VICTORIAN DESALINATION PROJECT MEDIA RELEASE



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VICTORIAN DESALINATION PROJECT - CONSTRUCTION COMPLETED!

AquaSure announced today that the Victorian Desalination Plant (VDP) had completed reliability testing finalisation (RTF) – the final contractual milestone for the construction of the project.

Chris Herbert, CEO, AquaSure confirmed that the plant had successfully completed the required 30 day continuous production test on 17 December since passing all of the tests for Commercial Acceptance on 17 November 2012. The test involved the plant operating at its full capacity, producing 450,000m3 of high quality drinking water per day and delivering it to Cardinia Reservoir. Formal certification from the Independent Reviewer and Environmental Auditor (IREA) is expected within the coming days.

Mr Herbert said that the trouble-free completion of this milestone was as a result of the very expert input of the key project parties Thiess Dégremont Joint Venture (TDJV), who built the VDP, and Dégremont Thiess Services (DTSJV) who will operate it. The plant has run faultlessly since commissioning commenced in the middle of the year.

"We have had the best of the best working on this project: Thiess and Dégremont are leaders in their respective fields of construction and engineering, and reverse osmosis technology and operations, and they have delivered a great result that will be serving Victoria for decades to come', Mr Herbert said.

"People forget that the VDP is one of the largest and most complex infrastructure projects undertaken in Australia in recent years – and in just over 36 months a very great deal has been achieved.

"We've gone from an empty paddock in September 2009 to now having effectively completed five different major projects including:

- construction and commissioning of the 29 buildings that make up the desalination plant site, including the reverse osmosis building, the heart of the VDP
- construction and commissioning of two underground tunnels measuring 1.2 km and 1.5 km long and 4.6 metres in diameter, and associated marine works
- construction and commissioning of the 84 km, 1.9 metre diameter, transfer pipeline that will
 provide water to communities throughout Melbourne, South Gippsland and Westernport, as
 required;
- building and energising the 87km underground power cable the longest 220kV HVAC underground power cable of its type in the world

"In that time we've clocked up 18 million man-hours, with no serious injury and provided employment to more than 10,500 people", he said.

Mr Herbert said the project had contributed significantly to Victoria's economy during construction, having awarded around \$1.3 billion of supply contracts with three quarters to Australian companies and two-thirds of these to Victorian companies.

With RTF now complete, water production will cease and the plant will be put into standby mode. The full complement of the operations and maintenance team (52) will ensure that the plant remains ready to deliver water on demand to meet the needs of the people of Victoria.

"The plant will now be in the hands of the operations team, DTSJV, who will manage this asset until 2039 when it will be handed back to the Government in perfect working order, ready to produce high quality drinking water for decades to come", Mr Herbert said

The Victorian Desalination Plant is a State asset for the long term. It will produce high quality water to meet the needs of the people of Victoria whenever required, a resource that will be valued in times of future drought.

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For further information:

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