REQUEST FOR EXPRESSION OF INTEREST BRIEF

Assessment of the Gunns Limited Pulp Mill Project against Environmental Emission Limit Guidelines

1. INTRODUCTION


The Tasmanian Government is seeking detailed Expression of Interest in providing consultant services to assess the proposed Gunns Pulp Mill in Northern Tasmania (the Project) against the Recommended environmental emission limit guidelines for any new bleached eucalypt kraft pulp mill in Tasmania (the Guidelines). These Guidelines were developed by the Tasmanian Resource Planning and Development Commission (RPDC) in August 2004 and approved by the Tasmanian Government.

This Request for Expression of Interest Brief (the Brief) has been prepared as a result of a requirement in the Pulp Mill Assessment Bill 2007 (the Bill) (refer to Appendix 1) currently before the Tasmanian Parliament. Under Section 4, the Minister is required to appoint a Consultant to undertake an assessment of the project against the Guidelines, to report on whether or not the project should proceed, and if so to recommend matters to be contained in the conditions that should apply to the project.

Any subsequent contract will be managed by the Tasmanian Department of Premier and Cabinet (the Department).

2. STATEMENT OF REQUIREMENTS

The Consultant is required to assess the project as defined in the Bill against the Guidelines.

In undertaking this assessment the Consultant must take into account:

- Developments in pulping technology and techniques that have occurred since August 2004; and
- Current best available technology and environmental emission limits for a bleached kraft pulp mill processing both pine and eucalypt.

In particular the Consultant must:

a) Assess whether the project design and emission control systems are consistent with the accepted modern technology and world best practice environmental management measures specified in section D1 of the Guidelines;
b) Assess whether the project is capable of and likely to achieve the emission limits to atmosphere and the discharge limits to the marine environment specified in section D1 of the Guidelines;

c) Assess whether the project design and proposed waste management practices are consistent with accepted modern technology for the reduction and handling of solid waste and other landfill and waste management requirements specified in section D2 of the Guidelines;

d) Assess whether it has been shown that the Project is capable of and likely to achieve the air quality design criteria specified in section D3.9\(^1\) of the Guidelines and the requirements specified in section D3.10 relating to the National Environment Protection Measure for Air Quality;

e) Assess whether the information provided by Gunns satisfies the requirements relating to hydrodynamic studies contained in sections D3.14, D3.15 and D3.16 of the Guidelines;

f) Assess whether it has been shown that the project is capable of and likely to achieve the ambient water quality criteria specified in section D3.17 and D3.18 of the Guidelines;

\(g)\) Identify any additional accepted modern technology and emission limits that should apply to the project as a consequence of processing pine feedstock, and assess the project against that technology and those limits;

h) If limits specified in the Guidelines are unlikely to be met, advise on whether the predicted emissions are considered consistent with accepted international best practice for a project of this nature and scale; and

i) If accepted modern technology and best practice environmental management measures or other requirements specified in the Guidelines will not or are unlikely to be met, advise on whether that aspect of the project is considered consistent with accepted international best practice for a project of this nature and scale.

In undertaking the assessment, the Consultant should note that the baseline and operational monitoring programs are currently under preparation by the proponent. The Guidelines relating to the baseline and operational monitoring programs (section D4) will be assessed by the relevant regulatory authorities.

It should also be noted that requirements of the Guidelines relating to implementation and quality assurance (section D5) are expected to be addressed through conditions attached to the Pulp Mill Permit.

Section 5 of the Bill requires the RPDC to make available all documents and information received during the course of the previous assessment by the RPDC. Gunns has agreed to make available any information required by the Consultant.

\(^1\) Section D3.9 of the Guidelines has misprinted the units of the air quality design criteria for sulphur dioxide and nitrogen dioxide from the Environment Protection Policy (Air Quality) 2004. For part (a) of the Guidelines (sulphur dioxide), the units are to be read as ‘ppb’, and for part (d) of the Guidelines (nitrogen dioxide), the units are to be read as ‘ppb’.
Based on its assessment the Consultant must report on whether or not the project should proceed.

If the Consultant recommends that the project should proceed, then the Consultant must recommend matters to be contained in the conditions that should apply to the project. The recommended matters must be based on its assessment against the Guidelines, including its consideration of accepted international best practice for a project of this nature and scale.

2.1. Contract Material

The following material is publicly available and will also form the main basis of the Contract Material:

- **Recommended environmental emission limit guidelines for any new bleached eucalypt kraft pulp mill in Tasmania**
  

- **Bell Bay Pulp Mill Draft Integrated Impact Statement**
  

- **Bell Bay Pulp Mill Draft Integrated Impact Statement Supplementary Information**
  

- **Relevant public and State Government Agency submissions to the RPDC on the Draft IIS**
  

- **Peer review reports commissioned by the Resource Planning and Development Commission**

  - Beca AMEC Limited – Peer Review Report
  - CSIRO Marine and Atmospheric Research – Review of Air Quality Aspects
  - Beca AMEC Limited – Review of Toxicological Appendices
  - UniQuest Pty Ltd – Review of Volume 17 of the Gunns’ Report
  - UniQuest Pty Ltd – Review of Volume 10 of the Gunns’ Report


Contract Material will also include any other relevant reports to be made available by the Director of Environmental Management in the Tasmanian Department of Tourism, Arts and Environment.

2.2. Key Outputs

The key outputs of the project are to:

a) Review the relevant sections of the Contract Material;

b) Undertake an assessment of the project against the Guidelines as defined in the Bill;

c) Prepare a draft report for the Consultant Selection Panel of the outcomes of the assessment including, on the basis of the assessment, a recommendation on whether or not the project should proceed, and if it is recommended that the project should proceed, recommended matters to be contained in the conditions that should apply to the project; and

d) Prepare a final report to the Minister for Planning.
3. IMPLEMENTATION PROGRAM

The proposed contract implementation program is outlined below. Consultants expressing interest must be able to provide an assurance that the following completion dates can be met.

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>COMPLETION DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract commences</td>
<td>11 April 2007*</td>
</tr>
<tr>
<td>Consultant submits draft report to the Consultant Selection Panel</td>
<td>11 May 2007*</td>
</tr>
<tr>
<td>Consultant submits final report to the Minister</td>
<td>31 May 2007*</td>
</tr>
</tbody>
</table>

*Subject to passage of the legislation by Parliament and negotiations with consultants.

4. REQUIRED RESPONSE

4.1. Format of Response

Consultants should provide a response that clearly addresses the requirements of this Brief. The response should include a report that demonstrates:

a) An understanding of the consultant services required together with a proven ability to meet the requirements of the contractual tasks;

b) A capacity to deliver key outputs within the contract implementation program;

c) Information that identifies key personnel and details of their experience in relation to comparable projects, skills and qualifications as well as access to additional resources and competencies within the consultancy firm or through the use of sub-contractors. Evidence should also be provided of specific personnel with international experience with modern world scale pulp mills;

d) A breakdown of the total service fee for the completion of the services outlined in the Brief; and

e) Contact details for at least two referees.

4.2. Enquiries

All enquiries regarding this Brief must be made to the Consultant Selection Panel. The Panel may be contacted by emailing Abby.Hill@dpac.tas.gov.au or by telephoning (03) 6233 3279. Unauthorised communication with any other party regarding this Brief is not permitted and attempts to do so may result in exclusion from the selection process.

4.3. Delivery

Consultants’ responses should be emailed to Abby.Hill@dpac.tas.gov.au by 5pm on Wednesday 4 April 2007.
5. EVALUATION AND SELECTION PROCESS

5.1. Consultant Selection Panel

A Consultant Selection Panel has been appointed to evaluate the responses to this Brief. This Panel comprises of:

John Ramsay, Former Secretary of the Department of Environment and Land Management;

Linda Hornsey, Secretary, Department of Premier and Cabinet; and

Warren Jones, Director of Environmental Management, Department of Tourism, Arts and Environment.

The Panel will be supported by an independent Probity Adviser to provide endorsement of the Evaluation and Selection Process.

5.2. Evaluation Program

A program for the evaluation of this Brief is outlined below and indicates key project timeframes. Please note that these dates are indicative only for the purpose of advising the consultant of the expected timeframes for evaluation of submissions:

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>COMPLETION DATE*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invite Consultants</td>
<td>28 March 2007</td>
</tr>
<tr>
<td>Responses provided</td>
<td>4 April 2007</td>
</tr>
<tr>
<td>Consultant Selection Panel reviews written submissions against selection criteria and decides preferred Consultant</td>
<td>10 April 2007</td>
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<tr>
<td>Decision is confirmed</td>
<td>10 April 2007</td>
</tr>
<tr>
<td>All Consultants advised of decision</td>
<td>11 April 2007</td>
</tr>
<tr>
<td>Contract signed/consultancy commences</td>
<td>11 April 2007</td>
</tr>
</tbody>
</table>

*Indicative dates only and subject to passage of the legislation by Parliament

5.3. Evaluation Criteria

In addressing the criteria outlined below consultants should be aware that the Consultant Selection Panel is seeking an independent assessment of the Project against the Guidelines. Accordingly, for consultants to be considered as part of this assessment process they must be able to present evidence that neither they nor any contractors have previously worked for Gunns on part of the Project. Where the Consultant or any of their contractors have worked for Gunns (that is as sub-contractors to Gunns consultants) on any other project, a declaration must be provided.
When selecting the preferred consultant services the Panel will have regard to the following criteria. Each criterion will be numerically scored out of a possible score of 100 points, the requirements and weighting of each criterion is indicated below:

5.3.1. **Qualifications, expertise and availability of key personnel (60 points)**

Evidence of the successful completion of consultancy work and environmental assessment expertise relevant to this Brief. Consultants should provide details of two referees that may be contacted to verify track record and competency in this area. The proposal should demonstrate a capacity to provide personnel with appropriate qualifications, skills and experience, and where required to source additional resources at short notice.

5.3.2. **Ability to meet the timeframes and required outputs as identified in the implementation program (30 points)**

The proposal needs to clearly outline Consultant’s ability to deliver the requirements of the Brief within the timeframes outlined in the project implementation program and any response should clearly identify a project plan that indicates this is achievable.

5.3.3. **Ability to deliver high quality reporting and associated assessment documentation (10 points)**

The proposal must demonstrate the Consultant’s ability present high quality and accurate reporting and assessment outputs when providing formal advice to the Department.

6. **CONDITIONS OF CONSULTANCY**

6.1. **Contract**

The Department requires the successful Consultant to enter into a standard Crown Service contract (Appendix 2).

6.2. **Conflict of Interest**

When entering into a Crown Service contract, the successful Consultant will be required to declare any current or potential conflicts of interest associated with the Contract and have agreed to the inclusion of a conflict of interest clause in the final form of Contract in substantially the same form as appears in clause 7 of this Request for Expression of Interest Brief.

6.3. **Validity**

This Expression of Interest constitutes an irrevocable, unalterable offer by the Consultant to the Crown which must remain valid and open to be accepted for 90 days from the Closing Time of the Request for Expression of Interest Brief and may be extended by written agreement.
6.4. Rights and Reservations

6.4.1. Rights and Obligations

The Department is part of the Crown and any rights and obligations of the Department under the provisions of this Request for Expression of Interest Brief are to be read and construed as rights and obligations of the Crown.

6.4.2. Reservations

The Department does not warrant the accuracy of the content of the Request for Expression of Interest Brief and the Department is not liable for any omission from the Request for Expression of Interest Brief.

The Department may vary the Request for Expression of Interest Brief at any time by informing all invited consultants.

The Department may cease to proceed with, or suspend the process outlined in the Request for Expression of Interest Brief.

The Request for Expression of Interest Brief must not be construed as making any express or implied representation, undertaking or commitment by the Department that it will enter into a binding contract with any person to supply the Department’s Requirements.

The Department may reject any Expression of Interest which does not fully comply with the terms of the Request for Expressions of Interest Brief.

The Department reserves the right to accept all or part of an Expression of Interest at the price or prices tendered unless the Consultant states specifically to the contrary.

The Department is not obliged to accept the lowest priced or any other Expression of Interest.

No representation made by or on behalf of the Crown in relation to the Request for Expression of Interest Brief (or its subject matter) is binding on the Crown unless it is in writing and is incorporated into the Conditions of Contract or its annexures.

7. CONFLICT OF INTEREST

It is a condition of this Expression of Interest process that a Consultant who responds must warrant that no conflict of interest exists, or is likely to exist, in the supply of the required services and that if a conflict of interest arises, then the Consultant will notify the Department immediately in writing of that conflict or risk. In particular, the Consultant is required to warrant that it has not had and will ensure that it does not have during the term of this process, and the required services, any dealings with Gunns Ltd (or any related body corporate, as that term is used in the Corporations Act 2001 (Cwlth)), including, but not limited to:
(a) engaging in any activity, or obtaining any interest, likely to restrict the Consultant in performing
the required services;

(b) matters relating to the commercial, technical or financial capacity of the Consultant, or in the
knowledge of the Consultant of any other person or party proposed to be engaged by the
Consultant in respect of the required services; or

(c) any obligation under another contract, the compliance with which may place the Consultant in
breach of this agreement.

8. CONDITIONS OF EXPRESSION OF INTEREST TO BE BINDING

By lodging an Expression of Interest and in consideration of the Department commencing
evaluation of the proposal, a Consultant agrees to be bound by the conditions of this Request for
Expression of Interest and in particular, clause 7 (“Conflict of Interest”).
APPENDIX 1
The *Pulp Mill Assessment Bill 2007*
APPENDIX 2
STANDARD CROWN SERVICE CONTRACT