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**DECODING
COMPLEXITY**

Resources & Utilities

As trusted independent consultants, experts and advisers, we deliver solutions amid uncertainty, dispute and overrun for public and private sector clients worldwide.

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Who we are

HKA is one of the world's leading privately owned, independent providers of consulting, advisory and expert services to corporate clients and government agencies.

This document highlights a selection of our Advisory experience supporting clients on complex infrastructure projects across all industries. For almost 50 years, HKA has been a global leader in providing professional services for the construction, manufacturing, process and technology industries.

We have a proud record of excellent service and high achievement, and our clients have access to leaders and problem-solvers who decode complexity through collaborative working and innovative thinking.

We are committed to helping our clients set up their projects and organisation for success and driving a positive change for the industries in which we work.

How we do it

We work collaboratively with our clients. Our success revolves around building individual relationships and trust. We believe in offering a steady hand to our clients through careful thinking and analysis.

At the same time, we strive to deliver a responsive service allowing us to bring our knowledge to bear in any situations that arise with innovation and inventive thinking underpinning our service offering. We always seek to provide superior solutions by asking the right questions.

—“
Clients have access to thought leaders with diverse skills and the ability to anticipate, investigate and resolve complex challenges.

”—



Ben Highfield
Partner, Regional CEO,
Asia Pacific

HKA in numbers

people



1,000+
people

including

500+

consultants & advisors
(Including Project Service Specialists)

500+

quantum, engineering, architecture and technical, delay, disruption, damages and government contracts experts

reach



45+
offices

across
17

countries

experience in
100+
countries

clients



6,500+
clients
worldwide

including government agencies, local authorities, investors, developers, owners, operators, architects, engineers, project & construction managers, contractors, specialist suppliers, manufacturers, banks, lawyers and insurers

Instructed by

100%

of the world's

top 20

law firms (by revenue)

impact



100k+
project disputes
resolved

valued in excess of

\$250bn

2,000+

engagements per year

40+ years' experience

30+ of the world's most spoken languages

250+ first-of-a-kind global megaprojects

Resources & Utilities

Our services

HKA is a trusted advisor to resources and utility clients around Australia. We provide advisory services at every level, from project to enterprise, to help clients achieve desired outcomes with more clarity and certainty.

HKA provides end-to-end services across the entire infrastructure lifecycle – from strategic planning, development, and delivery to claims and disputes. This unique 360° insight means that we understand better than anyone the causes of project overruns and disputes, so we know how to make sure that projects go right from the outset.

Our role is to provide incisive and timely support at critical stages in your asset's development or investment lifecycle. We do this through our integrated services, working as your partner on portfolios, programmes and complex projects, or we can provide discrete elements of these services as a specialist advisor.

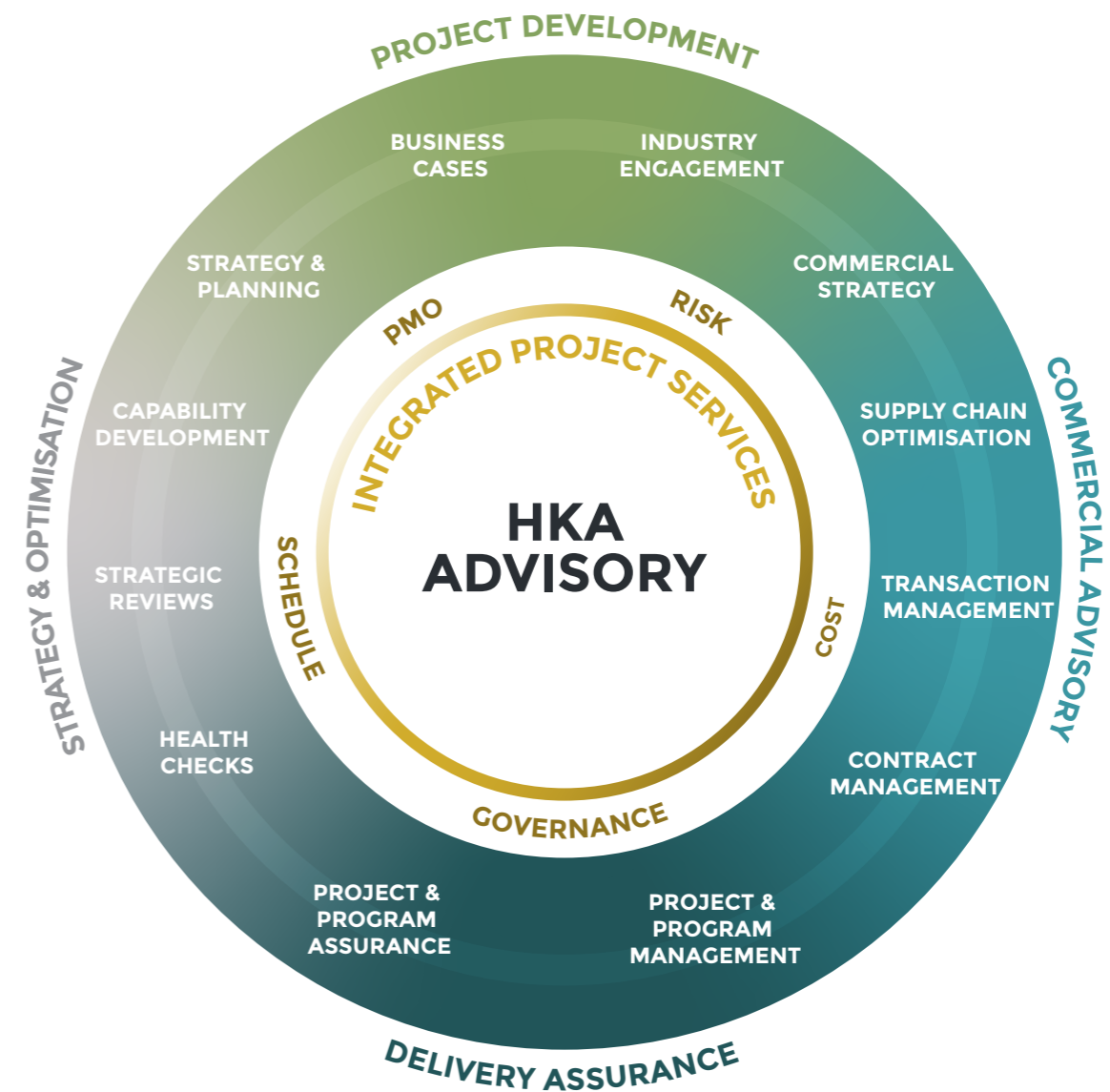
HKA provides advisory services at every level, from project to enterprise, to help clients achieve desired outcomes with more clarity and certainty.

Creative and analytical problem-solvers, through our Advisory services we provide data-driven insights coupled with a holistic perspective and a track record of achievement to solve the complex challenges facing our clients.

These insights are underpinned by CRUX, our integrated research programme that tracks common causes of claims and disputes on engineering and construction projects worldwide. HKA colleagues have analysed and resolved these problems on live projects.

Drawing on our unmatched knowledge of the critical factors in projects' distress or success, we can help steer your project to the best possible outcome.

The best strategic advice is informed by real experience. Having established, procured, and delivered some of the world's largest infrastructure projects in line with global best practice, our capital project advisory services are designed to set projects up for success.



Strategy & optimisation

Establish your organisation's capability, capacity and maturity, and areas for improvement

Project development

Choose the right solution to achieve your planned outcome

Commercial advisory

Discover your route to more effective procurement

Infrastructure delivery

Manage risk to secure control and certainty

Integrated project services

Apply effective controls to assure performance

Case Studies



Partnering for Success (P4S) Sydney Water Corporation

Sydney Water identified the need to undertake an enterprise-wide review of its supply chain with a view to aligning with industry to form better long-term partnerships.

As a result, Sydney Water was looking to implement the P4S initiative, which identified the optimum means by which Sydney Water can simplify, drive better outcomes for customers, and optimise value throughout the supply chain.

Transaction

HKA had overall responsibility for managing and delivering the Planning Partner transaction, including:

- Creating a Route to Market plan
- Drafting the RFT and EOI documentation
- Developing the commercial framework
- Designing and managing the Interactive Dialogue Phase of the transaction
- Final contract negotiations.

HKA also had overall responsibility for developing the delivery strategy and model for the capital and maintenance works.

Shared Purchasing Function

This required identifying the scope of goods and service categories that form the Shared Purchasing function and developing the commercial model for Shared Purchasing

operation within P4S. The engagement involved providing strategic advice and project management for a significant number of sourcing activities for Shared Purchasing goods and service categories, which were developed and implemented as part of a newly defined approach to category management for Sydney Water.

The commission also involved developing a suite of NEC4 contracts bespoke for Shared Purchasing goods and services, along with developing system solutions to support data and contract management for the model.

Transformation

Transformation activities included:

- Design future state governance and benefits metrics
- Complete a full change impact assessment
- Develop a detailed change implementation plan
- Create a program management plan and a risk plan
- Develop a stakeholder engagement and communication plan.
- HKA developed a strong working relationship with Sydney Water's employees during the P4S project and worked in integrated teams to achieve objectives and requirements.



Lower South Creek Treatment Program Sydney Water Corporation

Sydney Water commissioned HKA to conduct a Market Sounding Process for the delivery of Capital Works associated with the Lower South Creek Treatment Strategy (LSCT) project.

The objective of the Market Sounding Process was to obtain input from industry stakeholders to help inform the procurement strategy, risk transfer and potential packaging for works at three wastewater treatment facilities at St Marys, Quakers Hill and Riverstone.

The project, with an anticipated capital value of \$300m, presented Sydney Water with an opportunity to unlock more significant delivery benefits. The market sounding encouraged a discussion designed to explore alternative methods of delivery to the business as usual Design & Construct approach.

As a result of the market sounding exercise and corresponding procurement strategy, Sydney Water then mandated the procurement of a 'Delivery Partner' as the preferred approach for managing the design and construction of the

works required to deliver the Riverstone WWTP, Quakers Hill WRP, St Marys WRP and sludge transfer pipeline as a consolidated program, within the very tight time constraints required to deliver on EPA license and plant capacity needs.

Sydney Water engaged HKA as the Facility Transaction Advisor for end-to-end procurement of the LSCT Program Delivery Partner. We developed the commercial framework, EOI, ITPD, and RFT documentation and managed the external legal advisors for the transaction. We also designed the Invitation to Participate in Dialogue (ITPD) framework and risk-based commercial evaluation tool.

HKA was also engaged to assist Sydney Water during the 90-day mobilisation phase of the project.

Case Studies



Engineering and Professional Services Partner (EPSP) Sunwater

Sunwater required the services of an Engineering and Professional Services Partner (EPSP) to integrate into Sunwater's internal team to uplift capability and capacity to deliver the current and future programs of work, and to support Sunwater in achieving its strategic objective of becoming a "Water Infrastructure Leader".

HKA provided commercial advisory services to develop and finalise the procurement strategy and was the transaction manager delivering the end-to-end procurement of the EPSP.

Working in close collaboration with the Sunwater team, HKA delivered the following:

- An in-depth review of the current approach to procurement of engineering and professional services within Sunwater
- Planned and facilitated extensive market engagement with the market, including a questionnaire and 1:1 sessions
- Planned and facilitated extensive internal stakeholder engagement to define and refine Sunwater's objectives for the EPSP
- Designed and developed the delivery model
- Provided Commercial Model support, particularly leveraging market-leading expertise within collaborative contracting arrangements
- Enhanced Sunwater's existing documentation to provide a detailed Procurement Strategy and Evaluation Plan
- Developed tender documentation to support all phases of the transaction, including invitations, scopes, Interactive Dialogue (ID) material and applicable contracts

- Tender management collateral, including various meeting briefing packs
- Facilitation of Commercial and Technical Interactive Dialogue sessions with proponents
- Led a successful and open transaction process, including a detailed Interactive Dialogue process
- Facilitated evaluation and negotiation sessions on behalf of the client
- Negotiated and executed a collaborative Professional Services Agreement

This engagement enabled a shift to a longer-term, collaborative arrangement that meets the majority of Sunwater's client-side service needs, which was identified as a significant opportunity for Sunwater to address capital program input demands while supporting the transition to a new and more efficient operating model.

The longer-term nature of the arrangement will build EPSP knowledge of Sunwater's operating context and drive economies of scale while enabling beneficial relationships to be established between the EPSP and Sunwater cohorts.

Finally, this approach reduces both transactional and operational costs while promoting standardised technical approaches and ways of working that improve efficiency and effectiveness.



Business Reform and Transformation Endeavour Energy

Endeavour needed to double its delivery capability to \$2.4 billion CAPEX/OPEX in accordance with its approved five-year Strategic Asset Management Plan. As such, they recognised that significant business reform was required to build the organisational capability and capacity to deliver this portfolio.

HKA was engaged to lead a strategic review of Endeavour's business, mainly focusing on its organisation structure and performance, as well as project and program performance and capability. From this review, the HKA team conceived, designed and successfully implemented a comprehensive four-year reform program.

The commercial function was considered one of the most critical pieces in the reform program.

A new approach to delivery was required, including significant outsourcing, and the resources, processes, and procedures needed to achieve this had to be established and accepted in a relatively sensitive industrial environment.

This improvement program led to a step-change improvement to Endeavour's organisation, commercial, and project management capacity and capability. As a result, Endeavour is considered the benchmark for the energy distribution businesses within the NetworksNSW cluster.



Asset Renewals And Replacement (ARR) Program Delivery Model WaterNSW

WaterNSW was seeking to develop a new capital program delivery model to deliver its Asset Renewals and Replacement program worth approximately \$80M p.a over a five-year period. The existing delivery approach of discrete package tendering and panel approaches had not met its intended purpose of reaching the capital program targets. In addition, the panels were not fit-for-purpose and were nearing expiry.

To achieve the business and capital program objectives of safety, prudence, efficiency, and value for money, WaterNSW sought to develop a new model that would assist them in achieving their business and capital program target objectives.

If WaterNSW was to achieve its objectives, a review of the full suite of available best practice delivery models was required, coupled with an understanding of how each of these will cater to achieving the business objectives.

HKA utilised the 6-Pillars model to ensure project objectives were enabled through the most appropriate delivery model. Through this approach, HKA gathered insights from our early engagement with WaterNSW stakeholders and market soundings to allow the development of a tailored packaging, contracting and delivery strategy which is premised on optimising risk allocation, assigning responsibility and achieving project objectives.

The HKA team worked in close collaboration with the WaterNSW project team stakeholders to run two open (Engineering and Design

Case Studies



Partner x 1 & Construction Partners x 2) RFT market engagement processes comprising the following elements:

- Procurement strategy development and approval
- Facilitating internal strategy workshops
- Inputting into executive and board meetings
- Preparation of market briefing documentation
- Facilitation of several market-sounding sessions with key industry participants
- Transaction management services, including tender documentation development, establishing a robust evaluation plan and process which met probity protocols, facilitation of interactive dialogues,
- Contract and Commercial Model development, particularly leveraging collaborative contracting expertise
- Contract negotiation and finalisation for award
- Operational readiness and change management.

HKA successfully implemented the delivery model consisting of the Engineering & Design Partner and two Construction Partners for a five-year period.

In addition, this delivery model allowed WaterNSW to achieve some key benefits:

- Increased accuracy with respect to scoping and specification development via the EDP's working relationship with asset planning and engineering teams
- Design and construction management through the CP's early contractor involvement and consistent design approach
- Improved program planning through engagement with delivery partners on the efficient release of work
- Ensuring competitive tension and efficiency are achieved in delivery, with each contractor accountable for equal portfolios of work (geographically and financially).

Commercial management with an incentive-based KPI regime with partners.



Greater Western Water (GWW) engaged HKA to review their procurement and contract management operating model and implement a leading operating model focused on delivering sustainable commercial value and risk management across the supplier network.

HKA provided the following deliverables:

- Designed and implemented a category-led centralised procurement function (Infrastructure, IT, Operations and Indirects) and built new contract management, SPM and SRM processes for delivery teams and across the organisation
- Developed new procurement policies, procedures and spend thresholds, including a new category framework, benefits methodology, contract framework and supplier performance/relationship model. HKA supported the transition to the new structure by managing the change program and designing an implementation plan

- Supported the establishment of a new procurement team, including commercial leads in construction, operations/maintenance, and IT, and uplifting general commercial capability of contract management/supplier performance to unlock value and reduce risk
- Implemented a fit-for-purpose contract management sourcing lifecycle, including an SPM Framework (KPIs) and SRM Framework
- The model optimises upstream (precontract award) and downstream (post-contract administration) activities and the commercial linkages required to drive commercial value across the organisation's spend profile of 1400 suppliers.

Case Studies



Procurement and Contracting Operating Model Taswater

TasWater provides the sourcing, treatment, and reliable delivery of quality drinking water, as well as the collection, transportation, treatment, and safe return of wastewater to the environment.

The Procurement Program is the inception and mobilisation of a new centre-led procurement function for TasWater.

HKA was engaged to examine existing operational expenditure and business practices that informed the development of a Purchasing and Contracting Strategy with an implementation route map. We also provided transaction management to establish the first prioritised procurements of the program while the client team was being resourced.



Holistic Services Strategy Gold Coast Water

Gold Coast Water & Waste (GCWW) provides safe drinking water supplies and sewage collection, treatment, reuse and disposal, solid waste, recycling and green waste kerbside collection, collection of waste, waste infrastructure, operation of waste and recycling centres, landfills and resource recovery.

Holistic service strategies were identified to deliver:

- A smaller number of contracts for a broader range of services
- More performance-based contracts than detailed specifications
- Enhanced contract management skills of internal staff.

GCWW engaged HKA as an advisor and subject matter expert to support GCWW in the development and delivery of holistic service strategies as they wanted to optimise their service delivery model and establish a more efficient and robust way of working.

Our services included:

- Review and provide feedback on holistic service strategies for water and waste activities
- Assist with stakeholder engagement through all stages of strategy development and delivery
- Provide ongoing strategic advice throughout the transactions, including assistance with continued market sounding and market engagement, drafting of tender documentation, including technical, legal and commercial, EOI, and RFT
- Facilitate interactive dialogue and assist in tender evaluation, contract negotiations, and management.



Bio-Resources Queensland Department of State Development (DSD)

Bio-resources have a significant operational expense and potential revenue augmentation opportunity for Australian water businesses.

HKA, in collaboration with PwC, approached the DSD to sponsor a co-funded initiative to investigate bioresources opportunities in the water sector, with the objective of identifying initiatives for further investigation/delivery.

HKA was engaged to assist the Working Group, comprised of three Southeast Queensland water businesses, in identifying risks and opportunities through a series of targeted interviews with bio-resources stakeholders, including local and international water business technical staff, research institutes, and infrastructure funders.

Opportunities were then ranked by technical feasibility, benefit and cost. This work led to the identification of numerous viable actions, which included changes in the bio-resources supply chain approach, sharing of bio-resource processing/production capacity and a more integrated sector approach to the implementation of new technologies.



Regional Capital Works Program Sydney Water Corporation

Sydney Water wanted to improve the regional contracting model for their capital works program.

Sydney Water engaged HKA to review the significant amount of analysis that had been undertaken on their existing contracting model, as well as the capacity within the market to deliver larger volumes of work and different types of work.

HKA developed and facilitated workshops with the key stakeholders to review and debate the various alternative contracting strategy options. The outputs were collated and analysed, and a recommendation report on the preferred contracting model was issued to Sydney Water.

Case Studies



Project Controls Development
Essential Energy

Endeavour Energy needed to double its delivery capability to \$2.4b CAPEX/OPEX in accordance with its approved five-year Strategic Asset Management Plan. They recognised that significant business reform was required to build the organisational capability and capacity to deliver this portfolio.

HKA was engaged to lead a strategic review of Endeavour's business, particularly focusing on its organisation structure and performance, and project and program performance and capability. We established a Program Management Office, and a number of innovative tools and controls to enable effective work planning including a Strategic Delivery Plan and Resource Planning Model, and performance monitoring including a comprehensive governance and reporting framework.



Capital Improvement Program
Essential Energy

HKA was engaged to lead a strategic review of Endeavour's business, particularly focusing on its organisation structure and performance, and project and program performance and capability. From this review, HKA conceived, designed and successfully implemented a comprehensive four year reform program, which resulted in:

- Development and establishment of a new network organisation structure, including the establishment of a Network Development Division and a Program Management Office
- Establishment of a number of innovative tools and controls to enable effective work planning
- Development of Project and Program Management capability
- Completion of a series of strategic reviews to identify gaps and enable effective and efficient delivery of the capital works program, monitoring including a comprehensive governance and reporting framework.



Energy Distribution Improvement Program
Networks NSW

The NSW Energy sector has been subject to significant change and reform in order to meet the challenges associated with efficiently maintaining an ageing 'poles and wires' network and offering affordable energy prices to NSW residents.

There have been a number of resulting governance and organisation changes, including:

- The privatisation of retail divisions
- Re-branding of the three remaining 'poles and wires' businesses to AusGrid, Endeavour Energy and Essential Energy
- Establishment of Networks NSW, an overarching organisation that is leading the reform to establish aligned and coordinated functions across the three businesses
- The sale of long-term leases for largely metropolitan AusGrid and Endeavour Energy, as well as ongoing parallel reforms to largely regional Essential Energy.

HKA advised and transformed AusGrid, Endeavour Energy and Essential Energy into the one organisation - Networks NSW by:

- Providing strategic advice to senior executives to improve operations, performance, structure and capability to deliver multi-billion dollar programs
- Delivering tangible performance and efficiency improvements in live operating environments
- Completing strategic and detailed reviews of organisational performance
- Developing organisational designs to enable the successful delivery of major portfolios
- Developing and implementing governance and reporting regimes
- Conducting strategic reviews of organisational effectiveness
- Developing and managing the implementation of organisational reform programs resulting from the strategic reviews.



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