

## Case Study

### Sugarloaf Pipeline Project

The Victorian Industry Participation Policy (VIPP) was successfully applied to the \$750 million Sugarloaf Pipeline Project, which has exceeded expectations engaging more than 90 percent local firms and delivering millions of dollars of investment and thousands of jobs to the region.

The Sugarloaf pipeline is a 70 kilometre pipeline linking the Goulburn River to the Sugarloaf Reservoir near Melbourne. The project was delivered by an Alliance, including Melbourne Water, GHD Pty Ltd, John Holland and Sinclair Knight Merz Pty Ltd (SKM). Construction commenced in October 2008, and the pipeline is expected to transfer one third of the water savings obtained through the first stage of the Food Bowl Modernisation Project to Melbourne.

The Alliance's VIPP Plan committed to achieving 85% local content and create around 600 employment opportunities. In September 2009, the Sugarloaf Pipeline Alliance reported it had attained 93% local content, equating to an additional \$50 million in business for local industry. Nearly one third of the businesses engaged for the project were based in regional areas.

The Alliance also confirmed that it had significantly exceeded its employment commitments, with 2,718 individuals completing the Alliance induction process which is a pre-requisite for working on the project.

Throughout the project ICN worked closely with the Alliance to maximise the involvement of local businesses through the application of VIPP as well as through the ICN's Regional Industry Link program, which helped identify hundreds of businesses to become involved.

The Alliance's Project Manager Rob Cranston said helped to identify suitable local suppliers for the project:

"With the assistance of ICN, we have succeeded in identifying a significant number of opportunities for local businesses, which should enable many of those companies to tender for future major civil construction projects should they choose to do so."