



Australian Government

**Australian Industry
Participation Authority**

Australian Industry Participation plan

Objective

The key objective of the *Australian Jobs Act 2013* is to ensure Australian entities have full, fair and reasonable opportunity to bid for the supply of key goods or services for the project and, if applicable, the initial operations of the facility.

Completing the AIP plan template will assist you in achieving this objective.

Part A – Title

A.1 Project Proponent Details

Provide details of the designated project proponent for the project. Contact details should be for the person responsible for developing the AIP plan, these contact details will not be published and are for the Australian Industry Participation Authority's use only.

Business Name of Designated Project Proponent	Snowy Hydro Limited
ABN of Designated Project Proponent (if applicable)	17 090 574 431
ACN of Designated Project Proponent (if applicable)	090 574 431
Project Contact Person	s22
Project Contact Phone Number	
Project Contact E-mail Address	
Project Postal Address	
Project Proponent/s Type (e.g. single company, joint venture, PPP)	Single Company
Project Proponent/s Corporate Structure (e.g. public, private)	Unlisted public company with a single shareholder (being the Commonwealth of Australia)

Where applicable provide details of all other project proponents involved in the project which have discharged their AIP plan development responsibilities to the designated project proponent.

Business Name of Project Proponent	NA
ABN of Project Proponent (if applicable)	NA
ACN of Project Proponent (if applicable)	NA

A.2 Project Details

Project name

Snowy 2.0

Project location

Kosciuszko National Park, New South Wales

Total estimated project value (AUD)

\$4.5bn

Project type

Select all applicable facilities for the project

Mine or quarry	<input type="checkbox"/>	Land transport facility	<input type="checkbox"/>
Wharf or other port facility	<input type="checkbox"/>	Petroleum facility	<input type="checkbox"/>
Electricity facility	<input checked="" type="checkbox"/>	Factory	<input type="checkbox"/>
Airport	<input type="checkbox"/>	Passenger Terminal	<input type="checkbox"/>
Water supply facility	<input type="checkbox"/>	Sewage or wastewater facility	<input type="checkbox"/>
Telecommunications network	<input type="checkbox"/>	Other Productive Facility, please specify:	<input type="text"/>

Provide a description of the project.

The Snowy 2.0 pumped hydroelectric scheme (“**Project**”) is a large scale pumped hydro-electric storage and generation project that will increase the generation capacity of the Snowy Hydro Scheme by up to 2000 megawatts, and at full capacity, will provide approximately 350 000 megawatt hours of energy storage. The key features of the Project are:

- exploratory works including an exploratory tunnel and portal to the proposed main cavern location;
- the construction or upgrade of access roads, bridges and lay down areas;
- construction of tunnels linking the existing Tantangara and Talbingo Reservoirs;
- a 2000MW power and pump station, located approximately 1km underground and all associated construction;
- excavated rock management; and
- establishment of workers camps and other ancillary facilities/supplies including but not limited to laydown areas, construction power, water and sewage infrastructure.

The Project will be delivered by way of an Engineering, Procurement, Construction turn-key contract (“**EPC Contract**”) entered into between Snowy Hydro Limited (**Snowy Hydro**) and a construction contractor (“**Contractor**”). The electrical and mechanical (“**E&M**”) works inside the power station will be delivered by a world-leading pumped hydro expert, who will be a nominated subcontractor under the EPC Contract.

Following an extensive and collaborative tender process, Snowy Hydro has appointed Future Generation, an unincorporated joint venture involving Salini Impregilo S.p.V., The Lane Construction Corporation (a subsidiary of Salini Impregilo S.p.V) and Clough Projects Australia Pty Ltd as the Contractor for the Project. Voith Hydro GmbH & CO. KG is the nominated subcontractor for the E&M works.

The Project will be delivered by the Contractor in two stages:

1. Early Works - design, planning and some exploratory construction works; and
2. Main Works – main construction and delivery of the Project, including all civil works and all E&M works. This stage will not commence until Snowy Hydro issues a “Notice to Proceed” under the EPC contract, which requires the satisfaction of a number of conditions precedent, including obtaining relevant environmental approvals.

The Early Works will now commence after execution of the EPC contract on 5 April 2019 with Future Generation and Main Works will commence in 2020. It is anticipated that the Project will be completed between 2025 and 2026.

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Is this project an upgrade of an existing facility?

If this project involves the establishment of a new facility complete Parts A, B and C of this AIP plan. If the project involves the upgrade of an existing facility complete Parts A and B only.

Yes, the Snowy 2.0 project is an upgrade by way of expansion to the existing Snowy Hydro Scheme.

Estimated date of completion

If this project involves the establishment of a new facility please provide an estimated date of completion of the establishment of the facility.

Not applicable

A.3 AIP plan authorised person declaration

I, s22 being an authorised person for the project proponent, declare that:

The information contained in Parts A and B of this AIP plan together with any statement attached is true, accurate and complete to the best of my knowledge.

I understand that:

1. The activities outlined in Part B and/or Part C ('the Project') will be implemented to meet the key objectives of the *Australian Jobs Act 2013*.
2. Once an AIP plan for the Project is approved by the Australian Industry Participation Authority ('AIP Authority'), it comes into force and is binding on all project proponents while it remains in force (see s.21 and s.24).
3. The AIP Authority may ask me (or my nominated contact listed in the AIP plan) to clarify any information in this AIP plan about the Project, or provide further information or documentation in order to verify the information already supplied. If we do not provide the information or documentation required, or if the information or documentation that is provided is insufficient or unsuitable for the purpose of the Project, then the AIP plan may not be approved.
4. The AIP Authority collects information on behalf of the Commonwealth of Australia to monitor the performance of its policies. I may be contacted at a future date by the AIP Authority and asked to participate in this process (although I am not required to do so).
5. The AIP Authority will collect and use information on behalf of the Commonwealth about the company and its operations for the purposes of:
 - a. meeting the objectives of the *Australian Jobs Act 2013*; and
 - b. program evaluation and monitoring, policy evaluation and development; and research and analysis; and
 - c. as may be otherwise authorised by law.
6. The AIP Authority and its staff will collect and use the personal information I have supplied in connection with the Project and the AIP plan for purposes of meeting the objectives of the *Australian Jobs Act 2013*, including assessing, implementing and monitoring the AIP plan and the Project.

7. Giving false or misleading information is a serious offence.

I consent to:

8. A summary of this AIP plan being published on www.industry.gov.au/aip with a link to our company website.
9. The use of the company's confidential information for the purposes outlined at paragraph 5 above.
10. The use of personal information outlined at paragraph 6 above.

Signature:	s22
Position:	
Date:	

Other project proponents and/or operators declaration

This section is only required to be completed in the event that a project and/or facility involves multiple project proponents and/or operators.

We the project proponents and/or operators named below:

- Are aware of the obligations detailed in this AIP plan and support the implementation of these obligations for the project and/or operation of the facility.
- Will abide by the obligations detailed in the AIP plan if undertaking activities associated with the project and/or operation of the facility.
- Are aware that the consequences of non-compliance with the AIP plan by any project proponent and/or operator shall be applied to all project proponents and/or operators.

Please include for all project proponents and/or operators

Project proponent and/or operator:	N/A
Name:	N/A
Position:	N/A
Signature:	
Date:	Click here to enter a date

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B.1 Contact Details

This criterion should provide the contact details of staff responsible for engaging with interested Australian entities and implementing the actions of the AIP plan.

1. Provide the details of the project proponent's contact officer.

The contact officer's contact details will be published. Note that the contact officer may be contacted by Australian entities interested in supplying key goods or services for the project.

Contact officer	Dean Thomson
Contact officer phone number	0418 227 496
Contact officer e-mail address	dean.thomson@snowyhydro.com.au

2. Provide the contact details for the person responsible for implementing Part B of this AIP plan.

This should be the person who will have overall responsibility for implementing and monitoring the actions of the AIP plan. These details will not be published and are for the Australian Industry Participation Authority's use only.

Name:	s22
Title:	
Contact phone number:	
Contact e-mail address	

3. Detail how you will ensure procurement entities will appoint a procurement contact officer for project opportunities and promote their contact details.

These contact details will be required to be published on the website identified at question 3 of 'B.3 – Publication of Information'. Procurement entities may be permitted to nominate a single contact for all opportunities or individual contacts for each opportunity. Where you are acting as the procurement entity the officer detailed at question 1 will be sufficient.

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B.2 Opportunities to supply goods and services

This criterion should detail the opportunities which are likely to arise to supply the project, how procurement entities keep up to date with Australian industry capability and the standards that will apply to the project.

- 1. Provide an indicative list of opportunities likely to arise in the project, and whether opportunities to supply the key goods and services or their components are expected for Australian and/or non-Australian entities.**

This should be an indicative list of all key goods and services (valued \$1 million and above) to be acquired for the project. A list of all key goods and services will be required to be published on the website detailed in question 2 of 'B.3 – Publication of Information'.

Expected opportunities	Opportunities for Australian entities*	Opportunities for non-Australian entities
Goods		
Heavy vehicles and construction equipment	Yes	Yes
Power generation/ pumping 'Francis unit'	Yes	Yes
Main inlet valves and specialist control equipment	Yes	Yes
Power generation associated equipment	Yes	Yes
High voltage equipment	Yes	Yes
High voltage cables	Yes	Yes
Workers accommodation and associated facilities	Yes	Yes
Power	Yes	No
Quarry products	Yes	No
Reinforced concrete materials and additives	Yes	No
Tunnel boring machines	No	Yes
Explosives and blasting materials	Yes	Yes
Services		

Geotechnical Investigations and testing	Yes	No
Survey	Yes	No
Environmental management services	Yes	No
Consulting	Yes	Yes
Owners advisors	Yes	Yes
Road and bridgeworks	Yes	Yes
Camp accommodation and services	Yes	Yes
Environmental works	Yes	Yes
Exploratory works	Yes	Yes
Civil works	Yes	Yes
Marine works	Yes	Yes
Tunnelling	Yes	Yes
Electrical & mechanical works	Yes	Yes
HV works	Yes	Yes
Transport	Yes	Yes

*An Australian entity is defined in the Jobs Act as any entity with an ABN or ACN.

2. Provide an explanation for each item in the list where you have indicated NO opportunities for Australian entities.

Reasons should be based on the results of recent investigations into potential Australian suppliers.

The tunnel boring machines required for tunnelling work on the Project are complex heavy machines that are designed and built to order. Under the EPC contract, the Contractor will be responsible for procuring delivery of the tunnel boring machine(s). Australian entities do not have the capability to produce tunnel boring machines, which means that they will need to be designed, manufactured and supplied by a leading international provider.

3. Describe how you will ensure all procurement entities will obtain and maintain a current understanding of the capability and capacity of Australian entities to supply the key goods and services for this project?

Where you are acting as the procurement entity detail how you will achieve this objective.

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4. Detail how you will ensure procurement entities will require Australian or international standards for key goods and services for the project.

Publication of standards will be required to occur on the website(s) detailed in question 3 of 'B.3 – Publication of Information'. Where you are acting as the procurement entity detail how you will achieve this objective.

What form of standards for key goods or services will be used for this project? Do Australian entities have the ability to meet these standards?

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What form of standards for key goods or services will be used for this project? Do Australian entities have the ability to meet these standards?

Snowy Hydro will ensure that the Project is delivered in accordance with Australian market best practice, which in turn is international best practice. Snowy Hydro has developed its “Employer’s Requirements” with respect to the Project and continues to engage with the Contractor in relation to the content of the Employer’s Requirements. Those requirements specify relevant Australian standards as the primary standards to guide the design, supported by recognised International Standards where necessary. Snowy Hydro engaged SMEC Australia Pty Limited as its “Owner’s Engineer” and is working with SMEC Australia to finalise and clearly communicate the standards for the Project. The Contractor will then need to ensure that those standards are met with respect to key goods and services. It is anticipated that Australian entities will have the ability to meet the required standards, s47

If the project does not utilise an Australian standard, or an international standard, provide an explanation why these standards are not used, and the impact this will have on the ability of Australian entities to participate.

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B.3 Publication of Information

This criterion should detail where you will publish information on the project and the contact details for interested Australian entities to contact you regarding opportunities.

1. Provide the web address of the project proponent and/or project.

This should be the website which will be used to promote the project and provide general information for suppliers and a link to procurement opportunities.

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2. Provide the web address where project opportunities will be published.

This website should communicate details of all available opportunities to supply key goods or services for the project as they arise. This list of key goods and services should be updated on a regular basis to ensure Australian entities are provided up-to-date information on all opportunities.

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3. Describe how you will ensure that your procurement entities will maintain a publicly accessible website. Confirm that each such website will include:

- requirements potential bidders must satisfy in order to bid to supply key goods or services for the project (e.g. pre-qualification requirements);
- standards for key goods or services for the project (if standards are neither Australian nor international standards an explanation will need to be included); and
- the contact details for a procurement contact officer for Australian entities to approach with enquiries.

Provide the web address of the publically accessible website for each procurement entity (where known).

Where you are acting as the procurement entity detail how you will undertake these activities.

The Contractor will maintain a publicly accessible website that will include the following information:

- opportunities for Australian entities to participate in the Project;
- detailed pre-qualification requirements for participation in those opportunities;
- the required standards for key goods and services in connection with those opportunities, and if those standards are not Australian or international standards, an explanation of the standards; and
- contact details for a procurement contact officer for Australian entities to approach with enquiries.

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B.4 Communicating and Providing Opportunities

This criterion requires an external communication strategy for the early identification of opportunities for Australian entities and effective transfer of information on opportunities for Australian entities, through all tiers of supply (e.g. from procurement entities to lower tier suppliers). This must include detail on how you will actively seek information on Australian entities' capability and communicate opportunities to Australian entities and the measures undertaken to encourage this in all stages of the project (e.g. through design, procurement, construction and whole-of-life-support).

- 1. Describe the activities you will undertake to conduct awareness programs about opportunities for Australian entities to supply key goods or services for this project. A minimum of four separate actions and their timeframes should be provided.**

These activities should detail how the project proponent will communicate opportunities to supply key goods or services for the project to Australian entities.

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2. Describe how you will train procurement entities to ensure they achieve your AIP plan obligations.

Where you are acting as the procurement entity detail internal training which will be provided to staff to achieve your AIP plan obligations.

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3. Describe how you will ensure that procurement entities will publish the requirements that potential bidders must satisfy in order to bid to supply key goods or services for the project, at a reasonable time before the request for bids is made.

Publication of pre-qualification requirements will be required to occur on the website(s) detailed in question 3 of 'B.3 – Publication of Information'. Where you are acting as the procurement entity detail how you will achieve this objective.

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4. Detail how you will ensure that procurement entities will not discriminate against Australian entities in relation to timeframes for responding to requests for bids to supply key goods or services.

Specify how Australian entities will be provided with equal timeframes as other potential suppliers to bid for opportunities in the project. Where you are acting as the procurement entity detail how you will achieve this objective.

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B.5 Facilitating Future Opportunities

This criterion should describe how you will assist longer-term participation by Australian entities, including how you will encourage and facilitate their capability development and integration into global supply chains. Actions should detail how, by working with you on this project, Australian entities will be better placed to supply key goods or services in future similar projects.

1. Describe how you will encourage and facilitate capability development for Australian entities.

This response should include a description of how you and your procurement entities will facilitate Australian entities supplying key goods and services for your project to improve their capability and capacity.

The Contractor will:

- offer training, including workshops, demonstrations and technical skills sessions, and advice to Australian entities where the Contractor identifies skill or capability shortages relevant to the Project and where the Project could benefit from such training;
- work with Australian industry to share knowledge and provide for technology transfer in a way that is beneficial to the Project; and
- encourage Australian entities to participate in innovation and development programs.

2. Describe how you will encourage and facilitate the integration of Australian entities into global supply chains.

If you, any other project proponent or your procurement entities have a global supply chain, describe how you will encourage and facilitate Australian entities supplying key goods and services for your project to integrate into global supply chains.

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3. Describe how you will ensure that feedback, including on any relevant training, skills, capability and capacity development, will be provided by procurement entities to Australian entities unsuccessful in their bid to supply key goods and services to the project.

Specify the type of feedback to be provided, the method of delivery and the intended outcomes. Feedback provided must include recommendations of relevant training and skills, capability and capacity development activities. Where you are acting as the procurement entity detail how you will achieve this objective.

The Contractor will:

- provide feedback to unsuccessful Australian entities, s47
on the strengths and weaknesses of bids and how to improve competitiveness, including recommendations for relevant training and capability development activities;
- encourage Australian entities to adopt best practice standards, and where Australian entities do not meet those standards, provide guidance on how they can;
- provide guidance to local workforce on training required to meet project requirements.

B.6 Implementation Resources

This criterion should describe the resources and procedures you will use to effectively implement and report on the actions in your AIP plan. This should include monitoring and reporting of the activities of procurement entities.

1. What records and evidence will you retain to prove compliance with Part B of this AIP plan? List the types of records and evidence you are intending to collect.

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2. What procedures and resources will you utilise to implement Part B of this AIP plan?

Detail the record management system you intend to use to collect the evidence which will be required for the Compliance Report and the staffing available for monitoring and implementing the AIP plan.

Snowy Hydro will:

- s47
- ensure best practice record-keeping across the Project;
- utilise Snowy Hydro's robust information management procedures, which have been developed for the broader Project;
- develop ongoing monitoring and reporting systems with respect to participation by Australian entities in the Project; and
- allocate internal resources to ensuring compliance and monitoring compliance with AIP Plan.

3. What steps will you take to ensure your procurement entities achieve the objectives required under Part B of this AIP plan?

Specify how you will ensure your procurement entities will implement the AIP plan actions for all the opportunities they are responsible for.

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Australian Industry Participation (AIP) plan Summary – Project Phase

1. Project Details

Designated project proponent: Snowy Hydro Limited

Project name: Snowy 2.0

Description of the project:

The Snowy 2.0 pumped hydroelectric scheme (“**Project**”) is a large scale pumped hydro-electric storage and generation project that will increase the generation capacity of the Snowy Hydro Scheme by up to 2000 megawatts, and at full capacity, will provide approximately 350 000 megawatt hours of energy storage. The key features of the Project are:

- exploratory works including an exploratory tunnel and portal to the proposed main cavern location;
- the construction or upgrade of access roads, bridges and lay down areas;
- construction of tunnels linking the existing Tantangara and Talbingo Reservoirs;
- a 2000MW power and pump station, located approximately 1km underground and all associated construction;
- excavated rock management; and
- establishment of workers camps and other ancillary facilities/supplies including but not limited to laydown areas, construction power, water and sewage infrastructure.

The Project will be delivered by way of an Engineering, Procurement, Construction turn-key contract (“**EPC Contract**”) entered into between Snowy Hydro Limited (**Snowy Hydro**) and a construction contractor (“**Contractor**”). The electrical and mechanical (“**E&M**”) works inside the power station will be delivered by a world-leading pumped hydro expert, who will be a nominated subcontractor under the EPC Contract.

Following an extensive and collaborative tender process, Snowy Hydro has appointed Future Generation, an unincorporated joint venture involving Salini Impregilo S.p.V., The Lane Construction Corporation (a subsidiary of Salini Impregilo S.p.V) and Clough Projects Australia Pty Ltd as the Contractor for the Project. Voith Hydro GmbH & CO. KG is the nominated subcontractor for the E&M works.

The Project will be delivered by the Contractor in two stages:

1. Early Works - design, planning and some exploratory construction works; and
2. Main Works – main construction and delivery of the Project, including all civil works and all E&M works. This stage will not commence until Snowy Hydro issues a “Notice to Proceed” under the EPC contract, which requires the satisfaction of a number of conditions precedent, including obtaining relevant environmental approvals.

The Early Works will now commence after execution of the EPC contract on 5 April 2019 with Future Generation and Main Works will commence in 2020. It is anticipated that the Project will be completed between 2025 and 2026.

Estimated project value: \$4.5bn

Project location: Kosciuszko National Park, New South Wales

Link to project information: <https://www.snowyhydro.com.au/our-scheme/snowy20/>

Project contact for procurement information: Dean Thomson, phone: 0418 227 496,

email: dean.thomson@snowyhydro.com.au

Other project proponents involved in the project: N/A

2. Opportunities to supply Goods and Services

Expected opportunities	Opportunities for Australian entities*	Opportunities for non-Australian entities
Goods		
Heavy vehicles and construction equipment	Yes	Yes
Power generation/ pumping 'Francis unit'	Yes	Yes
Main inlet valves and specialist control equipment	Yes	Yes
Power generation associated equipment	Yes	Yes
High voltage equipment	Yes	Yes
High voltage cables	Yes	Yes
Workers accommodation and associated facilities	Yes	Yes
Power	Yes	No
Quarry products	Yes	No
Reinforced concrete materials and additives	Yes	No
Tunnel boring machines	No	Yes
Explosives and blasting materials	Yes	Yes
Services		
Geotechnical Investigations and testing	Yes	No
Survey	Yes	No
Environmental management services	Yes	No
Consulting	Yes	Yes

Owners advisors	Yes	Yes
Road and bridgeworks	Yes	Yes
Camp accommodation and services	Yes	Yes
Environmental works	Yes	Yes
Exploratory works	Yes	Yes
Civil works	Yes	Yes
Marine works	Yes	Yes
Tunnelling	Yes	Yes
Electrical & mechanical works	Yes	Yes
HV works	Yes	Yes
Transport	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'

The tunnel boring machines required for tunnelling work on the Project are complex heavy machines that are designed and built to order. Under the EPC contract, the Contractor will be responsible for procuring delivery of tunnel boring machine(s). Australian entities do not have the capability to produce tunnel boring machines, which means that they will need to be designed, manufactured and supplied by a leading international provider.

3. Standards to be used in the project

Snowy Hydro will ensure that the Project is delivered in accordance with Australian market best practice, which in turn is international best practice. Snowy Hydro has developed its “Employer’s Requirements” with respect to the Project and continues to engage with the Contractor in relation to the content of the Employer’s Requirements. Those requirements specify relevant Australian standards as the primary standards to guide the design, supported by recognised International Standards where necessary. Snowy Hydro engaged SMEC Australia Pty Limited as its “Owner’s Engineer” and worked with SMEC Australia to finalise and clearly communicate the standards for the Project. The Contractor will then need to ensure that those standards are met with respect to key goods and services. It is anticipated that Australian entities will have the ability to meet the required standards.

4. AIP activities to be undertaken by the Project Proponent

Snowy Hydro will:

- contractually require the Contractor to comply with the Project’s AIP Plan, collect evidence and retain records of AIP Plan implementation;
- ensure best practice record-keeping across the Project;
- utilise Snowy Hydro’s robust information management procedures, which have been developed for the broader Project;
- develop ongoing monitoring and reporting systems with respect to participation by Australian entities in the Project; and
- allocate internal resources to ensure compliance and monitor compliance with the AIP Plan.

5. AIP activities to be undertaken by procurement entities

Under the EPC contract, the Contractor will have primary responsibility for procurement in relation to the Project.

The Contractor will maintain a publicly accessible website that will include the following information:

- opportunities for Australian entities to participate in the Project;
- detailed pre-qualification requirements for participation in those opportunities;
- the required standards for key goods and services in connection with those opportunities, and if those standards are not Australian or international standards, an explanation of the standards; and
- contact details for a procurement contact officer for Australian entities to approach with enquiries.

Furthermore, the Contractor will:

- offer training, including workshops, demonstrations and technical skills sessions, and advice to Australian entities where the Contractor identifies skill or capability shortages relevant to the Project and where the Project could benefit from such training;
- work with Australian industry to share knowledge and provide for technology transfer in a way that is beneficial to the Project;
- encourage Australian entities to participate in innovation and development programs;

- provide feedback to unsuccessful Australian entities on the strengths and weaknesses of bids and how to improve competitiveness, including recommendations for relevant training and capability development activities;
- encourage Australian entities to adopt best practice standards, and where Australian entities do not meet those standards, provide guidance on how they can; and
- provide guidance to local workforce on training required to meet project requirements.