



## case study: **Powerlink**

Tenix and Powerlink are engaged in a Programme Alliance to collaboratively deliver construction services for brownfield substations in central Queensland.

### Key Features and Outcomes

For each project under the Alliance, Target Cost Estimates (TCE) are built up with Powerlink in an open book fashion with no risk offset, using agreed rates and margins. A risk register is jointly developed. Actual costs are reimbursed, plus margin, with both parties sharing in risk and reward for cost under/over runs against TCE. The Alliance is governed by a Project Review Committee, comprising representatives from Tenix, Powerlink and our civil partner, FK Gardner.

Twelve substation projects have so far been completed under the Alliance with a combined value of \$22.8 million (excluding free issue plant and equipment). The majority of these have been completed on or ahead of schedule and under TCE with no LTIs or environmental incidents. The projects have been delivered at 10% under the agreed TCEs (on average).

The features of the Alliance include:

- Projects being fast-tracked to allow site works to commence prior to design completion.
- Use of identification of risk and opportunity.
- Variations and scope creep managed within the target cost estimate.
- The open book nature of estimates and actual costs allow.
- Powerlink to build an accurate pool of information for use in future preliminary estimates and options analysis.



# Tenix<sup>®</sup>

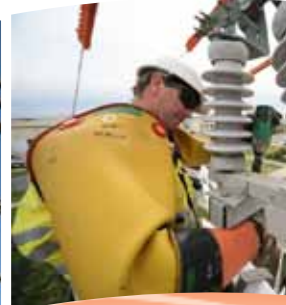


### Field Services

- Preventative Maintenance
- Corrective Maintenance
- Fault Services (24/7)
- ✓ Asset Replacement
- ✓ New Build
- Connection services
- Asset Locations & stand-overs
- ✓ Close proximity permits

### Management Services

- ✓ Design
- ✓ Project Management & Systems
- ✓ Quality Management & Systems
- ✓ HR & IR Management
- ✓ Construction Management
- ✓ Procurement Management
- ✓ Subcontractor Management
- ✓ Cost Planning & Estimation



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### Our Role

Tenix is responsible for the delivery of the substation upgrades. Work includes:

- Project management
- Management of Earthworks and Civil works
- Major Equipment Installation
- Primary and Secondary System Installation Testing

### Resources & Skills

Tenix provides the following skills to the Programme Alliance:

- Project and contract management
- Civil construction (through subcontracting and management thereof)
- Electrical construction
- Testing and Commissioning

<b>Asset Type:</b> Electricity transmission	<b>Duration:</b> 5 years
<b>Client:</b> Powerlink	<b>Value:</b> \$15-25 million p.a
<b>Location:</b> Central and Southern Queensland	<b>Scope:</b> Construction
<b>Contracting Style:</b> Programme Alliance	<b>Contract Secured:</b> July 2006

