

WIGGINS ISLAND COAL EXPORT TERMINAL INDEPENDENT PRACTICAL COMPLETION ASSESSMENT



The Client

Gladstone Ports Corporation Queensland Treasury (the State of QLD) and Wiggins Island Coal Export Terminal (WICET).



Gladstone Ports Corporation
Growth, Prosperity, Community.



The Project

Flagstaff were engaged as the Independent Engineer by the State, Gladstone Ports Corporation (GPC) and WICET to provide third certification of key obligations under the Lease (GPC & WICET) and the Framework Deed (State, GPC and WICET). Key components of the engagement were the assessment of:

- Compliance of the Initial Tenant Works Plan (ITWP) with the Terminal Master Plan (TMP)
- Tenant Works Costs (CAPEX) reflected the forecast actual costs and were reasonable
- Assessment of the likelihood of achievement of the Project Milestones by the specified dates for each milestone
- Practical Completion has been achieved in accordance with the agreement obligations under the Lease and Framework Deed



The Challenge

- CAPEX Review conducted during heated market conditions during resource boom which required assessment of advised project costs to be conducted with key focus on ultimate alignment of delivery strategy and execution plan. The provided CAPEX was developed from a range of consultant and contractor pricing with no uniform agreement of key assumptions.
- With the Port of Gladstone being one of Queensland's largest multi-commodity port with six main wharf centres and comprising of 20 individual wharves the assessment of the ITWP against the TMP was crucial to ensure overall port operations and future expansion were not negatively impacted.
- Practical Completion certification was undertaken with a pragmatic approach to ensure the obligations were discharged in the most efficient manner available to the IE and interfacing parties of WICET, State and GPC while the facility was in key ramp up stage and transitioning from construction team to operations team.

The Outcome

- Application of the collective experience and skill set from Flagstaff allowed for both the State and GPC to proceed with the project on a CAPEX and Schedule expectation as a result of a high level of confidence gained from the independent and experienced assessment. Certification of Practical Completion was conducted with rigour and challenge to ensure that GPC and State were not exposed to legacy issues for the forward term of the agreements.



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