedland for the Project.

At the briefings, the Proponent will provide information on tender opportunities and request Australian entities register their interest/capability by way of a form Expression of Interest (**EOI**) on the Project ICN Gateway.

Such briefings will:

- provide an update on the Project, milestone dates and potential tender opportunities;
- notify entities where to locate package-specific information;
- instruct entities on the pre-qualification requirements; and
- invite entities to register interest/capability and inform them on the process for doing so.

Public industry briefings be publicised by ICNWA via the Gateway, industry associations including the Port Hedland Chamber of Commerce and Industry.

3. Issue media releases and/or ASX announcements on project developments and opportunities

The Proponent will communicate major Project opportunities via ASX announcements and media releases, which will be issued to local and national media outlets and published on the Proponent's website.

4. Involvement of Major Contractor

Major contractors will be informed of the requirements specified in this AIP Plan in the tender process and contracts for the relevant works or services will include an obligation on contractors to provide Australian entities with full, fair and reasonable opportunity to bid for the supply of goods or services for the Project.

Contractors will also be required under contracts with the Proponent to report on activities to provide full, fair and reasonable access to Australian entities.

The Proponent will liaise with ICNWA to notify of awards to major contractors via ICN Gateway in order to provide potential suppliers with subcontracting opportunities.

5. Other

The Proponent will promote Project opportunities through various communications, including face-to-face industry and community briefings, meetings and industry network events, including:

1. Business associations (including CCI branches: CCIWA, Pilbara CCI, and Port Hedland);
2. Town of Port Hedland;
3. Shire of Ashburton;
4. Shire of East Pilbara;
5. Pilbara Development Commission;
6. Regional Development Australia - Pilbara;
7. Committee for Economic Development of Australia;
8. Association of Mining and Exploration Companies;
9. Kariyarra, Yindjibarndi, Palyku, Njamal, Puutu Kunti Kurrama and Pinikura (PKKP), and Eastern Guruma groups; and
10. Chamber of Minerals and Energy WA.

6. Feedback

The Proponent will provide feedback to unsuccessful tenderers, and will endeavour to provide feedback via ICNWA to compliant full scope expression of interest registrants.