Australian Government

Defence

SUBMARINE ROTATIONAL FORCE - WEST PRIORITY WORKS

HMAS *Stirling*, Western Australia

STATEMENT OF EVIDENCE TO THE PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

June 2024

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Submarine Rotational Force – West
Priority Works

1. The purpose of this Statement of Evidence is to provide information to the Australian public to comment on, and to inform and support the Parliamentary Standing Committee on Public Works enquiry into the proposed works under the Submarine Rotational Force - West Priority Works (the Project).

Executive Summary

2. The aim of the Project is to provide critical facilities and infrastructure required at HMAS *Stirling* to support the initial establishment of the Submarine Rotational Force - West in 2027.

3. The Project will deliver maritime infrastructure, new and upgraded facilities and infrastructure to accommodate the operational, maintenance and sustainment functions required by the Submarine Rotational Force - West. These works are in addition to the previously approved living-in accommodation, training facilities and early works notified to the Committee, and complement the supporting facilities and infrastructure for the Submarine Rotational Force - West that have been exempted from referral to the Parliamentary Standing Committee on Public Works.

4. All works will be designed and constructed in accordance with relevant legislation, standards, codes, guidelines and Defence policies. Accredited building certifiers will certify the compliance of the design and completed works. As some works will need to comply with nuclear safety requirements, Defence will engage suitably qualified and experienced personnel to ensure the works will be designed and constructed to comply with the applicable standards and regulatory approvals.

5. Defence has agreed an approach to assessment under the *Environment Protection and Biodiversity Conservation Act 1999 (Cth)* (EPBC Act) with the Department of Climate Change, Energy, the Environment and Water. While the majority of the proposed works have been assessed as unlikely to have a significant impact on the environment, two elements of the Project, the Controlled Industrial Facility and the proposed intrusive marine activities (such as piling, dredging and dredge disposal) will be referred to the Minister for the Environment and Water under the EPBC Act.

6. Defence, together with the construction contractors engaged to deliver the Project, will promote opportunities for small and medium local enterprises through construction

trade packages, providing employment opportunities in Western Australia. There will also be opportunities for Indigenous businesses to be involved in the Project in accordance with the Government's Indigenous Procurement Policy.

7. The Project's estimated total capital out-turned cost is $738.1 million (including Contingency and excluding Goods and Services Tax). The cost estimate includes project management and design fees, construction, information and communications technology, furniture, fittings, equipment, contingencies, and a provision for escalation. There will be ongoing operating costs as a result of the works. No revenue is expected to be generated by these works.

Purpose of the Works

Aim of the Project

8. The aim of the Project is to provide critical facilities and infrastructure required at HMAS *Stirling* to support the initial establishment of the Submarine Rotational Force - West in 2027.

Location of the Project

9. The Project will be delivered at HMAS *Stirling*, which is located approximately 60 kilometres south of Perth, Western Australia.

Need for the Project

10. The need for a conventionally-armed, nuclear-powered submarine capability has arisen as Australia's strategic environment has deteriorated more rapidly than anticipated. The Indo-Pacific region is now the centre of strategic competition. The technological edge enjoyed by Australia and our allies is narrowing. As a three-ocean nation dependent on seaborne international trade, Australia requires cutting-edge naval capabilities.

11. The 2020 Defence Strategic Update and the 2020 Force Structure Plan identified the need for Australia to invest in high-end capabilities that bolster our deterrence and better prepare us to respond in the event of conflict in our region. In response, Australia outlined a commitment to developing a more capable military force that allows us to continue to help shape the region's future trajectory and strengthens our ability to work with regional partners in support of stability and security. In particular, the review reaffirmed that a future submarine capability would be critical to our defence strategy, albeit at that stage a conventional submarine was envisaged.

12. On 21 September 2021, Australia, the United Kingdom and the United States announced the establishment of an enhanced trilateral security partnership called 'AUKUS'. Under AUKUS there are two related lines of effort – acquisition of a Nuclear-Powered Submarine capability and other Advanced Capabilities. The AUKUS Nuclear Powered Submarine Pathway ('Optimal Pathway'), trilaterally announced by Australia, UK and US in March 2023, confirmed Australia's commitment to establishing a conventionally armed nuclear-powered submarine capability at the earliest possible date.

13. The 2023 Defence Strategic Review reaffirmed the need to develop a nuclear-powered submarine capability by including 'investing in conventionally-armed, nuclear-powered submarines through the AUKUS partnership' as the first of its six priorities for action.

14. The 2024 National Defence Strategy confirmed 'the Optimal Pathway for Australia to acquire conventionally-armed, nuclear-powered submarines will be implemented as a conditions-based three-phase program, with the Submarine Rotational Force - West beginning operations as early as 2027.

15. HMAS *Stirling* is currently the home port to five Anzac Class Frigates, six Collin Class Submarines, an Auxiliary Oiler Replenishment ship and other support vessels. The Navy Capability Infrastructure Sub-program, scheduled for completion in 2027, is currently delivering a significant investment in new and upgraded facilities and infrastructure at HMAS *Stirling* to support Arafura Class Offshore Patrol Vessels and Hunter Class Frigates.

16. HMAS *Stirling* will also be at the forefront of the Optimal Pathway for Australia's acquisition of a conventionally-armed, nuclear-powered submarine capability, and will see:

a. more frequent port visits from UK and US nuclear-powered submarines;

b. a rotational presence for UK and US nuclear-powered submarines, known as the Submarine Rotational Force – West, from as early as 2027; and

c. Australia's first nuclear-powered submarines from the early 2030s.

17. Notwithstanding the significant investment in facilities and infrastructure at HMAS *Stirling* through the Navy Capability Infrastructure Sub-program, the submarine squadron's working accommodation has remained unchanged since the mid 1990's, and the existing facilities are aged, disconnected and need additional works to meet the stringent requirements for operation of nuclear-powered submarines. This Project is the first step in progressively developing HMAS *Stirling* over the next decade to becoming an operating base for at least half of the future nuclear-powered submarines by the early 2040s.

Previous Approvals

18. **Living-In Accommodation and Training Facilities.** On 30 November 2023, the Parliamentary Standing Committee on Public Works approved Defence's request to expedite the delivery of two previously approved scope elements under the Navy Capability Infrastructure Sub-program, namely additional living-in accommodation, associated car parking and the Navy Training Systems Centre - West Stage 2, valued at $212.3 million, to support the Submarine Rotational Force - West.

19. **Early Works.** Also on 30 November 2023, the Parliamentary Standing Committee on Public Works approved the Submarine Rotational Force - West Priority Works – Early Works, valued at $74.9 million, comprising works that would enable the rapid commencement of construction of this Project.

20. **Exempted Works.** Defence has also sought an exemption under the *Public Works Committee Act 1969* Section 18(8b) for certain facilities and infrastructure required urgently by the Submarine Rotational Force - West. These works do not require licensing under the nuclear safety regime described in paragraphs 26 – 28 and are not subject to referral under the EPBC Act. The estimated cost of these works is $646.1 million.

Proposed Facilities Solution

21. Defence undertook comprehensive master planning, site investigations, stakeholder consultation, whole-of-life cost analysis and design development to establish the capital facilities and infrastructure works required to address the Project need.

22. The scope of the Project is a product of a detailed assessment of the essential requirements to establish the facilities and infrastructure required by the Submarine Rotational Force - West in 2027, and an analysis of the capacity of the existing facilities and infrastructure to meet these requirements. Where practical, existing facilities are being re-purposed or upgraded to meet the requirements of the Submarine Rotational Force - West. New facilities are proposed where there are no alternative solutions. A further critical consideration is the requirement to maintain current surface fleet and Collins Class submarine operations. The Surface Fleet Review has highlighted changes to the surface fleet which will be considered as the implementation is progressed. Supporting US and UK nuclear-powered submarine visits during the delivery phase also requires coordination between port services and construction.

23. The Project aims to deliver only those works that are needed to support the establishment of the Submarine Rotational Force - West in 2027. The Project is the start of a comprehensive program of works that will deliver an integrated facilities solution supporting the breadth of Commonwealth requirements to safely and securely acquire, construct, deliver, technically govern, sustain and dispose of Australia's conventionally-armed, nuclear-powered submarine capability for Australia.

Scope of Project Works

24. The Project involves three Project elements:

a. **Project Element 1 - Maritime Infrastructure:**

(1) upgrade berthing infrastructure and services and complete required dredging for nuclear-powered submarines;

(2) upgrade existing berthing infrastructure and services and construct a new pontoon for small boats; and

(3) complete required dredging at the Explosive Ordnance Loading Wharf.[1]

b. **Project Element 2 - Operational Facilities:**

(1) construct a Radiological Controls Technical Field Office.

c. **Project Element 3 - Maintenance and Sustainment Facilities:**

(1) construct a Controlled Industrial Facility;

(2) construct a Power Station and associated services;

(3) construct a pure water processing plant; and

(4) upgrade existing precinct engineering services infrastructure.

25. Images of the proposed project elements are provided in attachment 2.

Nuclear Safety

26. Nuclear safety will be the paramount consideration in all aspects of operating and maintaining a nuclear-powered submarine capability. A nuclear safety case is being developed by the Australian Submarine Agency that will address all aspects of the nuclear-powered submarine lifecycle. A separate safety case will be developed to provide the basis for a site licence that will detail the regulations, conditions or restrictions that will ensure

[1] The upgrading of services at the wharf was included in the approved Early Works project.

nuclear-related functions at HMAS *Stirling* are conducted safely. The safety case strategy is being developed through close collaboration between industry experts, the Australian Submarine Agency, and the Department of Defence to ensure the approach is in line with relevant international good practice and the needs of the Commonwealth.

27. Initially, the *Australian Radiation Protection and Nuclear Safety (ARPANS) Act 1998* and Regulations 2018 will provide the regulatory framework for nuclear safety and radiological protection requirements. Included in the Regulations are several Codes of Practice that must be complied with once a licence is obtained. The Government will also establish a new independent statutory regulator, the Australian Naval Nuclear-Power Safety Regulator. This new regulator will have the functions and powers necessary to regulate the nuclear safety and radiological protection across the lifecycle of the nuclear-powered submarine capability to protect both people and the environment, and will be responsible for issuing the site licence and ensuring ongoing compliance with the regulatory framework. These regulatory powers and functions will extend to facilities and infrastructure directly supporting or associated with supporting and maintaining the nuclear-powered submarine capability to ensure that nuclear safety is suitably managed.

28. The facilities and infrastructure requirements for the Submarine Rotational Force - West have been divided into two categories in accordance with guidance from experienced nuclear professionals. This Project addresses the first category, licensed facilities, and comprises facilities and infrastructure subject to nuclear regulatory consideration, approval and licensing. Defence will need to ensure that these facilities meet the stringent requirements to achieve regulatory approval and licensing. Qualified, experienced nuclear safety designers and assurance professionals will be engaged to provide Defence with full support for the design and construction of these facilities and infrastructure. The second category, non-licensed facilities, comprises facilities and infrastructure that will not be subject to nuclear regulatory approvals and licensing, and have been exempted from referral to the Parliamentary Standing Committee on Public Works. The design and construction of these facilities can be delivered using Defence's established design and construction contracting strategies.

General Planning and Design Concepts

29. In addition to the foregoing approach to ensuring nuclear safety, the general philosophy for the design of the proposed works is based on:

a. providing cost-effective, functional, low maintenance, energy efficient design options compatible with proposed functions and existing aesthetics;

b. adopting where possible, conventional construction techniques and materials commonly used by the construction industry and consistent with those already used;

c. applying appropriate durability measures to reduce ongoing maintenance and achieve the proposed design life; and

d. providing flexible services and infrastructure to accommodate an appropriate level of growth.

Relevant Legislation, Codes and Standards

30. The following legislation, standards, codes, and guidelines are applicable:

a. *Environment Protection and Biodiversity Conservation Act 1999 (Cth)*;

b. *Fair Work (Building Industry) Act 2012 (Cth)*;

c. *Work Health and Safety Act 2011 (Cth)*;

d. *Disability Discrimination Act 1992 (Cth)*;

e. *Fair Work Act 2009 (Cth)*;

f. *Building and Construction Industry (Improving Productivity) Act 2016 (Cth)*;

g. *Australian Radiation Protection and Nuclear Safety (ARPANS) Act 1998*;

h. Australian Radiation Protection and Nuclear Safety Agency's Codes and Standards Radiation Protection Series C-1 (Rev 1);

i. National Construction Code - Building Code of Australia;

j. Australian Government Information Security Manual;

k. Defence Security Manual;

l. Defence Security Principles Framework;

m. Defence Smart Infrastructure Manual;

n. Defence Building Energy Performance Manual;

o. Defence National Sub-Metering Program;

p. Defence Manual for Infrastructure Engineering Electrical;

q. Defence Manual of Fire Protection Engineering;

r. Defence Engineering Services Network Standard;

s. Defence Facilities Communications Cabling Standards;

t. Defence National Accommodation Management Policy;

u. Defence Office Accommodation Guidelines;

v. Ministry of Defence (United Kingdom) Nuclear Safety Regulations DSA02-DNSR Defence Nuclear Safety Regulations of the Defence Nuclear Enterprise (and the associated guidance document DSA03-DNSR); and

w. International Atomic Energy Agency's Specific Safety Guide SSG-35 Site Survey and Site Selection for Nuclear Installations.

31. An accredited Building Certifier will certify the compliance of the design and the compliance of the completed works. Construction compliance with the design shall be assured using approved quality management systems which will implement processes including independent inspections, audits, and testing. For the licensed facilities, independent qualified, experienced nuclear safety designers and assurance professionals engaged by Defence will provide a further level of assurance that nuclear safety requirements have been met by the designs and the completed works, with the final approval to operate provided by the relevant Nuclear Regulatory body.

Land and Zoning

32. The proposed developments are consistent with uses prescribed in the HMAS *Stirling* Zone Plan and Estate Base Plan, and the Defence Estate Principles of Development.

33. Site selection processes have been completed for the proposed facilities and infrastructure and will be reviewed as necessary at each future design milestone. The site selection process considers the suitability of potential sites for each function, applicable safety considerations, the location of existing and proposed related functions, the siting requirements for planned development, access to engineering services infrastructure, vehicle and pedestrian movements and environmental and heritage management factors.

Structure

34. The proposed structures will be designed according to the local geotechnical profile and structural loads. New structures will be designed to comply with all relevant Australian Standards, the National Construction Code and Defence design guidelines. Additional criticality requirements apply to the structural design of licensed facilities and infrastructure based on the relevant international good practice and International Atomic Energy Agency guidance.

35. Footing systems will vary from piled foundations to concrete slabs on ground, according to the facility's function and height. Superstructures will comprise steel or concrete frames.

Mechanical Services

36. The mechanical services have been designed according to the function and needs of each building. The proposed mechanical services will meet specific user needs, relevant

ventilation, thermal comfort and air quality requirements and the mandatory requirements of Australian Standards, the National Construction Code and Defence guidelines applying to heating, cooling, air conditioning and ventilation systems, smoke management and building management systems. A higher standard will apply to all mechanical services required in licensed facilities.

37. Allowance will be made for the effects of climate change in the sizing and selection of the mechanical services plant. Piped services including compressed air, nitrogen and oxygen for tools or specialist equipment will be provided where required.

38. As the plant in the facilities proposed for refurbishment will require replacement in the next two to three years, new plant will be installed as part of the Project. Ductwork will be modified, and outlets relocated to suit the new fit-outs and if required, supplementary air conditioning systems will be installed.

Civil Works

39. Site preparation works will be designed to ensure the site is suitably graded outwards to adjacent roadways or open spaces, to avoid impacting on any overland flows and to ensure adjacent facilities are not compromised. New roadworks will be designed in accordance with Main Roads Western Australia's Road Note 9 for pavements and will consider forecast traffic movements and local geotechnical conditions. Stormwater design will comply with the Smart Infrastructure Manual and will avoid increasing peak stormwater discharge flows.

Hydraulic Services

40. Existing potable water, sewerage, wastewater and stormwater services will be extended or upgraded to each proposed facility in accordance with Australian Standards. Firefighting water will be provided as required by the Defence Manual of Fire Protection Engineering requirements. Standalone fire water systems comprising fire water tanks and pumps will need to be installed in some new facilities to comply with the required pressures and flows. In addition to potable services, a reliable, resilient higher quality water supply will be required for some licensed facilities.

41. Potable water services for each new facility will be connected to the existing supply via sub-metering that complies with the Defence Smart Infrastructure Manual and the Defence National Sub-Metering Program requirements. Systems to collect and store rainwater for use in toilet flushing and landscape irrigation will be considered.

Electrical Services

42. Lighting, power generation and supply, and lightning protection will generally be provided in accordance with Australian Standards and Defence engineering requirements. For licensed facilities, a higher standard of reliability and resilience will need to be met.

43. Electrical infrastructure and switchboards will have spare capacity to allow for future growth. Sub-metering will be included in each new or refurbished building to comply with the National Construction Code and Defence National Sub-Metering Program requirements. These meters will be connected to the existing Building Management System, which supports an ongoing, base-wide energy management program.

Maritime Engineering

44. The low water mark, and tide and tidal plane data for Fremantle has been adopted for all Maritime engineering designs. This approach aligns with previous projects involving the provision of maritime engineering at HMAS *Stirling*. The characteristics of the Virginia, Astute and Collins Class submarines primary design vessels have provided the basis for selecting a suitable fendering system and dredging requirements.

Fire Protection

45. Fire protection has been addressed through compliance with the Building Code of Australia and the Defence Manual of Fire Protection Engineering. Defence has assessed the asset classification and criticality to determine the fire protection systems to be implemented in all new and upgraded facilities. These systems may include automatic fire detection, automatic fire sprinklers, occupant warning systems in addition to fire hose reels and potable fire extinguishers. Additional requirements will also apply to the provision of fire protection systems in licensed facilities.

46. Where required, facilities will comply with the Australian Standard for construction of buildings in bushfire prone areas and the Defence Manual of Fire Protection Engineering.

Security Measures

47. Security measures will meet the requirements of Defence security authorities and the design will comply with Defence Security Principles Framework. New security services will be compatible with existing security systems.

Acoustics

48. The design of the new facilities will comply with the National Construction Code and Australian Standards for noise and acoustics in living in and working accommodation.

49. Acoustic separation has been considered in construction elements, while surface finishes are being designed to meet user requirements. Where required, additional acoustic measures will be undertaken to comply with Defence security requirements.

Climate Change Considerations

50. Western Australian Planning Commission's Statement of Planning Policy No 2.6 State Coastal Planning Policy guidance for mean sea level changes has been adopted as a basis for design for the facilities and infrastructure proposed in the Project.

Work Health and Safety

51. The Project will comply with the *Work Health and Safety (WHS) Act 2011 (Cth)*, Work Health and Safety (Commonwealth Employment – National Standards) Regulations, and relevant Defence policies. In accordance with Section 35 (4) of the *Building and Construction Industry (Improving Productivity) Act 2016 (Cth)*, contractors will also be required to hold full work health and safety accreditation from the Office of the Federal Safety Commissioner under the Australian Government Building and Construction Work Health and Safety Accreditation Scheme.

52. Safety aspects of the Project have been addressed during the design development process and have been documented in a Safety in Design report. Additional consideration was given to designing the facilities and infrastructure to ensure that nuclear safety standards can be met during the operational phase. A Work Health Safety plan will be developed for the construction phase prior to the commencement of any construction activities. This plan will include the requirement to appropriately secure all construction sites to prevent access by unauthorised personnel during the construction period.

Materials and Furnishings

53. External walls of new buildings will be a mixture of precast concrete panels, metal cladding, masonry, and curtain wall glazing. Pre-finished metal decking roofing or concrete with appropriate falls will be used on all proposed new buildings. All external materials will be selected for their resilience to the harsh coastal environment.

Landscaping

54. Landscaping will complement and enhance the character of each site. The landscape design will focus on a functional, low maintenance, water sensitive approach with the use of Indigenous plants. Precautions will be taken to adhere to environmental requirements by adopting landscaping practices in accordance with local environmental conditions and the Construction Environmental Management Plan.

Childcare Provisions

55. There is no requirement for childcare facilities under the Project.

Provisions for People with Disabilities

56. Access for people with disabilities will be provided in accordance with the National Construction Code, Australia Standard 1428 and the *Disability and Discrimination Act 1992 (Cth).*

Environmental Sustainability

57. Defence is committed to ecologically sustainable development and reducing greenhouse gas emissions. While assuring nuclear safety, security and fire protection requirements are paramount objectives, adopting cost effective ecologically sustainable development will also be a key objective in the design and development of the proposed works. Measures being considered include:

a. **Energy targets.** Energy performance targets will comply with measures required by the Defence Smart Infrastructure Manual and the Defence Building Energy Performance Manual where applicable.

b. **Measures to reduce energy and water use.** Passive and active measures will be included in the design of the proposed facilities to comply with the Defence Smart Infrastructure Manual. These measures may include:

    (1) orientating facilities and providing eaves or shading to minimise direct sun on the façade and minimise solar penetration through windows;

    (2) installing light emitting diode lighting and controlled lighting systems; and

    (3) installing high efficiency air conditioning systems and heat pump hot water installing high efficiency plumbing fixtures.

c. **Re-use of existing structures.** Where practical, existing facilities will be upgraded or extended to meet user requirements.

d. **Demolition and disposal of existing structures.** Where practical, construction and demolition waste will be diverted from landfill through reuse or recycling. Material that cannot be re-used will be removed in accordance with Defence policy and local environmental regulations.

e. **Renewable energy.** The viability of using photovoltaic energy systems to supplement main power supply will be assessed as designs are developed in more detail for each facility.

Potential Impacts

58. Defence has conducted rigorous assessments to identify potential environmental and local community impacts and propose suitable mitigation measures. These include:

a. **Visual Impacts.** There are no potential visual impacts to the local community. All works will be designed to minimise the aesthetic impact to the natural environment.

b. **Noise Impacts.** There will be no material noise impacts to local communities. The selection of mechanical plant and the location and design of plant rooms will minimise noise impacts on nearby Defence facilities. Noise impacts on the nearby little penguin colonies and other sensitive natural environments will be monitored prior to and during construction.

c. **Managing Contamination Impacts.** The work will intersect with known and potential areas of contamination. Excavated contaminated soil and dredged marine sediments will be managed in accordance with Defence policy and procedures to minimise the potential impacts to the natural environment. Targeted contamination assessments are being undertaken to determine management measures to be implemented during construction.

d. **Managing Per- and Poly-fluoroalkyl Substances Impacts.** The work will intersect with known and potential areas of per- and poly-fluoroalkyl substances (PFAS) contamination. Excavated contaminated soil and dredged marine sediments will be managed in accordance with Defence policy and procedures to minimise the potential impacts to the natural environment. Targeted contamination assessments are being undertaken to determine management measures to be implemented during construction.

e. **Managing Fauna and Flora Impacts.** The proposed removal of vegetation works on some work fronts will impact native fauna and flora, however, no EPBC Act listed threatened species or threatened ecological communities will be impacted by the work. Native fauna such as the Tamar wallaby currently occupy the vegetated areas. The works will be designed to minimise the clearing required and where possible, avoid impacts on the Western Australian listed threatened ecological communities on Garden Island. Targeted flora and fauna assessments are being undertaken to determine management measures to be implemented during construction. The listed little penguin colony located immediately adjacent to proposed work areas will not be directly impacted by the works. Management measures will be developed to reduce indirect impacts to the colony during construction and operation. Proposed dredging has the potential to impact sensitive marine environments, including seagrass and marine fauna. Seagrass, marine fauna and their habitats are important to the Cockburn Sound. The design of the work has reduced the impact areas to a discrete footprint. Impacts from construction will be minimised through the implementation of mitigation and management measures. Dredge disposal locations will be identified to avoid impacts to seagrass meadows, water quality and habitats within the Cockburn Sound.

f. **Managing Heritage Impacts.** There will be no material impacts to historic heritage or natural heritage values on Garden Island. The proposed works have been sited away from known historic heritage items and places and the majority of works are located outside of the Commonwealth Heritage Listed natural heritage values area. Although it is anticipated that there will be no or low material impacts to Indigenous heritage values, engagement with the traditional owners of Garden Island, the Whadjuk and Gnaala Karla Booja peoples, is ongoing to confirm the impact to tangible and intangible values associated with the work.

g. **Managing Traffic, Transportation and Road Impacts.** A traffic assessment is being undertaken to understand the impact of the work on local roads and access to the site. The design includes the provision of an additional entry lane and sentry point at the front gate off Point Peron Road in response the anticipated increase in traffic entering the site.

h. **Managing Impacts on Local Facilities.** A socio-economic assessment is ongoing and will consider impacts on the local community and facilities in the adjacent

Council areas. Ongoing public access to Garden Island is being assessed in accordance with safety and operational requirements.

59. Defence has agreed an approach to assessment under the EPBC Act with the Department of Climate Change, Energy, the Environment and Water. The Project will be referred to the Minister for the Environment and Water under the EPBC Act for the following elements that may significantly impact the environment:

a. **Marine intrusive activities.** Project elements and activities that intersect with the seafloor and marine environment such as piling, dredging and dredge disposal.

b. **Controlled Industrial Facility.** The development and operation of the controlled industrial facility and its associated radioactive waste management activities.

Consultation with Key Stakeholders

60. Defence recognises the importance of providing local residents and other interested stakeholders an opportunity to provide input into, or raise concerns, relating to the proposed works.

61. As part of the EPBC Act referral process, Defence has completed two rounds of community consultation activities. The first round of community consultation activities was completed during 11-16 March 2024 and involved a series of drop-in sessions across City of Cockburn, and the Kwinana and Rockingham Local Government Areas. Meetings with key stakeholders were also completed and included Mayoral and Local Government Executives, the Western Australian Government's Department of Biodiversity, Conservation and Attractions, and the Department of Water and Environmental Regulation, the Fremantle Ports Authority, the Southwest Aboriginal Land and Sea Council, and the Aboriginal Advisory Council of Western Australia.

62. A second round of community consultation activities was completed during 3-9 May 2024 and involved conducting information stalls at the Rockingham Shopping Centre, a local Farmers Market and a series of drop-in sessions in Rockingham. Further meetings with key stakeholders were also completed and involved meetings with the Cockburn Sound Management Council[2], the Western Australian Government's Department of Planning Lands and Heritage and the Gnaala Karla Booja Aboriginal Corporation.

63. In addition to these community engagement activities, Defence will continue to engage with a variety of internal and external stakeholders to support the Parliamentary Standing Committee on Public Works' enquiry into the proposed works. These include:

[2] Defence representatives also met with the Cockburn Sound Management Council on 2 February 2024.

a. The Federal Member for Brand, Hon Madeleine King MP;

b. The State Member for Rockingham, Magenta Marshall MLA;

c. The City of Rockingham, Mayor Deb Hamblin;

d. The City of Kwinana, Mayor Peter Feasey;

e. The City of Cockburn, Mayor Logan Howlett;

f. The Cockburn Sound Management Committee;

g. Westport, Managing Director Patrick Seares;

h. Local community groups;

i. Representatives of Traditional Owners; and

j. Industry and business groups including:

(1) Master Builders Western Australia; and

(2) Rockingham Kwinana Chamber of Commerce.

Related Projects

64. The following projects relate to the Project:

a. **HMAS *Stirling* Redevelopment Stage 3A.** This project provided new or upgraded facilities and infrastructure at HMAS *Stirling*. Some of the Stage 3A scope will be further upgraded as part of the Project, including various engineering services infrastructure, the base entry precinct, and the Central Emergency Power Station. Detailed information on the redevelopment scope has assisted in the planning and design of the proposed Project scope.

b. **Navy Capability Infrastructure Sub-program.** This project includes new or upgraded existing facilities and infrastructure at HMAS *Stirling* to support the homeporting of Hunter Class Frigates and Arafura Class Offshore Patrol Vessels. The Project includes upgrading or extending the scope either completed or planned by the Sub-program. Regular coordination has been undertaken and will continue to be undertaken by the Project teams to minimise the potential for abortive works and to plan construction activities to minimise potential disruption to Navy operations.

65. A number of other projects are planned to deliver new Navy capability at HMAS *Stirling* during the next decade. Ongoing consultation with these projects has informed the planning of the Project.

Cost Effectiveness and Public Value

Project Costs

66. The Project's estimated total capital out-turned cost is $738.1 million (including Contingency and excluding Goods and Services Tax). The cost includes project management and design fees, construction, information and communications technology, furniture, fittings, equipment, contingencies, and a provision for escalation.

67. There will be increased operating and sustainment costs resulting from the proposed works. This is due to the construction of the new facilities and engineering infrastructure.

Project Delivery System

68. A Project Manager / Contract Administrator has been engaged to provide program management and contract administration services during the development phase of the Project. It is envisaged that this engagement will be extended to manage the delivery phase of the Project. Specialist consultants, including a design services consultant, and an independent nuclear safety consultant, have also been engaged to carry out early development activities.

69. Defence proposes to adopt a contracting strategy for the delivery phase of the Project that addresses both the urgency and complexity of the Project works. Recognising the significant differences between the requirements for landside and maritime works, the Project will be divided into two works packages[3]. This strategy will enable Defence to tailor the contracting of the Project works to ensure design compliance requirements are met, the high schedule risk is minimised, and opportunities for industry to participate in the Project are optimised.

70. Defence proposes an Early Contractor Involvement Head Contract methodology for both works packages to provide the full control of the design and construction of these facilities to assure nuclear safety requirements are met. This methodology will also assist to promote opportunities for small and medium enterprises by sub-contracting construction trade packages. A suitably qualified and experienced Design Services Consultant will be engaged to complete the required designs and an independent nuclear safety consultant will be engaged to ensure nuclear safety compliance. It is envisaged that these engagements will

[3] The first package, licensed maritime works, includes Project Element 1. The second package, licensed landside works, includes Project Elements 2 and 3.

be extended to provide design and compliance advice during the construction phase of the Project.

Construction Program

71. Subject to Parliamentary approval, construction is expected to commence in early 2025 for completion in 2027.

Public Value

72. Defence has comprehensively assessed public value, opportunities, and benefit to the community as a result of the proposed works:

a. **Economic impacts.** Project expenditure will support the Australian economy, particularly in the construction and professional services sectors in the Rockingham and surrounding regions.

b. **Employment opportunities.** The Project will employ a diverse range of consultants, contractors, and construction workers, and is expected to generate opportunities for up-skilling and job training to improve individual skills and employability on future projects. Defence anticipates approximately 510 full-time equivalent jobs will be created over the life of the Project.

c. **Local industry and Indigenous business involvement opportunities.** The Project will actively promote opportunities for small and medium local enterprises through construction trade packages. Each contractor will also develop a Local Industry Capability Plan and an Indigenous Participation Plan to detail how it will engage with and maximise opportunities for local industry and Indigenous businesses, while providing value for money to the Commonwealth.

Revenue

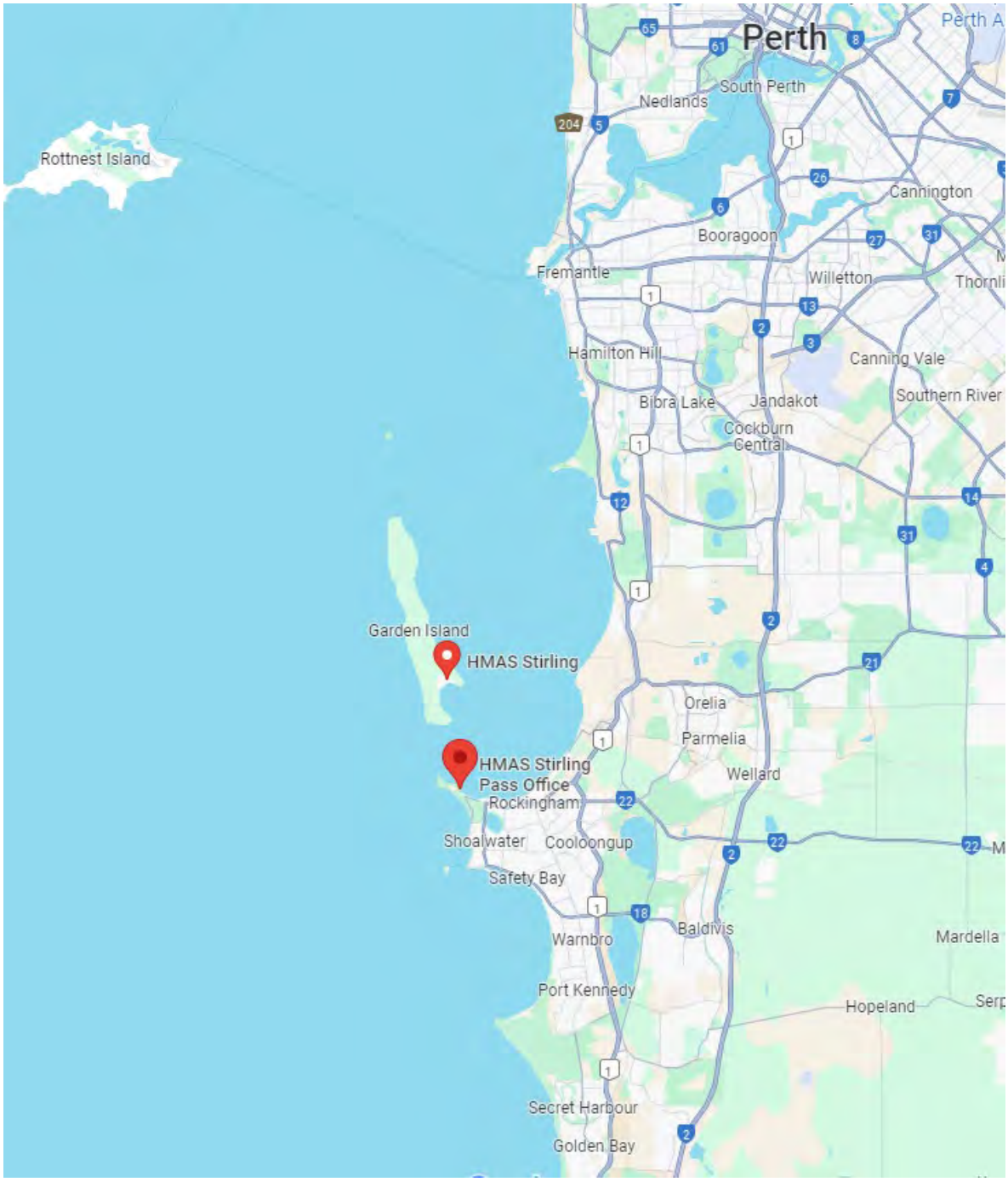
73. No revenue is expected to be derived from the Project.

Attachments

1. Locality Plan
2. Scope Overview

Attachment 1

Locality Plan



HMAS *Stirling*, Garden Island, WA

Scope Overview

Maritime Infrastructure

Submarine Pier

Small Boats

Operational, Maintenance and Sustainment Facilities

Controlled Industrial Facility (including Radiological Controls Technical Field Office)

SSN Power Stations 1 and 2

Shore Power Station 1

Shore Power Station 2

Intake Sub-Station 3

Pure Water Processing Plant