

# Business Advisory

## Business Case & Feasibility Studies



## Evans & Peck

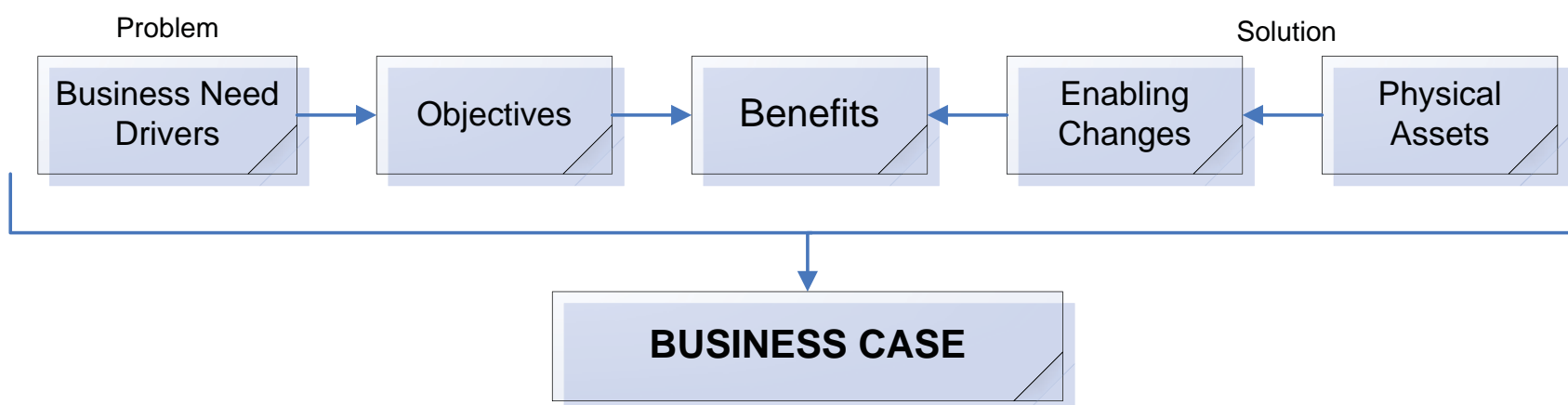
Evans & Peck is an international infrastructure-based advisory company that has supported governments and private organisations in the conception, development, delivery and operations of major projects and programs throughout Australia, Asia and the Middle East.

The company provides advice that is independent, useful, sensible and commercially focussed. This ensures that our clients achieve the best value-for-money outcomes.

Evans & Peck has a deep, pragmatic and integrated understanding of infrastructure businesses and drivers, which enables clear articulation of business need and investment benefits. Combined with our strong project and program management capability, Evans & Peck is also able to coordinate and synthesise technical inputs to formulate a compelling case for investment.

## Investment Management Approach

Evans & Peck strongly endorses and applies the investment management approach established by the UK and various Australian State Governments:



We believe that this approach brings great alignment and clarity to the reason for an investment and shapes the investment to ensure the solution best responds to the need.

Key differentiators of Evans & Peck in business cases

- Deep, pragmatic and integrated understanding of infrastructure businesses and drivers, enabling us to clearly articulate the business need and benefits and hence frame the case for investment
- Strong project and program management capability to enable coordination and synthesis of technical inputs to evidence the business need, assess options and scope and justify the project
- Specialists in project planning and approval to expedite projects through environmental or regulatory processes
- Market leaders in infrastructure delivery models, procurement and project governance producing an integrated, whole-of-life understanding of risk, cost and financing models
- Wealth of experience, knowledge and experience in approval processes for government projects throughout Australia and internationally, investment management, business cases, funding and Gateway processes.
- Experienced and pragmatic professionals who have “walked in our clients’ shoes”, to deliver practical solutions to the challenges our clients face
- Our teams and business are structured to ensure our experienced people deliver the services to our clients.

## Key Experience

### Melbourne Metro

Evans & Peck was engaged to prepare a business case for this major new rail tunnel between Dynon and in the west and St Kilda Road – Caulfield in the south-east. This new underground link will benefit the entire metropolitan rail network by creating more rail track through the inner-city. It is a pivotal city-shaping transport and land use initiative to transform Melbourne's rail network to a metro-style system. It will dramatically improve east-west accessibility and increase the productivity of the city.

Evans & Peck was initially engaged to prepare a project development budget to progress the definition of the project to concept design phase, suitable for the business case and which would achieve statutory planning and environmental approval.

Evans & Peck has subsequently provided the leader for the systematic assessment of options and for the creation of the comprehensive business case. This included development of the policy framework, business need, assessment of patronage, land use and operational impacts, triple bottom line assessment, delivery framework and risk-assessed costs for the project. It also provided risk advisory and project delivery advisory specialists to support the advancement of what will be Victoria's largest rail investment.

### Western Australian Flagship Carbon Capture and Storage Project

Evans & Peck was engaged along with WorleyParsons by a consortium led by the Western Australian Department of Minerals & Petroleum to assist in the development of a business case for the Collie South-West Carbon Capture and Storage (CCS) Hub project.

The business case was the major document submitted as finalisation of the second round of bids for the Federal Government's CCS Flagships project.

Specific tasks undertaken by Evans & Peck were:

- Development of the overall Business Case;
- Provide a recommendation for a commercial structure of the Hub;
- Provide operating principles and guidelines for Hub members;
- Undertake an assessment of project life cycle economics;
- Investigate multi-user facility arrangements that allow participants to connect at different times as they invest in carbon capture technologies over an extended period of time;
- Develop protocols for future third party access arrangements;
- Identify potential liability and risk management issues surrounding to corporate structure and partnership arrangements and provide a recommendation for risk management strategies; and
- Identify the "commercial gap" between private sector capital investment and the economic drivers of the project that will need to be publicly funded and provide a recommendation of the requirements for transition to commercial operation.

Evans & Peck prepared and delivered a completed Business Case with sufficient financial and technical detail to enable decision making by all parties, including an emphasis on the nature and structure of the Joint Venture/ Alliance (particularly as it applied to the private sector partners) and recommendations on future management or operations of the Hub.

## VicUrban@Officer

Evans & Peck developed a strategic business case for a new generation sustainable urban development which achieves an unprecedented level of sustainable performance in Australia across energy, water, waste and transport.

Evans & Peck developed a plan to significantly reduce energy and water consumption and reduce net greenhouse gas emissions to below zero. Evans & Peck also assisted in bringing this plan into a cogent investment proposition, demonstrating how these initiatives would create greater value than had development progressed in a conventional way. In 2009, Officer was announced as one of sixteen founding projects of the Climate Positive Development Program, an international program run by the Clinton Climate Initiative which supports urban development projects to demonstrate how cities can develop in ways that are climate positive.

## Latrobe Regional Hospital Redevelopment

Evans & Peck was engaged to prepare a full business case for the proposed Latrobe Regional Hospital Redevelopment. We were able to establish a strong case based on an analysis of the health status of the population in the hospital catchment against state targets and averages. The business case included the identification and evaluation of procurement options and establishment of a financial model to analyse capital and recurrent cash flows under a range of procurement options. Advice on financial and commercial issues was also provided. Evans & Peck also carried out an analysis of the costs of priority ambulance services to alternative hospitals.

## Transforming Tram Corridors Demonstration Project

Evans & Peck developed and wrote a business case submission for the "Transforming Tram Corridors" initiative, a joint proposal of the Victorian Departments of Planning & Community Development and Transport. The project includes a number of interconnected tram upgrade, urban realm and planning framework initiatives that will assist in stimulating the supply of more housing, including employment and services, along tram corridors. This will contribute to the target of accommodating population growth

in established areas and will strengthen Victoria's economy and support social aims and sustainability targets.

Evans & Peck established the strategic rationale for the project and linked it to the Government's policy context, created the hierarchical options assessment, consolidated the economic assessment and synthesised the scope into a cohesive case for investment. The business case was considered favourably by Infrastructure Australia.

## Transit Cities Program

Evans & Peck prepared business cases for Geelong (stages 1 and 2), Footscray and Ringwood Transit Cities which were all subsequently approved and funded by the State Government. Evans & Peck synthesised technical studies and numerous agency inputs to establish a clear definition and integration of a diverse range of urban development and transport initiatives to regenerate key activity centre districts in Victoria.

Evans & Peck's services included business need identification, benefits definition, investment logic mapping, coordination and writing of the business case, economic, stakeholder and options assessment frameworks, risk management, costing and delivery models.

Evans & Peck has also provided strategic commercial and business case advice on Dandenong, Broadmeadows, Warragul and Frankston Transit Cities.





## Hong Kong Government

Evans & Peck was appointed to prepare “A Government Business Case Guide” for the Hong Kong Government Efficiency Unit. The Guide was commissioned in order to promote best practice within the Government departments and smooth transition to robust business case based decision making, for publically funded projects and initiatives.

E&P utilised a team from the Hong Kong and Sydney office to develop the guide which covered the major areas of business case definition and preparation, requirements gathering and analysis, options derivation, selection and evaluation, and implementation planning. The guide covered leading techniques in each area, provided case studies and gave public servants guidance for evaluating both tangible and non tangible public benefits.

Following delivery of the guide, E&P then trained 350 senior public servants across the various Government departments in the practical application of preparing and using business cases. This was achieved through interactive two-day workshops, which mixed both teaching and team work exercises with a practical and adult learning based approach.

## Our Business Case Experience

### PROPERTY / URBAN DEVELOPMENT

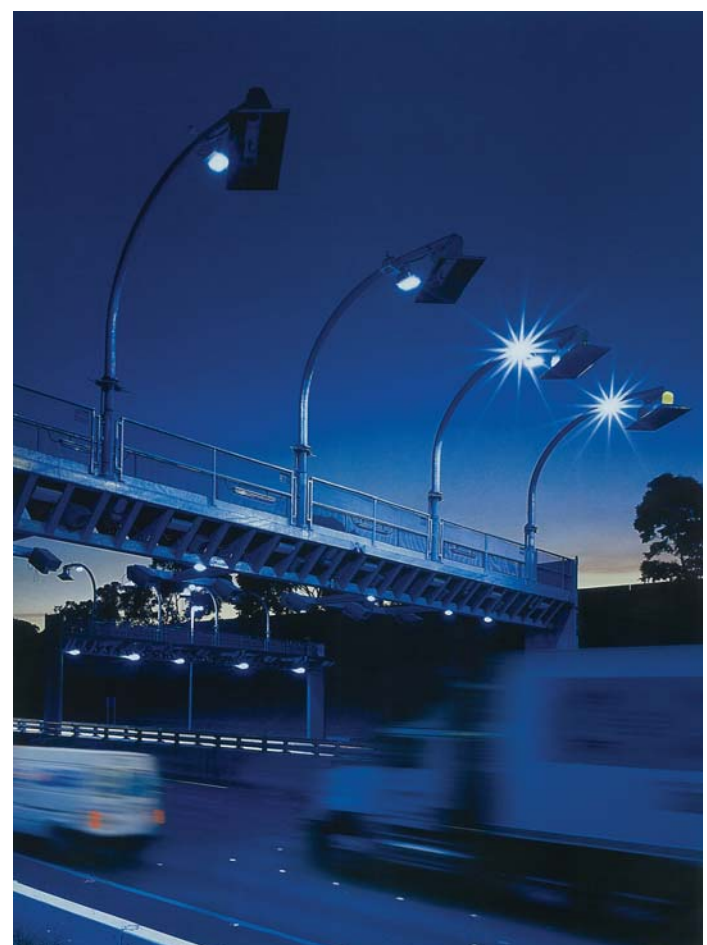
- Latrobe Regional Hospital
- Transforming Tram Corridors
- Port & Inner West Conceptual Framework, Victoria
- Geelong Transit City – Stages 1 and 2
- VicUrban @ Officer
- Werribee Employment Precinct
- Footscray Transit City – Stage 2
- Ringwood Transit City
- Kelvin Grove Aged Care Facility Brisbane
- Queens Square Law Courts Refurbishment
- Warragul Transit City

### TELECOMMUNICATIONS / IT

- Statewide Mobile Data Capability for Emergency Services Queensland
- Upgraded Fire Alarm Telemetry and Enhanced Station Activation
- Real Time Passenger Information System, Queensland
- Enhanced Telecommunication Services in the Wide Bay Region
- UbiNet statewide telecommunication network
- RailCorp common geospatial data platform
- Access Queensland

### TRANSPORT

- Melbourne Metro One
- Level Crossing Upgrades, Victoria
- Regional Rail Network Maintenance Fund, Victoria
- Public Transport Authority Capital Program, WA
- Dampier Port Authority, WA - new wharfage
- Australian Premium Iron - port and rail link projects
- Gateway Upgrade Projects, Queensland Motorways
- Dandenong Rail Corridor
- Esperance Port Materials Handling
- Green Bridge Link Project
- Toowoomba Bypass
- Newcastle Airport Car Park
- Congestion management improvements in Singapore and New Zealand
- Second Gateway Crossing, Brisbane
- North South Bypass Tunnel, Brisbane
- M2 Motorway - Windsor Road Ramps
- Port Botany Expansion



## WATER

- Recycled Water Business Case, Victoria
- Northern Victoria Irrigation Renewal Project
- South Eastern Outfall Extension
- SunWater Growth
- Nakheel Waterfront - Trunk Infrastructure
- Sydney Water – Flowmeter upgrade project
- Large Water Infrastructure Proposals, National Water Commission



## INDUSTRIAL / MINING

- Improvements to Symrise manufacturing and laboratory facility
- Boddington Gold Mine



## ENERGY / WASTE

- Collie South West CCS Hub
- Santos Gas-fired Power Station
- Gas Power Station, Canberra Technology City
- Department of Environment and Conservation - Sustainability Advantage
- Hydro Tasmania JV wind farms
- Alternative Waste Treatment Facility –Shellharbour-Wollongong

## GUIDELINE DEVELOPMENT

- Business Case Guide for Hong Kong Government Efficiency Unit
- Business Case Risk Management Guidelines for DOI, Victoria
- Best Practice Cost Estimate Standard for Road and Rail Construction, Federal Infrastructure



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