

# Working with our contractors

ACENZ/NZCF Joint Conference

Patrick Strange

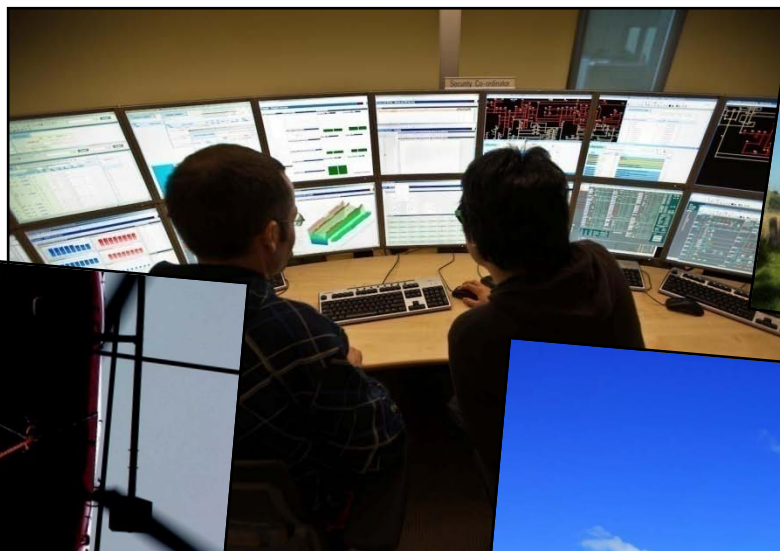


TRANSPOWER 



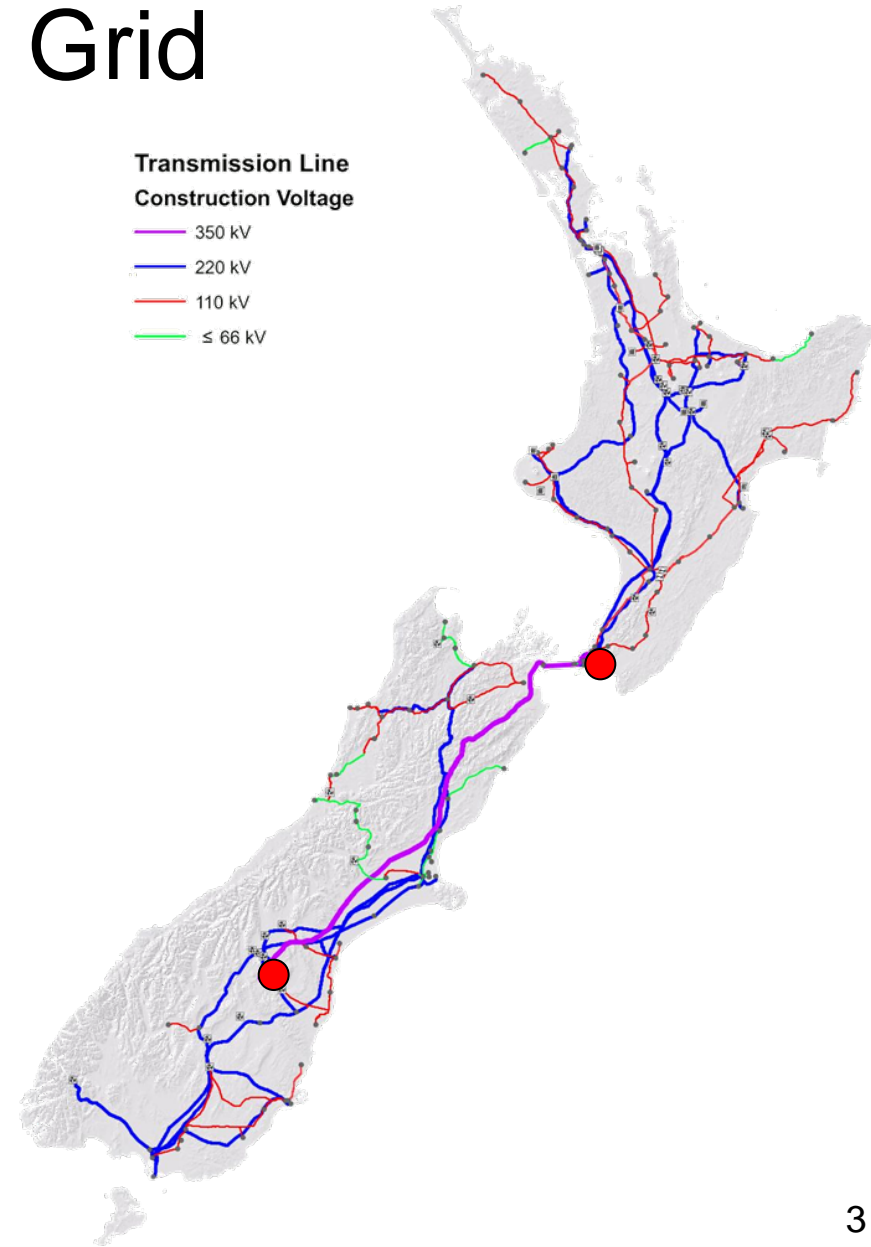
# Transpower – what we do

- Plan, build and maintain the national grid
- Operate the system in real time

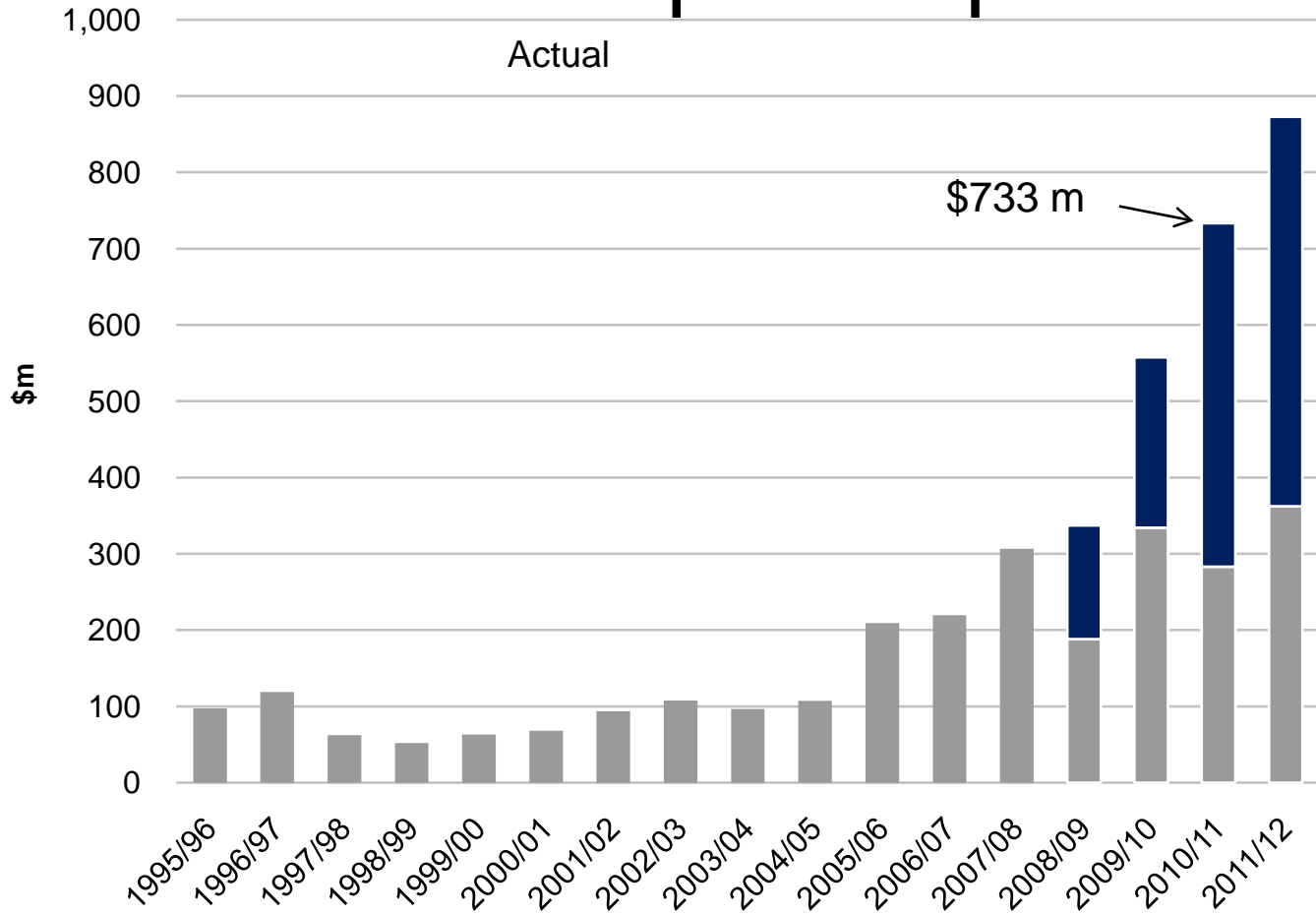


# The National Grid

- 11,800km of high voltage lines, 182 sub and switching stations
- 41,000 towers and poles
- 800 power transformers; 2,000 circuit breakers etc
- Assets are located in 77 (out of 78) Regional, District and City Councils

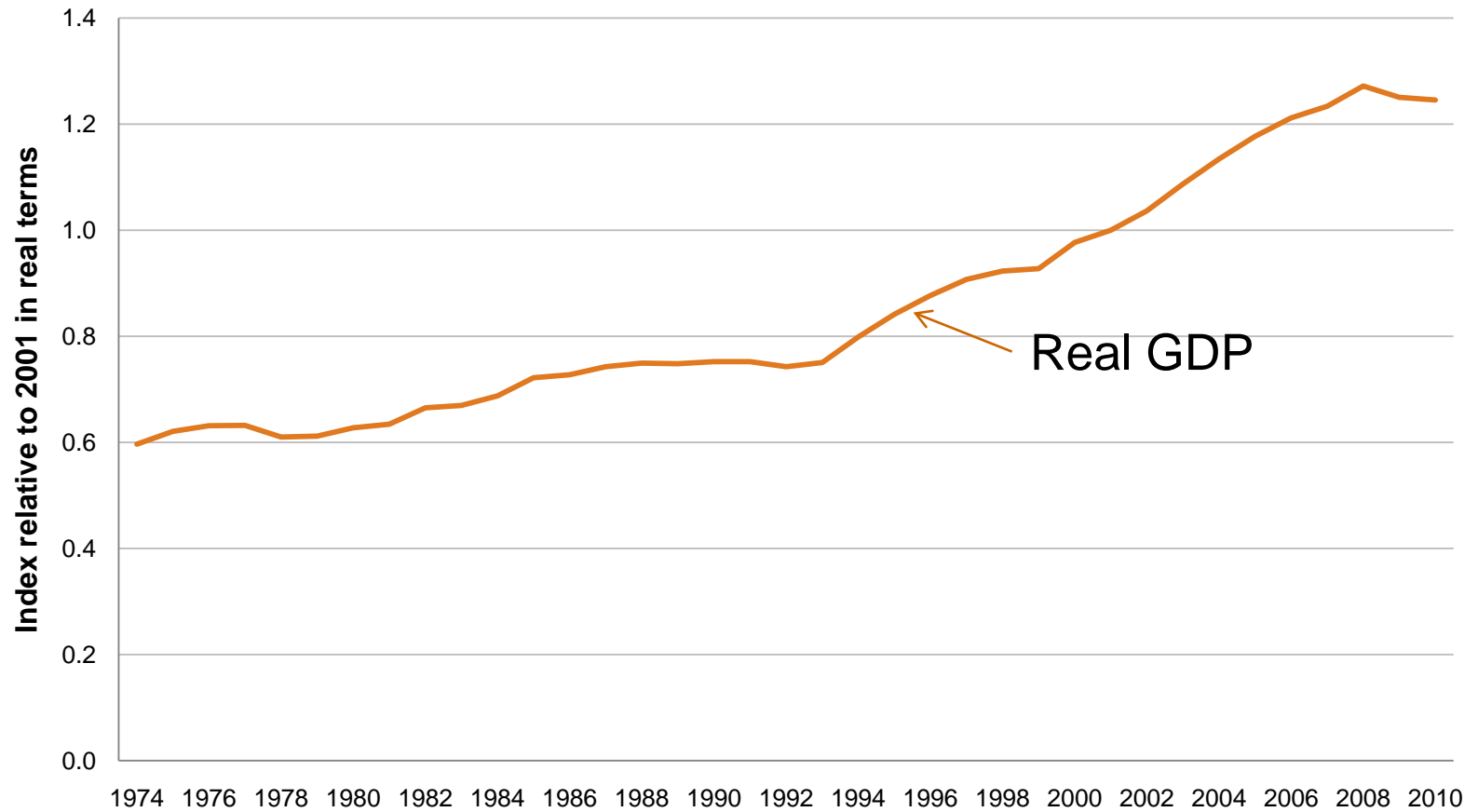


# Capital expenditure

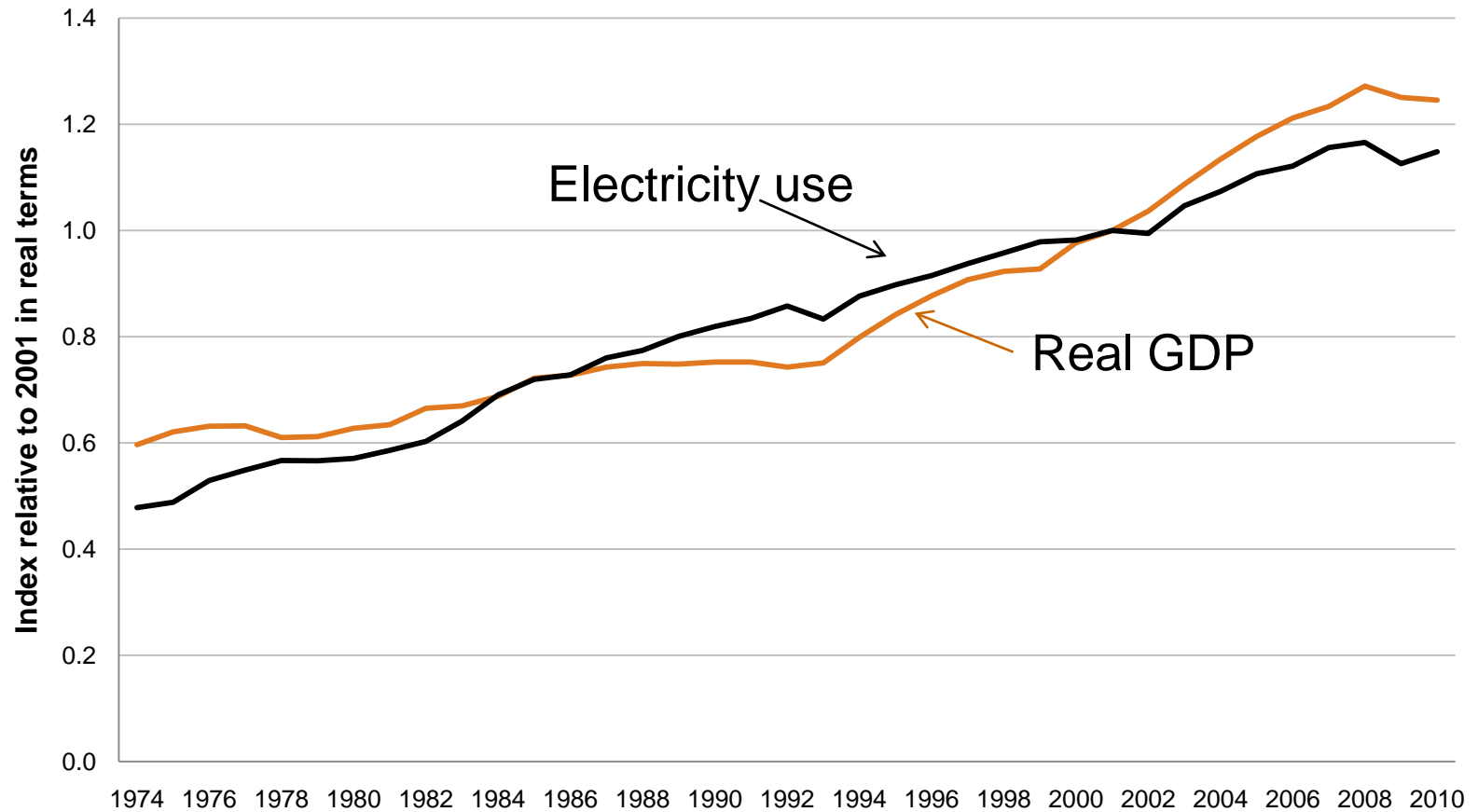




# New Zealand electricity



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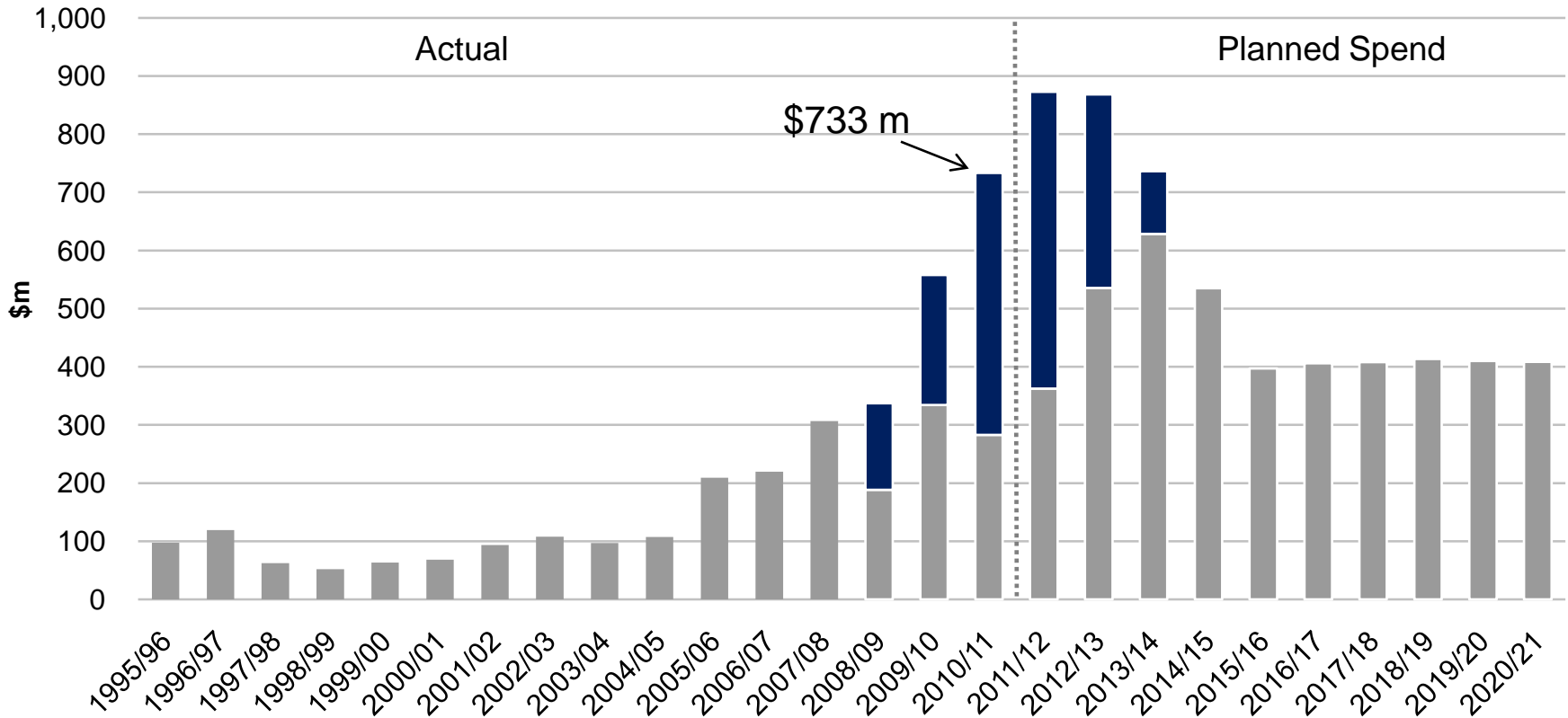








# Capital expenditure



# Breakdown

- Heavy power equipment (imported)
- Electrical components (mixed)
- Metalwork
- Electrical installation
- Civil/Mechanical works



# Using contractors

- Recognising significant non-electrical component in many of our projects
- Changing the way we structure work to better use contractor capability – discouraging inefficient vertical integration
- Contracting in ways that allow specialist or regional civil contractors to undertake work they are good at, and to add value



# Waikato 400kV Line



# An \$824 million project

- 185 km overhead line - \$350 m
- Substations - \$80 m
- 11 km circuit underground line - \$140 m



# Brownhill Road



# NIGU cables





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- Overhead line – Alliance
- Brownhill substation – HEB
- Cable trenching - Transfield Infrastructure
- South Auckland earthworks - Ross-Reid
- Pakuranga substation - United
- Whakamaru substation – Downer
- etc



# New Wairakei Line - \$141 million

- Separating out the specialist electrical parts of the line component to allow civil contractors to bid for the other work
- The project will have packages of civil works (access, foundations and tower erection) and a package of specialised electrical work (conductor installation)



# Pole 3 - \$673 million



- Haywards foundations and earthworks – Brian Perry
- Benmore and Haywards civil – Mainzeal, as contractor to Siemens



# Substation works



# Recent slip on Waihou line



# Grillage



# Our focus

- Separating out scopes, when we can
- Moving to using regionally based contractors who understand local issues, geography etc - grillage work
- Allowing the contractors to innovate better
- Providing longer lead times to allow work smoothing, etc



- Safety standards are a significant issue for many contractors – we have one standard that applies to all our work



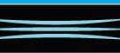


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- Similarly, we set a high value on landowner and stakeholder relationships



- and standardisation is important?



# Questions?

