

Revised Final Plan
Attachment 9.12

Jandakot Facility Redevelopment

August 2025

PUBLIC



Dampier Bunbury
Pipeline

1 Jandakot Facility Redevelopment

1.1 The ERA's position

AA5

Based on advice from its consultant, EMCa, the ERA considers the majority of the expenditure DBP has incurred and estimates to incur on the Jandakot Facility Redevelopment during the AA5 period is not prudent, and only allows \$0.69 million, being 25% of the \$2.78 million capex proposed. The ERA has, however, approved the \$130,000 incurred for erecting a new warehouse dome at Jandakot.

Although the ERA accepted DBP's proposal for the Jandakot redevelopment in AA5, and EMCa maintains the view that *it is prudent to develop the Jandakot site*¹, EMCa has recommended the majority of AA5 capex be excluded on the basis that *DBP provides no information to indicate that it has undertaken works to remedy issues that it identified in its AA5 proposal at the site. The planning and design work appears to constitute DBP's proposed conforming capex of \$2.78 million which (from its capex model) DBP estimates incurring in 2025.*²

EMCa is concerned that the planning and design work incurred during AA5 is for architectural concept plans and site development planning that have been undertaken in advance of a strategic plan. EMCa considers that *these are not supported by evidence of a coherent long-term strategic assessment of DBP's accommodation and facilities needs and options for the Jandakot site in conjunction with DBP's other accommodation in the Perth region, such as its current accommodation and facilities in Perth CBD.*³

AA6

For the AA6 forecast expenditure, EMCa concluded *that DBP's current business case for its proposed Jandakot development does not support its proposed expenditure allowance. The business case focuses on what DBP proposes to do, but without justifying the redevelopment that it now proposes. It presents as a 'call to action', as was the case for its AA5 proposal, and also presents sufficient evidence to support a redevelopment option as opposed to developing at a new location. However, it does not provide evidence to support the scope and scale of this proposed redevelopment and benefits to DBNGP operations sufficient to justify what it is now proposing.*⁴

EMCa considers *the basis for the project still remains, however, given the lack of justification that DBP has provided for its now-preferred option, EMCa considers that a reasonable alternative for AA6 could be to allow for what in effect would be the same allowance in the*

¹ Paragraph 365, Draft decision on revisions to the access arrangement for the Dampier to Bunbury Natural Gas Pipeline (2026 to 2030) Attachment 4: Regulatory capital base, ERA, July 2025.

² Paragraph 250, Review of Proposed DBNGP Access Arrangement (AA6) 2026 – 2030, EMCa, June 2025

³ Paragraph 118, Draft decision on revisions to the access arrangement for the Dampier to Bunbury Natural Gas Pipeline (2026 to 2030) Attachment 4: Regulatory capital base, ERA, July 2025.

⁴ Paragraph 383, Ibid.

ERA's AA5 Final Decision, now deferred to 2027 and 2028, and which takes into account DBP's proposed 5.2 per cent (nominal) increase in building construction costs.⁵

In its review of the AA6 proposal, the ERA is *concerned by the lack of quality and sophistication of the documentation to justify the proposed expenditure. As noted by EMCa, the basis for the project remains, with a redevelopment of the Jandakot facility being a project that meets the requirements to be undertaken, the area of concern relates to the lack of evidence for an increased scope and expenditure for the project which has not been justified.*⁶

EMCa's alternative Jandakot redevelopment forecast, which the ERA has adopted in its Draft Decision, is reproduced in the extract from EMCa's report below.

Table 6.26: Alternative allowance for AA6 (based on ERA allowance for AA5)

Input factors	Years (FY)										AA6 Total
	19	20	21	22	23	24	25	26	27	28	
ERA AA5 Allowance (\$2019)						7.05	1.47				8.52
Allowance for nominal increase (at 5% p.a.)	1.00	1.05	1.10	1.16	1.22	1.28	1.34	1.41	1.48	1.55	
Assumed inflation index	1.00	1.01	1.04	1.13	1.17	1.20	1.25	1.27	1.30	1.33	
Derived real building cost inflation escalation index	1.00	1.04	1.06	1.03	1.04	1.06	1.08	1.11	1.14	1.17	
ERA AA5 Allowance deferred to 2027 and 2028 (\$2019)									8.01	1.71	
ERA AA5 Allowance deferred to 2027 and 2028 (\$2024)									9.62	2.06	11.68

Source: EMCa table. ERA allowance for AA5 as provided by DBP, but treated as \$2019.

1.2 DBP's response to the Draft Decision

We do not accept the ERA's Draft Decision on the Jandakot redevelopment. We have modified our AA5 capex estimate for 2025, however, we have not amended our capex forecast for AA6.

As highlighted by the ERA and EMCa, the need to redevelop the Jandakot site remains, and creating a safer and more effective work environment for our DBNGP staff is central to our employee attraction and retention strategy. At the time of developing the AA6 submission, though further progressed than the AA5 plans, the Jandakot redevelopment project remained in concept form, with final design assumptions and [REDACTED] still to be defined and documented. We have continued to work on these over the past six months and have more mature understanding of our accommodation requirements. This includes a [REDACTED], which is provided at Appendix A.

We maintain the AA6 forecast capital expenditure on Jandakot at \$34.6 million. This investment is necessary to allow us to retain and attract staff, [REDACTED]

⁵ Paragraph 384, Ibid.

⁶ Paragraph 386, Draft decision on revisions to the access arrangement for the Dampier to Bunbury Natural Gas Pipeline (2026 to 2030) Attachment 4: Regulatory capital base, ERA, July 2025.

We have updated our forecast for the remainder of 2025 and have revised the amount we proposed is conforming to \$1.72 million, down from \$2.78 million. We have incurred \$0.69 million on scoping, design and the development application (DA) to date and expect to incur a further \$1.03 million by year end as the DA progresses.

These costs were (and continue to be) necessary to deliver the redevelopment project. Design, scoping and the DA process are each prerequisites for any development, and undertaking this work reflects good practice and the actions of a prudent pipeline operator, acting efficiently.

Our revised proposal is summarised in the following tables and discussed further in the subsections below.

Table 1.1: Summary of revised AA5 capex – Jandakot Facility Redevelopment, \$ million real at 31 December 2024

Item – AA5	Final Plan	ERA DD	Revised Plan
Jandakot Facility Redevelopment	2.78	0.69	1.72
New Jandakot Warehouse Dome	0.13	0.13	0.13
Jandakot facility upgrade	0.60	0.60	0.60
AA5 Total	3.51	1.42	2.45

Table 1.2: Summary of revised AA6 capex – Jandakot Facility Redevelopment, \$ million real at 31 December 2024

Item – AA6	Final Plan	ERA DD	Revised Plan
Jandakot Facility Redevelopment	34.63	11.68	34.63
AA6 Total	34.63	11.68	34.63

1.2.1 AA5 capex – Jandakot Facility Redevelopment

The ERA's primary concern with the actual and proposed AA5 expenditure stems from the fact these costs are related to the revised Jandakot Facility Redevelopment proposed for AA6. The ERA does not consider the AA6 forecast to be justified and consequently excludes the AA5 expenditure preceding it. EMCa has also formed the view that engaging site design and associated planning is premature, as they have been incurred in advance of a coherent strategic plan.

We understand the ERA's position, however, we do not agree it is reasonable to assume these AA5 costs are premature or non-conforming. The need to redevelop the Jandakot facility is well established and was supported by the ERA and its consultants during the AA5 review and again in this AA6 review. The case for change is therefore not in question.

Design and scoping costs are a prerequisite for any site redevelopment. Costs incurred for architectural design, engineering design, project scope, planning, and administration are essential to inform and price the subsequent build. It does not follow that engaging in these good practice and prudent activities – which will result in a new facility being developed – are premature or non-conforming.

EMCa concedes that *it is reasonable to assume that a part of the expenditure that it [DBP] has incurred will contribute to decisions that it needs to make on an appropriately justified redevelopment*. However, it is not clear how EMCa arrived at its conclusion that only 25% of these costs will contribute to the decision.

We presume EMCa has made a rough calculation based on its view that the AA6 capex forecast amount it considers conforming is around ~25% of that DBP has proposed. We consider this an unreasonable assumption and submit that all the planning and scoping work delivered to date has value and will contribute to a new Jandakot facility, which will allow us to operate the pipeline and serve customers more effectively.

We maintain that 100% of these AA5 costs are necessary and that the consequential \$34.6 million Jandakot redevelopment in AA6 is justified and directly informed by this AA5 expenditure. As a result, we propose that all costs incurred during AA5 are conforming.

We have, however, revised our 2025 estimate downwards by around \$1 million to \$1.7 million. This covers the costs incurred to date plus the costs we expect to incur when DA is awarded, which we expect will occur in Q3 2025.

Table 1.3 provides a breakdown of what the \$1.7 million to be incurred during AA5 comprises.

Table 1.3: AA5 capex – design and scoping costs, \$ million real at 31 December 2024

Item	Description	Cost
Architectural services	Design concepts (incurred)	0.08
DA costs	Payments to consultants on the DA process (incurred)	0.45
Engineering design services	Planning and feasibility studies (incurred)	0.16
	Schematic design (estimate)	0.19
Architectural services post DA approval	Design development (estimate)	0.21
	Tender documentation (estimate)	0.30
	Tender, evaluation, finalisation of CD, building contract award (estimate)	0.03
Additional consultancy fees	Provision for additional consultancy fees depending on DA findings and need for revised drawings or assessments. Examples include traffic, landscaping or engineering revisions. (estimate)	0.30
AA5 total		1.72

There is no evidence to suggest that the work conducted to date during the AA5 period and planned for the remainder of 2025 is not consistent with good practice for depot and office

developments of this type. The ongoing design and development work during 2025 is essential for delivery of the Jandakot project. Vendors are appointed via a competitive tender process and the magnitude of the design costs are commensurate with a redevelopment of the scale and scope proposed.

Architectural and engineering design fees for redevelopment of a depot site including offices, car parks, and warehousing, are typically calculated as a percentage of the total construction cost, adjusted for project complexity. Based on industry standards for commercial projects⁷, architectural fees for a project of this size and complexity (likely Group 4 or 5 due to mixed-use and infrastructure elements) typically range from 4%-6% of the construction cost. By this rationale, for a \$35 million budget:

- Low estimate (4.0%): \$1.4 million
- High estimate (6.0%): \$2.1 million

Engineering fees (structural, civil, mechanical, etc.) are often calculated separately and can range from 3% to 5% of the construction cost.⁸ For a \$35 million budget, this would result in:

- Low estimate (3%): \$1.05 million
- High estimate (5%): \$1.75 million

As discussed in the following section, we maintain that the Jandakot Facility Redevelopment project will require construction costs of \$34.6 million. We expect the total cost of architectural and engineering design work, including the \$1.4 million already incurred, will be around \$2.8 million. We therefore submit that the \$1.7 million we expect to incur during AA5 is well within the expected range for fees of this type and therefore should be considered conforming and included in the opening capital base.

1.2.2 AA6 capex – Jandakot Facility Redevelopment

We maintain the view that the proposed Jandakot Facility Redevelopment is essential for workforce retention and attraction and that the proposed development is commensurate with achieving this.

EMCa makes clear in its advice to the ERA that there is prima facie a case for redevelopment of the Jandakot site. EMCa also concludes that the costing of the AA6 proposal is adequate if the scope and scale of the redevelopment are taken as a given:

DBP has provided sufficient evidence that, for the scale, scope and concept design that it has had prepared, it has a reasonable estimate of the cost. This is evidenced by the expert reports it commissioned, including costing by a Quantity Surveyor, and an independent cost review.⁹

The question therefore remains whether the proposed scope of the AA6 development is justified and how this has changed since the original AA5 proposal.

⁷ <https://architecturalfees.com/commercial-architectural-fees/>. ArchitecturalFees.com is an independent and reputable public source of information for estimating architectural design fees for commercial projects. This site provides detailed fee percentage ranges based on construction cost and project complexity (from Group 1: least complex, to Group 5: most complex). While not underpinned by a formal standard or accreditation, the site draws on a range of US, UK, Canada and international data and provides a useful resource for assessing the reasonableness of architectural fees.

⁸ <https://engineeringdesignresources.com/tag/how-to-estimate-engineering-design-cost-as-percentage-of-construction-cost/>

⁹ Paragraph 495, Review of Proposed DBNGP Access Arrangement (AA6) 2026-2030, EMCa, June 2025.

1.2.2.1 What changed since the original proposal?

In its advice to the ERA, EMCa concludes *that while construction cost increases will have played a part, the main reasons for the increase in the cost estimate from \$8.7m (in \$2019 terms) to \$35m now, is because of the change in change in scope of what DBP proposes.*¹⁰

This assumption is incorrect. While the scope of the proposed development has shifted to accommodate the changing needs and expectations of our workforce, it is not accurate to say that this was the main reason for the increase in the forecast. The causes of the higher AA6 forecast are three-fold:

1. The design of the new site facility has shifted in line with changing workforce expectations and retention strategies [REDACTED]
2. The construction costs have significantly increased post-pandemic
3. The original AA5 estimate was substantially under forecast

It is these three factors combined that have changed the capex forecast, with the AA5 underestimation and economic factors contributing to a far greater extent than any change in scope or design.

These three factors, and their impact are discussed in the following sections.

1.2.2.2 Change in scope or design

The original AA5 business proposed a redevelopment of the entire Jandakot site, and included (at a high level) the following scope:

- Asbestos removal
- Construction of a new two-storey ~1,500 m² office building
- Redevelopment of the existing ~1,600 m² warehouse, and construction of a ~3,000 m² warehouse expansion and workshop, retaining the current outdoor storage area
- Vehicle management and traffic flow redirection to accommodate at least 20 heavy plant movements per day, plus light vehicles for staff and visitors
- New training and meeting facilities [REDACTED]
- Overnight accommodation facilities
- Bushland areas, gardens and landscaping

The initial plans for the Jandakot site envisaged in 2019 are provided in Appendix B.

At the time of the AA5 proposal, designs were preliminary, and costing had been conducted at a high level based on advice from a local developer. Formal design application with the City of Cockburn had not yet been initiated, and the early costings had not been independently verified.

The proposed scope of the 2019 Jandakot redevelopment was comprehensive and proposed a facelift for the entire site that would set DBP's operations up for the coming decades. [REDACTED]

¹⁰ Ibid.

In retrospect, the \$8.5 million forecast for the 2019 proposal was immature and significantly underestimated. Notwithstanding the increase in construction costs that would follow the COVID-19 pandemic, even in the pre-pandemic market a more realistic cost estimate for a development of this magnitude would have been closer to \$25 million - \$30 million (in 2019 dollars). The costs of redeveloping the neighbouring ATCO Jandakot site, which was delivered for total cost of ~\$27 million between 2014 and 2019 validates this (discussed in section 1.2.2.4).

However, this significant cost underestimation in 2019 ultimately became irrelevant, as the global pandemic hit and dramatically shifted all businesses' plans.

1.2.2.2.1 Pandemic impact on workforce attraction and retention

The COVID-19 pandemic significantly reshaped workforce dynamics across Australia, prompting businesses to reassess how they attract and retain talent. With increased competition for skilled labour, particularly in logistics, infrastructure, and technical services, organisations have had to evolve their employee value propositions to remain competitive.

Post-pandemic trends indicate a marked shift in employee expectations, with greater emphasis on:

- Flexible work arrangements (hybrid and remote options)
- Health and wellbeing support
- Purpose-driven work environments
- Modern, inclusive facilities

Research by the Integrated Benefits Institute¹¹ show nearly 73% of employers reported difficulty attracting staff, and 61% faced challenges retaining them. This has led to a strategic pivot toward enhancing workplace culture, physical environments, and employer branding.¹²

In response to these workforce trends, DBP revised its plans and revisited the Jandakot redevelopment. The Jandakot project was put back out to tender, with a view to incorporating design elements that directly support attraction and retention goals, such as:

- Flexible workspaces: Office layouts will support hybrid work, with collaborative zones and quiet areas to accommodate diverse work styles
- Enhanced amenities: Staff facilities such as breakout areas, wellness rooms, and upgraded kitchens are included to improve employee satisfaction
- Sustainable design: Incorporating green building principles to align with employee values and corporate responsibility
- Improved accessibility and safety: Depot upgrades will include better lighting, ventilation, and ergonomic workstations to meet post-COVID health standards

¹¹ <https://www.ibiweb.org/resources/attraction-and-retention-in-a-post-covid-19-era>

¹² <https://www.emerald.com/md/article/62/10/2961/1215180/Guest-editorial-Talent-attraction-and-retention>

This redevelopment aligns with broader organisational goals to:

- Improve employee engagement and productivity
- Strengthen the company's position as an employer of choice in a competitive labour market
- Provide a workplace and culture aligned with our broader commitments to training, HSE and inclusivity (see relevant policies provided in Appendix E)

The plans for the 2025 Jandakot redevelopment are provided in Appendix C.

1.2.2.2.2 Revised 2025 scope

The revised development proposes a safe and attractive workplace, designed to help DBP compete with employers in the mining and resources sector. However, the improved aesthetics and additional outdoor facilities are not a material shift in scope.

The most significant changes in scope are the exclusion of the overnight accommodation facilities, which we have deemed no longer necessary or desired by our employees, [REDACTED]

[REDACTED] Other than these changes, the core elements of the Jandakot redevelopment proposed in 2019 and now in 2025 are essentially the same, as summarised in the following table.

Table 1.4: Comparison of 2019 and 2025 Jandakot redevelopment scope

2019 Jandakot redevelopment scope	2025 Jandakot redevelopment scope
<ul style="list-style-type: none"> • Asbestos removal • Construction of a new two-storey 1,500m² footprint office building, total floor space not defined • Redevelopment of the existing ~1,600m² warehouse, and construction of a ~2,000m² warehouse expansion and workshop, retaining the current outdoor storage area • Vehicle management and traffic flow redirection to accommodate at least 20 heavy plant movements per day, plus light vehicles for staff and visitors • New training and meeting facilities 	<ul style="list-style-type: none"> • Asbestos removal • Construction of a new two-storey 1,118m² footprint office building with ~2,200m² of floor space • Redevelopment of the existing ~1,600m² warehouse, and construction of a 3,311m² warehouse expansion and workshop, replacing the current outdoor storage area • Vehicle management and traffic flow redirection to accommodate at least 20 heavy plant movements per day, plus light vehicles for staff and visitors • New training and meeting facilities
<ul style="list-style-type: none"> • Bushland areas, gardens and landscaping • Overnight accommodation facilities 	<ul style="list-style-type: none"> • Bushland areas, gardens and landscaping • End of trip (EOT) facilities and outdoor amenities, including amphitheatre and basketball court

While the revised Jandakot plans appear more elaborate on paper, this is simply reflective of the maturity of the plans. The 2025 project has been through architectural concept design and presents a more polished view of the conceptual development than the early blueprints drafted in 2019, but the core elements of the development remain similar.

[illegible]

1.2.2.3 Increase in construction costs

The COVID-19 pandemic has had a significant and lasting effect on the construction industry in Western Australia. It has directly influenced the cost structure and risk profile of the proposed Jandakot Facility Redevelopment. In summary:

- **Escalation of construction costs** – Construction costs in WA rose sharply during and after the pandemic due to global and domestic pressures. According to industry reports, average cost increases ranged from 15% to 30% between 2020 and 2023, depending on project type and location.¹³ Analysis from the Australian Bureau of Statistics (ABS) shows growth in the ABS Producer Price Index (PPI) (Original) for the Oil and Gas Extraction industrial subgroup, which is the sector that applies to DBP, was 70% above the Consumer Price Index (CPI) from September 2020 to September 2024.¹⁴
- **Material shortages and supply chain disruptions** – Delays in the delivery of key materials such as steel, timber, and mechanical components led to increased procurement costs and extended lead times. International shipping constraints and local transport disruptions (e.g. flooding and border closures) further compounded delays.¹⁵
- **Labour market constraints** – The construction sector experienced a critical shortage of skilled labour due to illness, isolation requirements, and reduced migration. Labour costs increased significantly, with some trades experiencing wage growth of 10–20% over pre-pandemic levels.¹⁶

While there has been some degree of normalisation of supply chain and resource availability since the pandemic, overall costs remain significantly higher than they were in 2019.

As a result of these factors, the original cost estimates for the Jandakot Facility Redevelopment required upward revision. The revised budget reflects:

- Higher unit rates for materials and labour
- Ongoing supply chain volatility
- Design modifications to meet new workplace expectations and compliance standards

We estimate the uplift in construction costs since the pandemic accounts for around \$5-10 million of the uplift from the AA5 estimate.

¹³ <https://researchers.westernsydney.edu.au/en/publications/impacts-of-covid-19-pandemic-on-construction-costs-in-australia>

¹⁴ Growth in the ABS PPI (Original) for the Oil and Gas Extraction industrial subgroup was 70% above the CPI from September 2020 to September 2024 (ABS, 6427.0 Producer Price Indexes, Australia, Sept 2024, Table 13), Chamber of Commerce and Industry WA (CCIWA) Business Confidence report (<https://cciwa.com/business-pulse/1-in-5-businesses-at-risk-of-closing-downsizing-cciwa-report>) and AI Group (<https://aigroup.com.au/news/media-centre/2024/untamed-inflation-puts-interest-rate-rises-back-on-the-agenda/>)

¹⁵ <https://www.jacmac.com.au/insights/the-current-challenges-of-constructing-in-western-australia/>

¹⁶ Ibid.

1.2.2.4 Underestimation in the AA5 forecast

The original estimate in the AA5 forecast of \$8.5 million (\$2019), or ~\$10.2 million in today's dollars, was significantly underestimated. Although it was the best estimate available at the time of developing the AA5 regulatory submission (in line with the requirements of NGR 74), it did not fully reflect the cost of the entire scope of works and should have been closer to the \$34.6 million being proposed today (~\$30 million in 2019 dollars).

The economic regulatory framework establishes strict milestones on the timing of expenditure forecasts, requiring the regulated entity to provide five-year ahead forecasts of all expenditure in order to determine regulated tariffs. At the time of developing the AA5 forecasts (June to December 2019), AGIG had only recently formed and taken ownership of the DBP business (May 2017). While a long-overdue refresh of the Jandakot site was part of AGIG's plans for the business, thinking on the project was very early. As a result, the Jandakot redevelopment proposal and cost estimate in the AA5 review process was relatively immature.

The AA5 forecast was based on a high-level estimate provided by the proposed developer, supported by early site plans and rough concepts. These are provided in Appendix B. The project had not then been through a detailed cost validation or challenge process, and a DA for submission to the City of Cockburn had not been prepared.

As a result, the 2019 forecast omitted costs associated with several material items, including:

- Feasibility studies
- Architectural services
- Engineering services
- Quantity surveyor services
- Specialist consulting requirements (e.g. environmental, geotechnical, acoustic)
- DA administration costs
- Project management and PMO services
- Authority headworks
- Building Act compliance
- Final design including any amendments
- Final construction plans

In contrast, the cost estimate developed for the current Jandakot Facility Redevelopment project is far more comprehensive and has been verified by an independent quantity surveyor, and as EMCa notes, is adequate for the scope and scale of the redevelopment proposed.

As discussed in section 2.2.2.2, while the look and feel of the new Jandakot Facility has changed, the scope of what needs to be delivered today is not a huge departure from what was anticipated in 2019. This indicates that the original forecast was unrealistic and should not be relied upon as a sound basis for assessing the AA6 forecast.

A comparison with ATCO Gas Australia's redevelopment costs of its neighbouring Jandakot facility highlights DBP's original forecast error.

As discussed in our AA6 business case, we looked at the costs incurred by ATCO to develop its neighbouring Jandakot facility. Based on publicly available information, including an EMCa

report on ATCO's Jandakot project, the redevelopment of ATCO Gas Australia's Jandakot facility cost approximately \$27.2 million in nominal dollars, across two stages of development in 2014 and 2019. If we convert this into today's dollars, ATCO's Jandakot development cost approximately \$35.2 million (see table below).

Table 1.6: ATCO Gas Jandakot facility redevelopment, based on publicly available information

ATCO Gas Jandakot facility	Investment & basis of dollars	Investment in 24/25 dollars
Stage 1		
ATCO Jandakot Head Office	\$14 million (2014)	\$19.2 million (24/25)
Stage 2		
Warehouse and training centre	\$9.6 million (2019)	\$12.1 million (24/25)
Clean energy innovation hub	\$3.5 million (2019)	\$3.9 million (24/25)
Total	\$27.1 million (nominal)	\$35.2 million (24/25)

Stage 1 of the ATCO Jandakot Redevelopment comprised construction of its new head office, parking, palisade fencing, landscaping and removing several demountable buildings. When we consider that this stage alone cost \$14 million in 2014, it highlights the discrepancy in DBP's forecast of \$8.5 million for a larger development five years later.

DBP's AA5 Jandakot proposal featured redevelopment of operational areas and accommodation facilities, as well as the office and landscaping, and was clearly larger in scope than Stage 1 of ATCO's project. Therefore, assuming \$8.5 million was a reasonable cost for the proposed scope of work was a forecasting error.

Contrary to EMCa's assumption in its Technical Report¹⁷, we maintain that the ATCO development is a useful comparison as it featured many of the same elements that are being proposed for the DBP sites:

- Redevelopment and relocation of the main office
- Construction of storage/warehousing facilities
- Redevelopment of operational and training facilities
- Traffic management, redirection and parking
- Landscaping, footpaths and aesthetics

Given the ATCO site neighbours our own and was developed in the WA market, it provides an ideal comparison for costing purposes, even if the end facilities differ slightly to DBP's. The cost of the ATCO Jandakot redevelopment closely matches the projected cost of the DBP Jandakot development and the independent surveyor's assessment because the scope of the developments is similar. This is not coincidental, and we find it unreasonable for EMCa to conclude that it is.

To clarify, the ATCO Jandakot redevelopment is an example of a similar facility in the industry, located nearby, and we maintain that the financial comparisons in terms of building costs are valid.

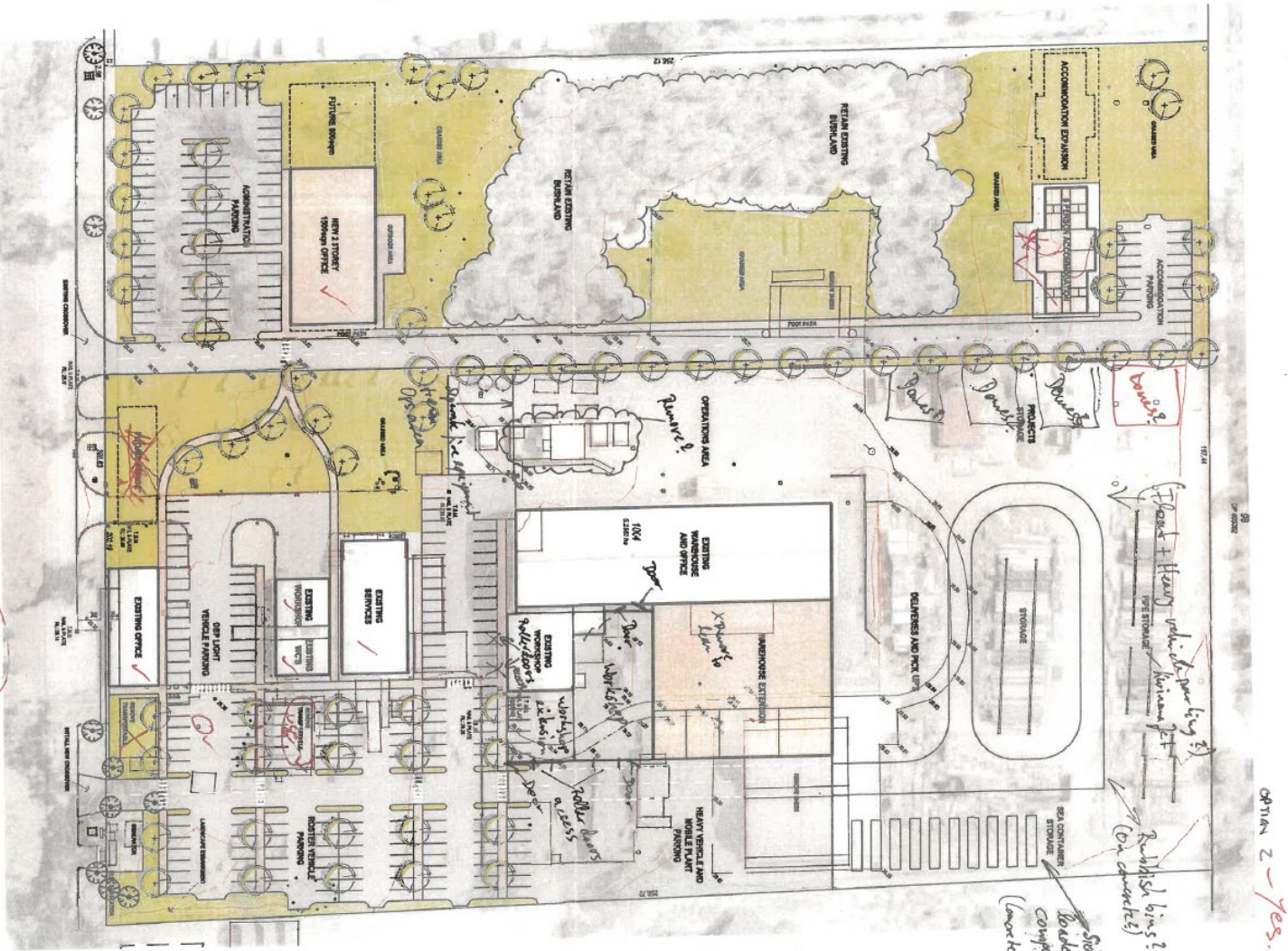
¹⁷ Paragraph 517, Review of Proposed DBNGP Access Arrangement (AA6) 2026-2030, EMCa, June 2025.

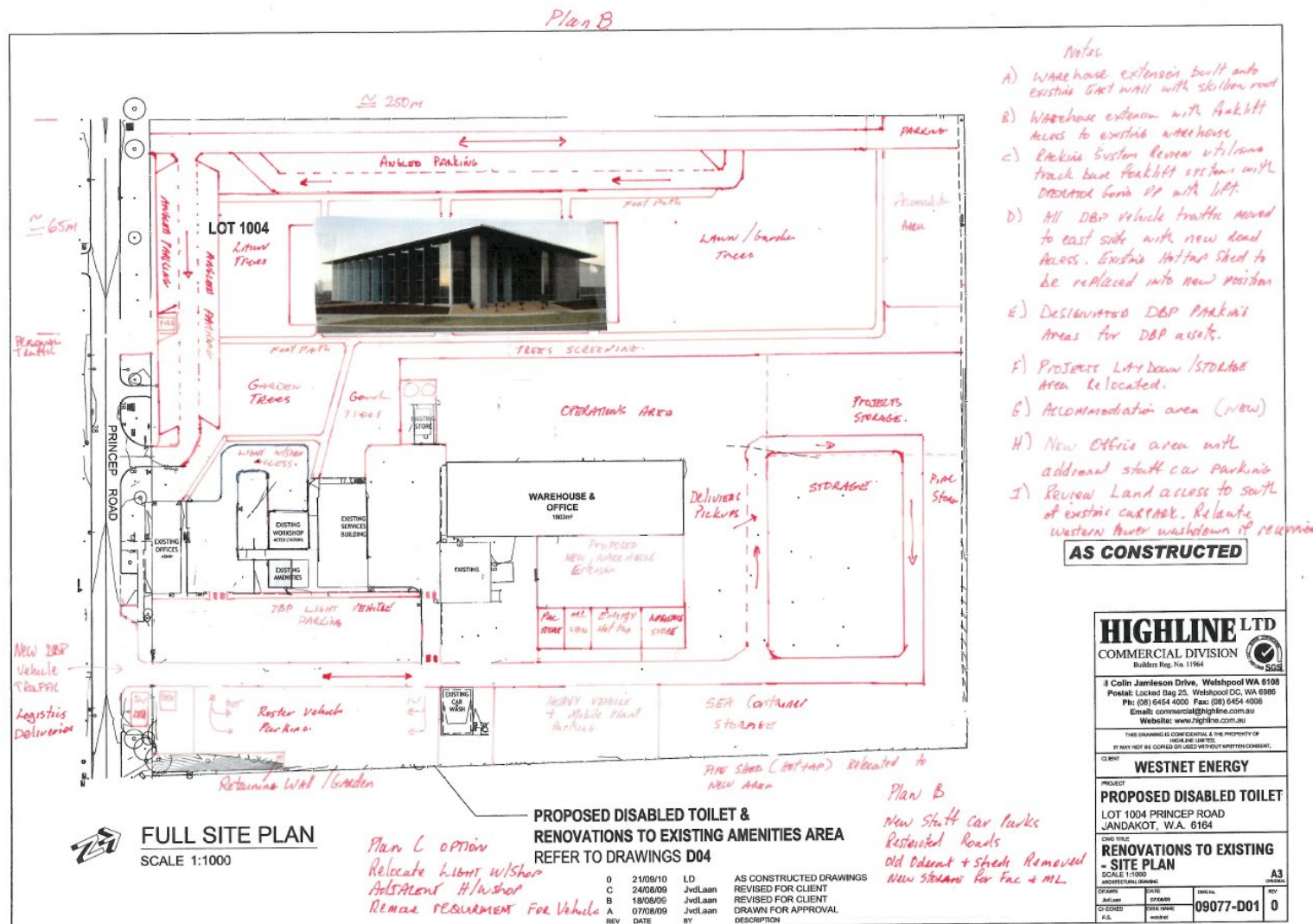
EMCa has misinterpreted our response to an information request, where we included the sentence: *we don't think that the ATCO and proposed Jandakot facilities can be reasonably compared*. This statement was made in response to EMCa's assumption that training facilities could be shared between ATCO and DBP, and was not a suggestion that the ATCO Jandakot Redevelopment Project and the DBP Jandakot Redevelopment were incomparable. We maintain that our training needs and thus the needs of a training facility are distinct, and as such require our own specialised facilities.

We do not agree that our statement – taken out of context – forms a sound basis for EMCa to discount the comparison provided in the AA6 business case.

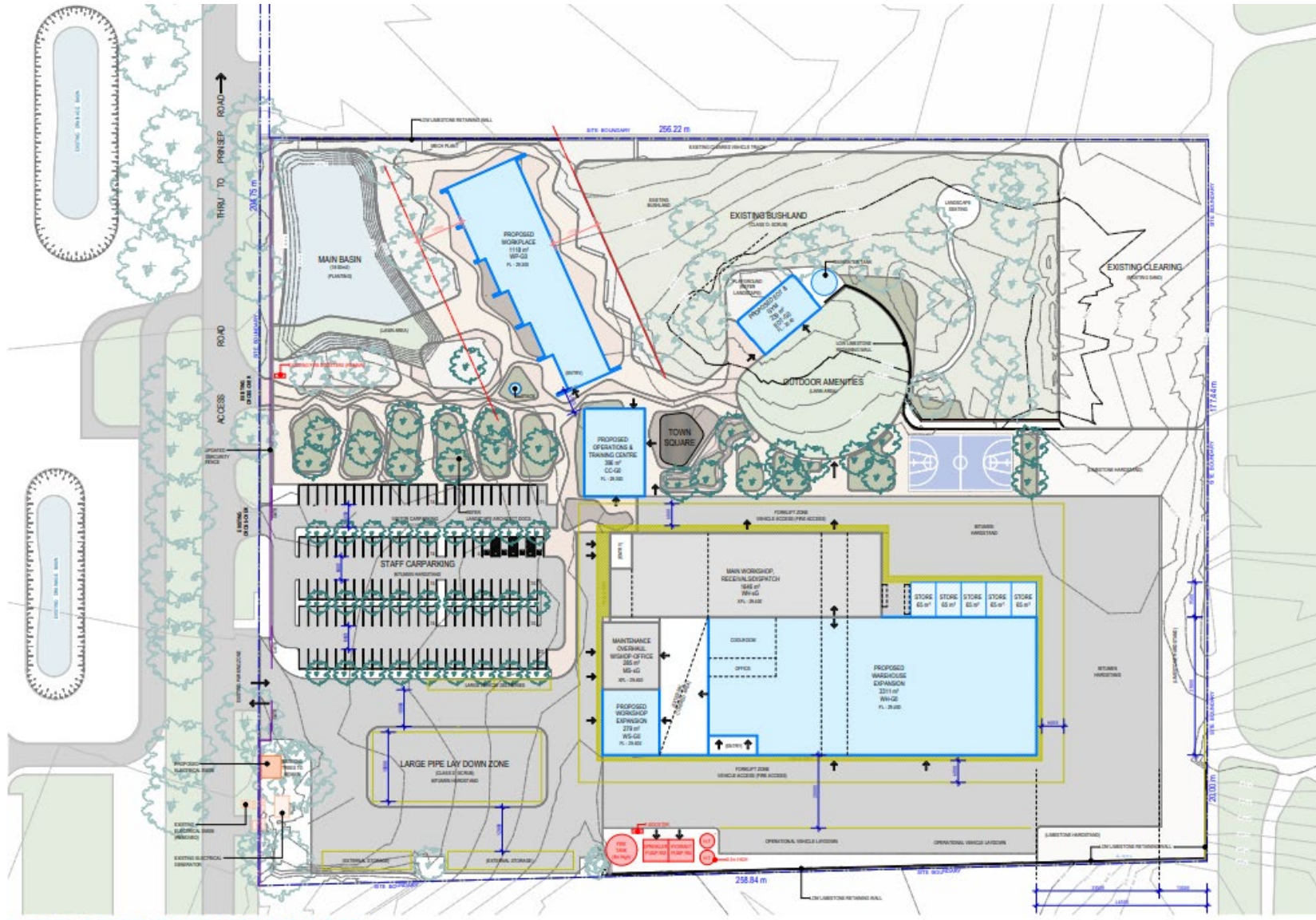
We estimate the forecast error accounts for around \$15 million of the variance between the AA5 forecast and the revised AA6 forecast.

2019 Jandakot redevelopment plans





Appendix C 2025 Jandakot redevelopment plans



Appendix E AGIG workforce and HSE policies



27 May 2025

Diversity, Equity and Inclusion Policy

AGIG is committed to facilitating a workplace that promotes and recognises the diversity of our employees and the broader community that we serve by applying the principles of equity, fairness and respect. We strive to create a workplace where all individuals, regardless of gender, background or identity, have equal opportunities to succeed and thrive. Providing a diverse, equitable and inclusive workplace is consistent with achieving AGIG's values of We build Trust; We are Accountable; We Care and We are One Team.

1 Our Commitment

AGIG recognises the benefits that diversity, equity and inclusion bring to our workplace, leading to better collaboration, ideas and understanding of our customers and other key stakeholders, making us more productive, innovative and competitive. AGIG also recognises the importance of the commitment of preventing and eliminating any form of discrimination, harassment and bullying (including sex-based discrimination, sexual harassment and harassment on the grounds of sex).

Our Diversity, Equity and Inclusion (DEI) Policy, and our DEI Engagement Plan encompassing our DEI Strategy and Plan, support the creation of a culture where our employees understand that everyone is unique and ensuring we have an equitable and inclusive environment to support our workforce.

2 Our Objectives

AGIG aims to facilitate a diverse, inclusive and safe place for employees to bring their whole self to work. We are committed to:

Being a diverse and culturally safe workplace

- Attracting and retaining diverse employees and ensuring they have a positive employee experience.
- Developing and building a culturally safe workplace that better understands, promotes and embraces all diversity groups and their cultures.

Exploring and promoting equity through fair and equal opportunities

- Being fair and transparent, enabling equality and equity of opportunity by fostering a workplace that provides everyone with the opportunity to succeed.



Embedding inclusive practices in the way we work

- Diversity and inclusion is everyone's responsibility with all employees being part of the solution. Inclusion is simply the way we engage and do things at AGIG.

Leading by example

- Championing and modelling diversity and inclusion by challenging ourselves to proactively contribute to a diverse, equitable and inclusive workplace.
- Being a leader in diversity, equity and inclusion within our industry and communities where we work to create a learning organisation.

3 Our Principles

Our Diversity, Equity and Inclusion principles are about valuing individual differences and the knowledge, skills and perspectives our people bring to work.

Diversity is based on a range of differences each individual brings to the workplace. Such differences include people's actual or assumed attributes and identities.

Equity refers to fair treatment for all people. Practically this means that the norms, practices, and policies in place ensure identity is not predictive of opportunities or workplace outcomes.

Inclusion is about creating a work environment where all team members feel valued and respected. Where similarities and differences are accepted and valued, where everyone feels safe and confident to contribute their ideas and perspectives and can reach their full potential.

4 Our Workplace

All employees and stakeholders engaging with AGIG play a part in creating an environment and workplace culture that embraces the benefits of equity, diversity and inclusion. Employees are required to follow Our Principles in their interactions with each other, our customers and the broader community. We seek to:

- Encourage and promote a diverse and inclusive workplace;
- Support and continue to comply with our obligations in relation to equal opportunity and diversity and inclusion, wherever we operate;
- Deliver leading diversity practices by applying the principles of equity, fairness, trust and respect and embedding diversity and inclusion into our everyday operations;
- Ensure a supportive, inclusive workplace free from all forms of discrimination, harassment and bullying;
- Promote equality, including gender equality, and ensuring equal remuneration, regardless of actual or assumed gender identity;
- Provide access to individually recognised working arrangements to support, for example, flexible working, cultural and parental leave; and
- Proactively offer opportunities to improve equity and inclusion in our workplace by seeking feedback and encouraging conversation amongst all employees and the Executive Leadership Team (ELT).



5 Our Responsibilities

Everyone is responsible for creating a good place to work with care and commitment at the center of our engagement and employee experience. Leaders are responsible, to ensure:

- All employees are treated fairly and with respect and dignity;
- Role modelling, acknowledgement and encouragement of expected behaviours; and
- Any barriers to equality are actively identified and eliminated.

ELT is responsible for regular review and implementation of this Policy, and related DEI Strategy and Plan and principles. Further, ELT is responsible for establishing measurable objectives for achieving gender diversity, equity and inclusion, and assessing the progress towards achieving those objectives.

All employees are encouraged to speak to their managers, the People and Culture team or use the Whistleblower Service (anonymous complaints through third party reporting) if they see or are subject to conduct or behaviour that is not consistent with this Policy.

AGIG's Code of Conduct Policy, Equal Employment Opportunity Policy, Respectful Workplace Policy, Workplace Grievance Policy and Fraud, Corruption, Misconduct, Prevention and Whistleblowing Policy provide further details.

The AGIG Diversity, Equity and Inclusion Policy shall be read in conjunction with all AGIG Policies. This policy is aligned to the CK Hutchison Workforce Diversity Policy.

6 Amendments of this Policy

This policy does not form a contractual entitlement and can be amended, varied or replaced from time to time.

Action	Governance Level	Date
Reviewed By	Executive General Manager People, Safety and Culture	16 April 2025
Approved By	Executive Leadership Team	
Policy Number	AGIG-PRO-P&C-008	
Version Number	3	
Operational Date		27 May 2025
Next Review Due		June 2026
Changes made from last version	The Policy has been updated to align with refreshed Values and the Workplace Gender Equality Agency (WGEA) updated legislation for employers with over 500 employees	



Statement of Commitment

Operative Date: 1 June 2025

AGIG is committed to fostering a positive workplace culture that promotes the physical and psychological well-being of our employees and partner employees. AGIG believes that all incidents are preventable and is continually striving to achieve Zero Harm. It is our intent to demonstrate an ongoing and determined commitment to improving Health, Safety and Environment (HSE) throughout our organisation.

Our commitment includes:

- Valuing the people that make up our workforce and the environment in which we operate.
- Creating a culture that targets Zero Harm to Health, Safety and Environment and where employees and contractors are empowered and accountable for our safety performance.
- Collaborating with government and industry bodies to share information and ideas on best practice for management on risks to Health, Safety and the Environment.
- Providing adequate resources to enable implementation of Health, Safety and Environmental management systems to effectively manage risk.
- Empowering our workforce to stop work when they determine that their safety, or that of their colleagues, the assets or the environment might be compromised.
- Engaging in regular, meaningful, two-way engagement with the workforce on Health, Safety and Environmental matters and providing prompt management support and feedback on matters raised.
- Enquiring about risks, mitigation strategies, incidents and near misses to maintain visibility of work practices and addressing any gaps identified between perceived and actual performance.
- Building and maintaining a positive and supportive environment and culture that protects from psychological injury
- Striving to continuously improve our processes and systems.

Craig de Laine
Chief Executive Officer

Paul May
Chief Financial Officer

Roxanne Smith
Executive General Manager
Corporate and Regulation

Tawake Rakai
Executive General Manager
Transmission Asset Management

James Smith
Executive General Manager
Transmission Operations

Johanna Birgersson
Executive General Manager
People, Safety and Culture

Cathryn McArthur
Executive General Manager
Customer and Strategy

AGIG-POL-HSE-0004
Version 6 – 1 August 2024



Training and Development Policy

AGIG is committed to investing in our employees', service provider workers' and contractors' capabilities by providing a culture and engagement of continuous training and development. It is our responsibility to create an environment where our people resources are acknowledged as the core contributors to achieving our vision and strategy, where we purposefully achieve growth and ignite greatness.

Purpose

The purpose of the Training and Development Policy is to outline AGIG's commitment to building progressive organisational capability by attracting and retaining high performing talent. As such AGIG sponsors varied training and development programs including that which is mandated, as well as role specific technical skills training and opportunities for professional development. On-the-job learning, coaching and mentoring, higher duties and job secondments, professional networking and affiliations are also included in the suite of personal learning and career development offerings.

Objectives

The objectives are to:

- attract and retain high performing talent across AGIG;
- align training with specific role and technical skill requirements;
- ensure employees have the foundations to perform their roles competently and confidently;
- provide growth opportunities developing skills and capabilities for ongoing technical, professional and career development; and
- enhance AGIG's capability to deliver on its vision and strategy.

Our Philosophy – 'Achieve Growth and Ignite Greatness'

Our training and development philosophy is anchored in the belief that *achieving growth* is a shared responsibility that requires active participation from leaders and employees alike. By creating a culture of self-actualisation, empowerment, accountability and significance we can *ignite greatness* within ourselves and our teams to enhance our overall performance and employee experience.

Responsibilities

AGIG is committed to being A Leading Employer and provide people programs that encourages a learning culture. As such the Executive Leadership Team is responsible for ensuring that training and development opportunities are made available to all employees and are fit for purpose.

The manager and employee are responsible for agreeing and planning the training and skills and professional development needs during the year. This includes considering timely completion of mandatory training and planning for required and additional training and development based on the role specific requirements and individual's desires.

More broadly the Leader's responsibilities are to:

- cultivate a supportive learning environment that encourages continuous growth;
- champion the AGIG Competency Framework and Technical Skills Framework; and
- ensure their teams complete all mandatory and required training prior to the required date.

The Employee's responsibilities are to:

- embrace continuous learning for personal and professional growth; and
- complete all mandatory and required training prior to the required date.

This policy should be read in conjunction with the Training and Development Guideline.