

Case Study

Jemena - Electricity Maintenance, Construction & Logistics Services, VIC

Specialised Training Centre

Prior to commencing works, all Thiess Services crew members undertook rigorous training at the specially designed electrical training centre located at the Thiess Services QLD/NT/WA Head Office in Brisbane.

This cutting edge training centre is fully equipped to provide staff and contractors with training in all facets of electrical distribution line contracting, including live line training.



Location

Melbourne, VIC

Client

Jemena (formerly Alinta Network Services)

Value

AU\$ 22 Million per year

Duration

July 2001 to June 2004
January 2005 to January 2009
Option of 2-year + 1-year extensions

Contract Type

Schedule of Rates

Thiess Services was awarded the three-year contract in May 2001 to supply the maintenance, construction and logistics support services to electrical distribution company Alinta Network Services.

Alinta Network Services supplies electricity to some 500,000 customers across south-east Melbourne and the Mornington Peninsula, this contract covered two thirds of the total area in the supplier network.

The services provided include:

- all types of work on overhead lines up to and including 66kV;
- small customer connections;
- public lighting;
- management of "no go zones"; and
- response to faults, high voltage injections and electric shock reports (at all hours).

An eight-week mobilisation period leading up to the contract's starting date was used to employ 70 project personnel plus subcontractors and to buy specialised vehicles and equipment, some imported from New Zealand and the USA.

In addition to the provision of electrical infrastructure construction and maintenance, the contract includes a logistics service, where-by Thiess Services purchases, manages and on-sells materials at a predetermined rate. The logistics service to date has a turnover of approximately \$1M per month.

Quantities

Thiess Services employs only qualified A-Grade Electrical Linesmen, who each receive refresher training every 12 months. Fully qualified in-house instructors constantly monitor and audit staff performance. Since the commencement of the project, personnel levels have grown to 130, with a fleet now comprising 72 vehicles. In excess of 50% of the fleet is within 3 years of age.



Innovations

The service also includes stock management of satellite stores. During the initial six months of this contract the first hurdle of zero fire index was achieved in October 2001. This involved a works program that had to be completed in the Mornington Peninsula to minimise risk of the electricity system being the cause of bushfires.

The Heatherton stores division manages 2000 line items, including:

- poles up to 22m in timber and concrete;
- all associated pole hardware;
- a wide range of animal proofing products; and
- an extensive range of cable.

This critical target was again delivered ahead of schedule in 2002 and involved the consumption of 4500 man-hours of activity in during October to achieve the outcome.

Awards & Recognition

At the end of the first year of the contract, Thiess Services was awarded a performance bonus for exceeding all Key Performance Indicators (KPIs). Under the contract, Thiess Services has set KPIs for achieving Guaranteed Service Levels, which are currently being exceeded with 99% compliance.

Towards the end of 2004 Thiess Services was successful in achieving a 4 year plus 2 plus 1 contract with Alinta Network Services commencing on 1 January 2005. This new contract covers the whole of the Alinta Network Services franchise area.

However, more importantly, an Alliance with the Alinta Network Services and its subsidiary company has been agreed to. This commences on 1 January 2006 and is testimony to the high regard in which the Alinta Network Services holds Thiess Services.

OHSE

Despite the dynamic growth of the project, a good safety record has been maintained. This has been reinforced by the most stringent auditing regime, with three levels of auditing conducted by Thiess Services, Alinta Network Services, and an independent third party.