

ICN passes the Gorgon test

The Gorgon Project in Australia's north-west is the largest single resource project ever undertaken in this country. With ICN's help, over \$20 billion in contracts are on track to be secured by Australian firms.



HDPE pipes

The Chevron-operated \$43 billion Gorgon Project will set new benchmarks in the energy industry and is creating history in Western Australia. The Project is creating opportunities for employment and local businesses and improving energy security for at least the next 40 years.

The Gorgon Project is expected to spend about \$20 billion on Australian goods and services during construction.

This was always going to be an enormous challenge, given how stretched the relevant Australian sectors have been through our sustained resources boom.

Chevron has been working with ICN in WA for many years, and turned to its industry knowledge and networks to meet this challenge. Part of the solution is to tap into firms whose skills and energy are world-class, but have not yet had exposure to the resources sector.

Fulfilling the brief of a large project developer has always seen ICN work as a team, tapping the relationships of all of its staff, as well as its information sharing assets like ICN Gateway.

The Gorgon challenge brought the best out of the ICN team, led by Linus O'Brien from ICN's WA office.

"Gorgon has been the biggest project we've worked on," says Linus, "and the exciting thing about it is the number of Australian firms we've been able to bring online. It's an extremely satisfying experience."

In all, ICN has helped with Gorgon enquiries to just over 1,000 firms and so far 61 firms have been successful with contracts worth, collectively, over \$1 billion.

One of those firms has been Kingston Bridge Engineering, a specialist polyethylene (HDPE) pipe maker based in Welshpool WA.

The Project needed a local supplier with the willingness both to innovate and meet the requirements. A factor was the environmental sensitivity of the remote northwest shelf and of Barrow Island, home to the natural gas processing plant. Each component had to meet strict requirements in its coatings, treatments and packing.

"We tapped all of our networks to find suppliers with the right capabilities and attitudes", explained Linus.

Kingston Bridge Engineering pushed itself hard to meet Chevron's requirements, fabricating the specialised fittings and spools and investing in new technology to supply the required diameter of piping. As a

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ICN

CaseStudy

result Kingston Bridge Engineering is now one of just two firms in the world that can make HDPE pipe up to two metres in diameter.

With its expanded capacity, Kingston Bridge Engineering has secured contracts with the Gorgon Project worth \$8.5 million. They have also earned an export contract to Hong Kong, and another for a US-led project in Australia.

The success has been more than financial. The Gorgon Project allowed Kingston Bridge Engineering to retain staff during the global financial crisis, while other businesses were being forced to cut back. Being able to retain experienced staff has kept Kingston Bridge Engineering in a strong position to cater for future projects.

“Our involvement with the Gorgon project has been exciting and challenging. It has extended KBE’s knowledge, skills and capabilities to enable us to complete specialised projects in the future with confidence.” said Vanda Bostin from Kingston Bridge Engineering.

Chevron has made commitments for over \$15 billion in local contracts so far, and has confirmed that it will continue to break down the scope of some of its larger contracts so that they are within reach of local firms.

For its part, ICN will continue to connect Australian companies with our largest projects. The Australian Government has provided additional funds for ICN to work

on four multi-billion dollar projects:

- Woodside’s Browse LNG project in Western Australia
- INPEX’s proposed \$25 billion Ichthys LNG project in the Northern Territory
- BHP Billiton’s proposed Olympic Dam mine in South Australia
- LNG projects in the Gladstone area of Queensland with a combined value of \$50 billion.

“There are immense opportunities for Australian industry to benefit from one of the largest resources sector investment booms”, said the Prime Minister in announcing ICN’s role. “We want to make sure Australian businesses have the best chance at securing these contracts.”

The investment and construction phases of Australia’s resource boom are expected to continue well into the 2020s. The opportunities for Australian engineering and other supply firms are unprecedented. ICN will continue to support those firms who are looking to expand their own horizons.

ICN is Australia and New Zealand’s innovative industry matchmaker. If you’re a major project developer, ICN can put you in contact with the best suppliers. If you’re a supplier we will connect you with the best projects for your business. With ICN’s 28 years’ experience, more than 100 technical experts and ICN Gateway on your side, you’ll never miss an opportunity to make the right connection.

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Vanda Bostin
Kingston Bridge
Engineering



HDPE pipes

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on 1300 961 139