

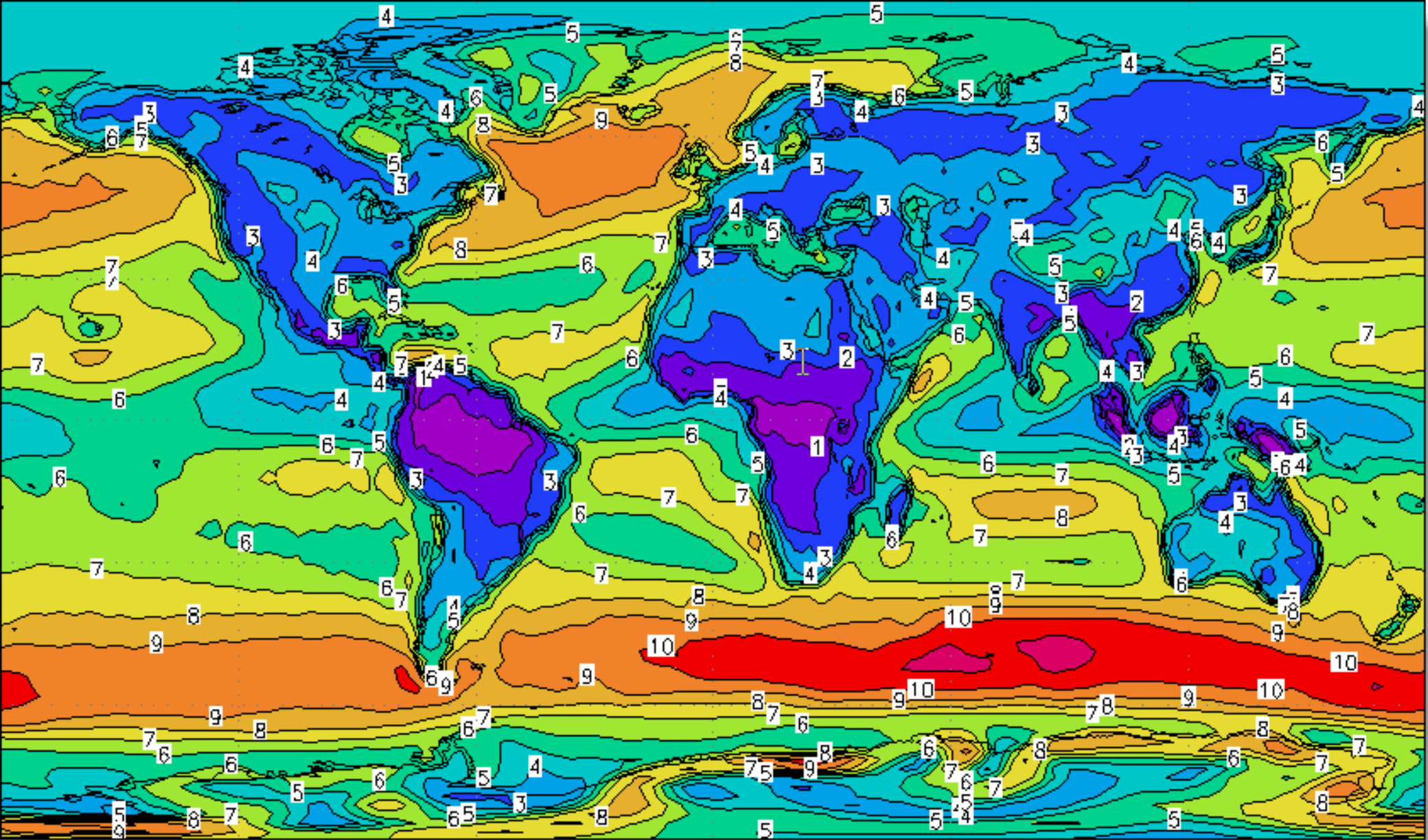
Project Mill Creek

Overview of project and use of NEC3 contracts

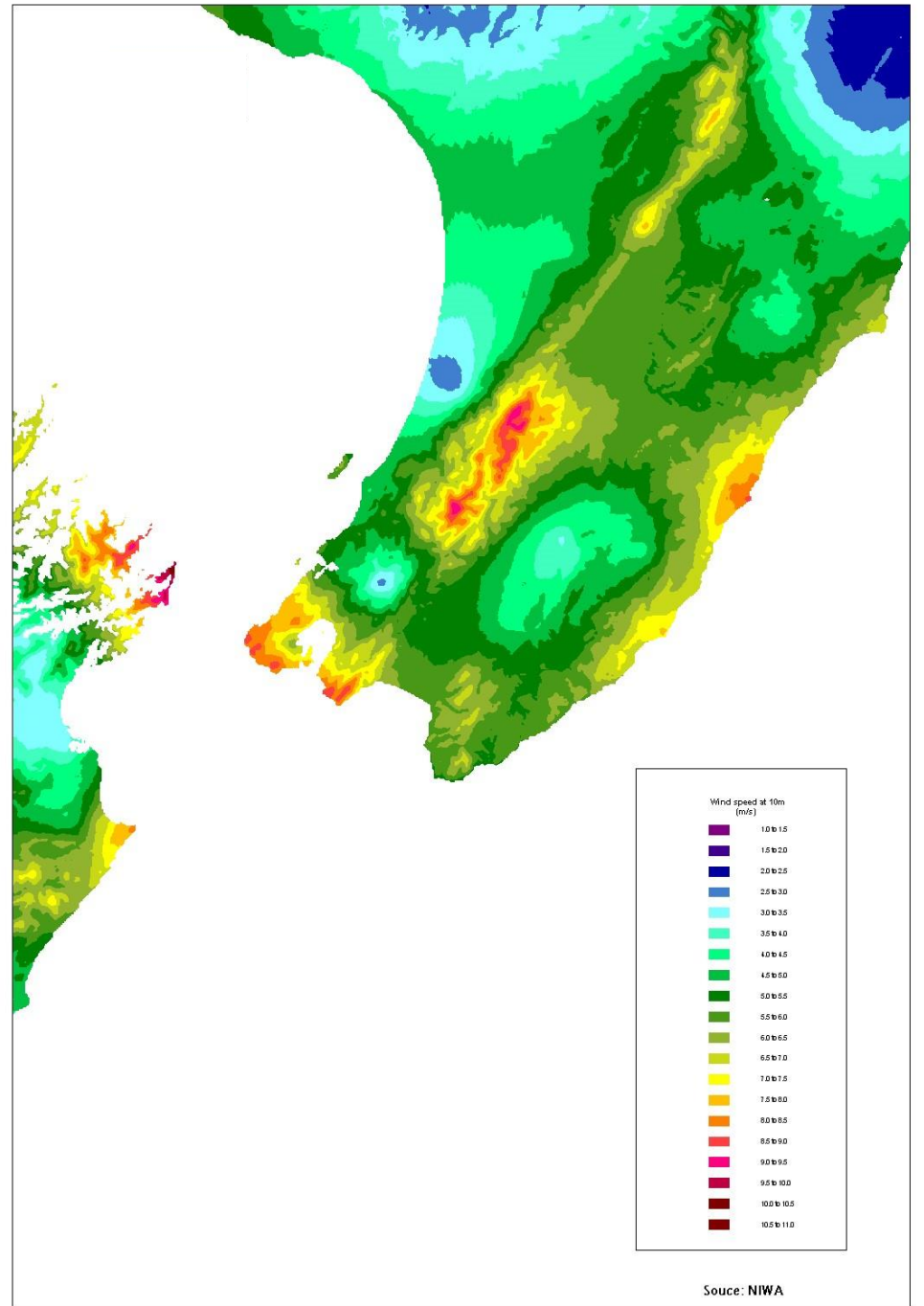
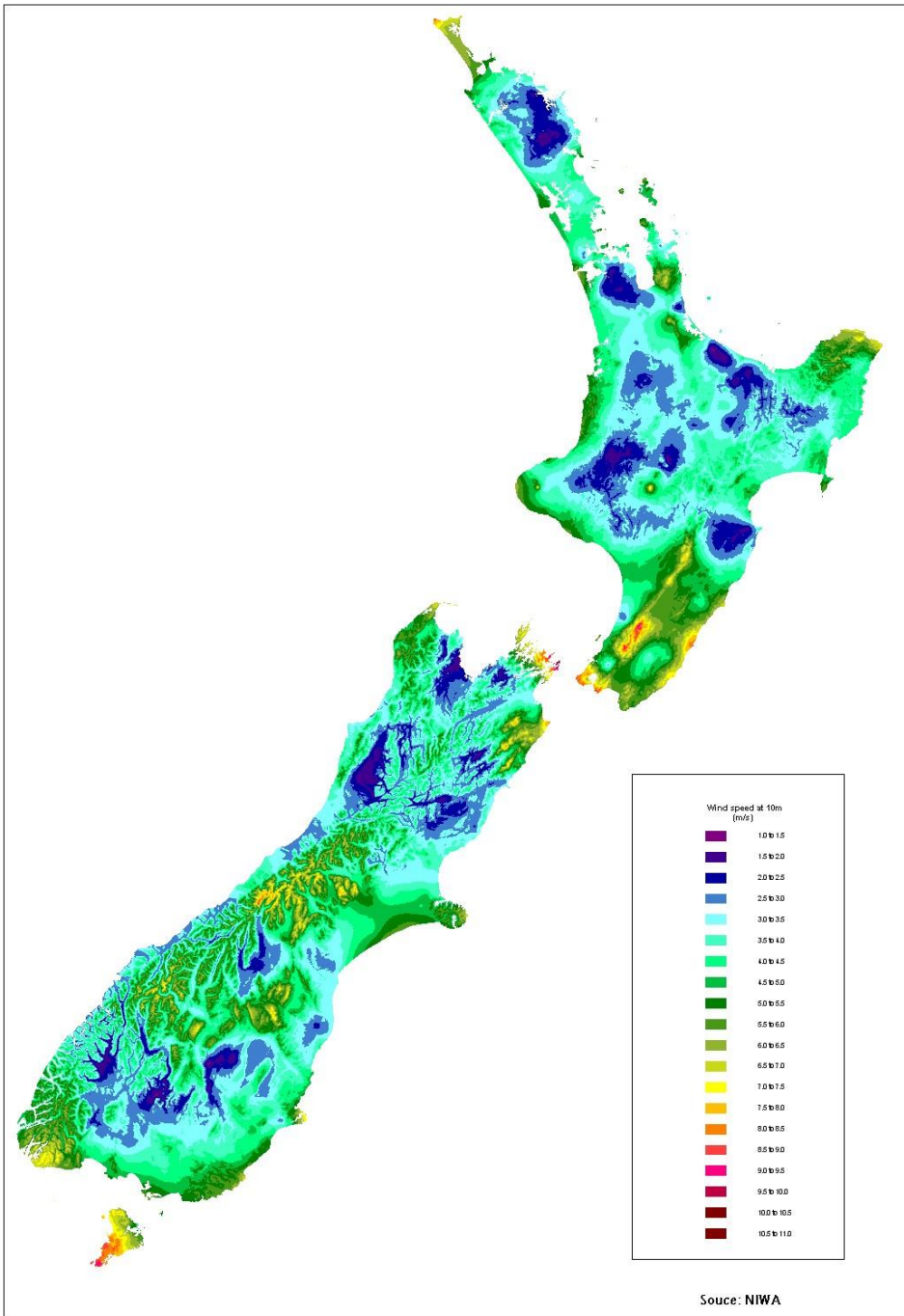


Overview

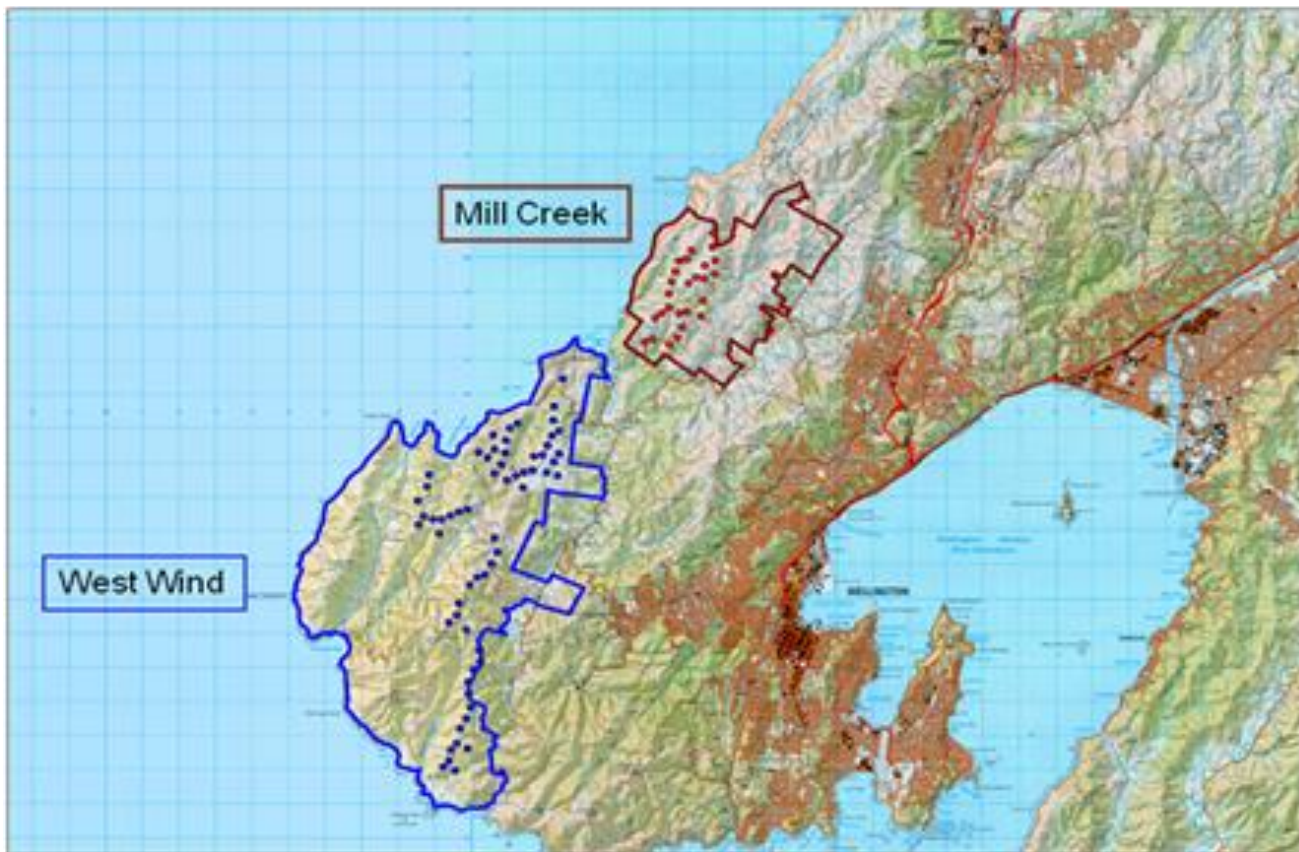
- Why harness wind energy in New Zealand?
- How does Mill Creek fit into the New Zealand wind regime?
- Overview of the Mill Creek site
- Key sections of work scope – a picture walk through
- Forms of contract
- Experiences



World wind resource map (source: Riso National Laboratory, Denmark)



Mill Creek Site Overview



- 26 turbines to the north of Wellington.
- 60MW of capacity, generating around 238GWh per annum, or enough for 30,000 homes.
- Budget of circa \$174m.
- 30 months of scheduled work, accumulating in 370,000 hours worked.
- Around 1,400 contractors inducted to site.
- No Lost Time Incidents.













HYUNDAI

HL757-7

HIGGINS

Golden B...

OVERSIZE







LONG LOAD
FOLLOWS



25



OVERSIZE

N150M

PH (100) OPEN FRONT

TREK

FRANZ CARB





Forms of contract

- 17 major contracts used to deliver the project.
- 11, of which were forms of NEC3, ranging from professional services for engineering design, through to supply variants for large procurement items and:
 - ECC Option A (priced contract with activity schedule) for transmission line construction and electrical balance of works.
 - ECC Option C (target contract with activity schedule) for extensive civil works, including, internal and external roads, turbines foundations and hard stands.
- We have yet to use the NEC3 form of contract for the turbine supply and installation work stream in NZ, but did use it for turbine supply for our Mt Mercer site in Victoria, Australia.

Experiences

Pros

- The emphasis on early warning and implication for the contractor if they don't is probably the single biggest advantage over other forms of contract.
- Also if you do have a dispute, the mechanics and logic for resolving it are already well defined and help parties reach agreement earlier than using other forms of contract.

Look out for:

- Contractors that are insufficiently staffed to perform the regular reporting requirements and forward estimates. Especially when there are numerous sub contractors reporting to the main contractor.