



Aurora Energy

Facilities Management Plan

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1. Background

With the disaggregation of the HEC in June 1998, a number of properties relative to the distribution business of the HEC were transferred to Aurora. This necessitated the development of various property and accommodation strategies to manage the requirements of a growing company and to oversee the rationalisation of property. The Aurora's Property Rationalisation strategy (December 1998) and the CBD Accommodation strategy (September 1999) were approved by the Board and have been successfully completed. While the Southern Accommodation strategy (also Board approved) is still in effect and is due to be completed by September 2010.

The Southern Accommodation Strategy will be considered to be complete when there has been total consolidation of accommodation into 21 Kirksway Place and the Moonah site has been divested and the site sold. To date, the strategy has seen the completion of building operations at Cambridge, including consolidating staff into the new building and the divestment of the Sorell Depot. In addition, and as a result of a Board approved revision of the Southern Accommodation Strategy, the Mornington Training Centre has been retained and upgraded.

With the pending completion of the Southern Accommodation Strategy, Aurora's accommodation needs have been reviewed and the Property and Accommodation Strategy has been completed. In conjunction with this new strategy and to assist Aurora in establishing office accommodation needs for the future, (including acquiring and fitting out suitable space, utilising that space effectively and managing any accommodation change process) this Facilities Management Plan has been compiled.

2. Purpose

The purpose of this plan is to establish guidelines for the current and future accommodation specifications from which Aurora Energy operates in Tasmania. Based upon advice received from the business, it has been assumed that there will be no major changes to the structure of Aurora and therefore the existing accommodation setup will largely remain unchanged. The Facilities Group and their major stakeholders will maintain continuous communication to ensure an alignment between property strategy and business direction if there is to be any new accommodation needs that may impact on the business.

These guidelines will provide the general / minimum specifications for Aurora office accommodation and include the associated costs to establishing office accommodation needs, acquisitions and fit-out requirements. The plan focuses on utilising space effectively and ensuring that accommodation is flexible, adaptable and functional while maximising cost effectiveness.

3. Scope

The scope of this strategy includes all Aurora properties that are managed by the Facilities Group. These properties are defined as offices or local depots that are used by Aurora staff for their usual work duties.

All parcels of land usually associated with ground mounted substations and zone substations are outside the scope of this strategy and are managed by the Network Division (note: the Facilities Group are responsible for administration of payments of statutory charges for these sites).

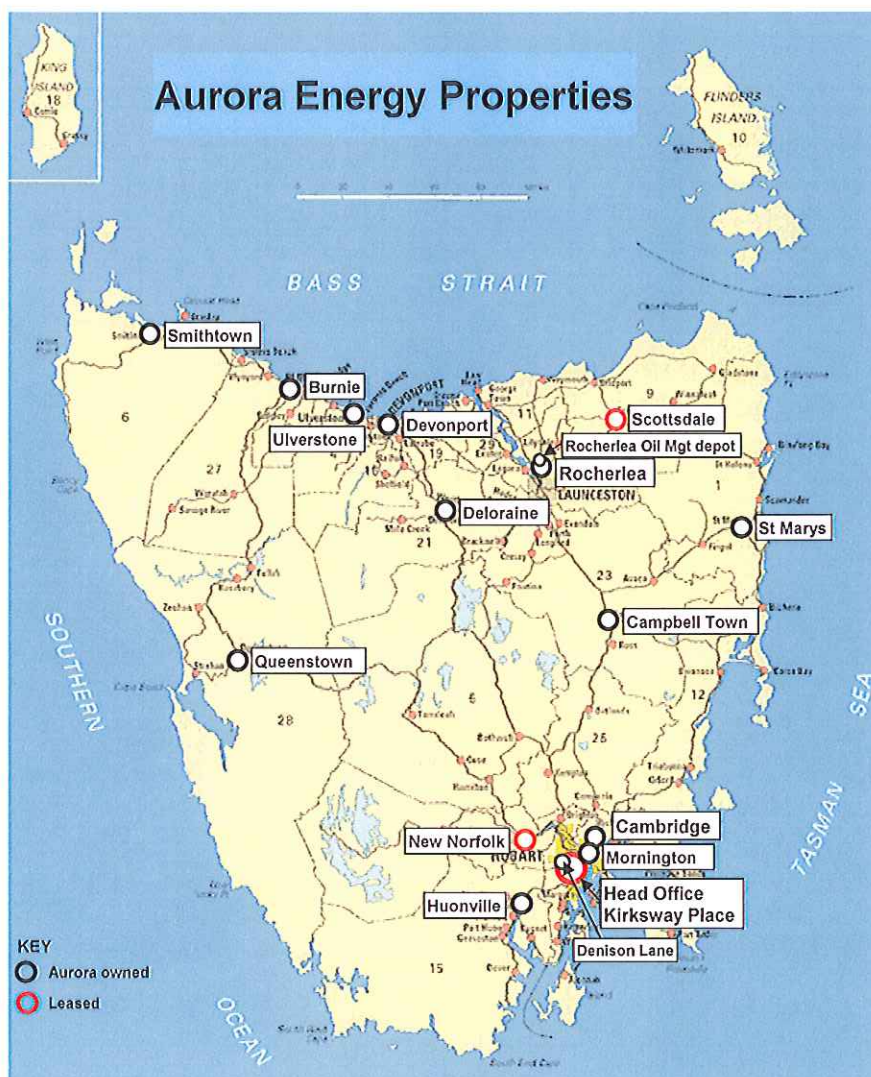
The process to review contracts is not within the scope of this plan, it is undertaken through procedures within Aurora's Tendering and Contracts Department.

4. Objective

To promote and provide accommodation that is:

- Functional & cost effective;
- Safe, healthy and sustainable;
- Compliant to Government legislation;
- Adaptable to new ways of working and new technology; and
- Compliant with Aurora's working culture.

5. Aurora Energy Office Property Map



6. Leased versus Aurora owned properties

Aurora's current strategic position is such that office accommodation can, and is, being leased, while properties that are used for specific operational requirements should be owned.

Of the properties managed by the Facilities Group, six are currently being leased. They are 21 Kirksway Place, Kirksway House; Knopwood House; External parking in Salamanca; New Norfolk Response Depot; and Scottsdale Response Depot. Given that New Norfolk and Scottsdale Response Depots are operational, a longer-term strategy will be developed for these sites, as alternative options may exist to improved efficiency and service to our customers.

It should be noted that the leases for both Kirksway House and Knopwood House will not be renewed after accommodation on all floors at 21 Kirksway Place is consolidated.

Details of individual properties can be found in the "Aurora Property Register" (DM reference CO-#383852)

7. Governance

Governance arrangements for the management of this strategy are set out below.



8. Property Management Planning Guidelines

Any office fit out design needs to be flexible, functional and adaptable taking cost effectiveness into account.

Comprehensive, accurate and up-to-date information on properties is vital to effective property planning and is essential for:

- Supporting sound decisions about properties relating to service delivery, acquisition, maintenance and disposal; and
- Complying with statutory obligations.

In order to ensure effective property planning, it is essential to consider the condition of the property, the company approved accommodation standards, sustainability and maintenance. The definitions of which are outlined in sections 8.1 – 8.4 below.

Efficient property management requires a consideration to refurbish each property on approximately a seven-year basis in order to ensure Aurora properties are suitably cared for and are aligned with this Facilities Management Plan.

8.1. Condition / Safety

A property needs to be used safely, effectively and maintained in a condition that is fit for the purpose for which it is intended. Any property must comply with the following building acts and regulations, and health and safety standards: Building Act 2000, Building Code of Australia, Workplace Health and Safety Act 1995 and Workplace Health and Safety Regulations 1998.

In addition, activities associated with all Aurora properties will comply with AuroraSafe policies, procedures and processes.

A yearly-certified compliance audit of all Aurora properties (within the scope of this plan) is completed in accordance with the Tasmanian Building Act 2000.

8.2. Accommodation Standards

A key characteristic of office accommodation is to provide a flexible workplace. In general, office accommodation needs to support any organisational restructuring and be adaptable to new ways of working. The outcome needs to be achieved within the specified space and available budget.

Guidelines for Aurora's accommodation standards are outlined in Appendix A.

8.3. Maintenance

Property maintenance is necessary to ensure fit-for-purpose accommodation. Under Aurora's operational expenditure allocation at each site a routine of scheduled maintenance is undertaken on a monthly basis. This includes a component for repairs and corrective maintenance that allows any defective services or equipment to be maintained in full operational condition.

Facilities will tender work undertaken by its service providers in accordance with Aurora's Tendering and Contracts processes and framework.

General asset maintenance audits to all Aurora properties (within the scope of this plan) are completed every three months.

Maintenance details for the individual properties are recorded in the Aurora Property Register (DM reference CO-#383852).

8.4. Sustainability

At Aurora, we aim to operate our business in a clean, green and sustainable way to ensure current and future generations are able to enjoy the benefits of a healthy, natural environment. To align with the Aurora's sustainability principle:

"we will promote more efficient use of resources"

and with a coordinated whole-of-business approach, Aurora is committed to go beyond our current efforts in environmental care by pursuing an integrated

sustainability strategy. This is particularly relevant given the importance Aurora's activities have in the communities within which we operate and the responsibilities we have to the people of Tasmania.

While sustainability should be a consideration in all business decisions within Aurora, Facilities are in a position to have a more direct and significant impact. Consequently, a sustainability ethos is particularly important when managing our sites. Facilities have a positive track record of making sensible business decision where sustainability has been taken into account, for example; the provision of facilities to support bicycle commuters, additional recycling bins, recycled office paper, and a range of sustainability considerations relating to the refurbishment of 21 Kirksway Place and the proposed re-developments of Mornington Training Centre.

The following areas require consideration when moving towards a more sustainable portfolio of sites:

- Indoor Environment Quality
- Energy
- Transport
- Water
- Materials
- Land Use & Ecology
- Emissions
- Innovation

Becoming more sustainable, while requiring cultural change, and sometimes higher capital expenditure, attracts the following benefits:

- Lower operating costs
- Higher return on investment
- Greater tenant attraction
- Enhanced marketability
- Productivity improvements
- Reduced liability and risk (in relation to staff health)
- A healthier place to work
- Demonstration of corporate social responsibility
- Future proofed assets
- Competitive advantage
- More environmentally friendly

8.5. Derwent Park Data Centre

The Derwent Park Data Centre is currently in the design development stage with the aim to be completed in the next 12 months. The facility will meet Aurora's core needs, mitigate some business risk, allow for future-growth, and potentially offer capacity to external organisations in a commercial arrangement to defray Aurora's upfront costs over the long term.

Aurora Energy has purchased land at Gormanston Rd, Moonah intended for the data centre building. As the project is progressed the relevant property data will be updated in the Property Register.

Appendix A – Office Accommodation Standards

Work areas

Maximum flexibility can be achieved by using generic work areas where furniture and equipment can be configured according to the needs of the group, while maintaining the Aurora culture of teamwork and communication. Separating groups with enclosed offices should be avoided as it can constrain future changes and create physical barriers preventing effective communication between and within groups.

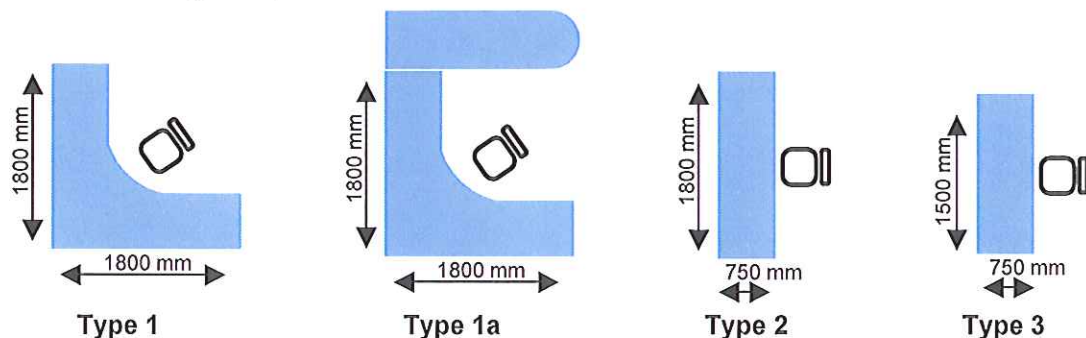
Aurora has a clean wall policy unless wall signage is required for compliance or business requirements.

In general, the different work areas can be categorised as either enclosed or open environments:

Enclosed environment will be provided on a demonstrated needs basis. The number of enclosed working environments will be minimised to maximise office layout options in the future. Desk configuration, furniture and equipment in an enclosed environment will be standard issue as discussed below.

Enclosed environments are for soundproofing and confidentiality, and will be transparent so as not to impinge on the openness and light of the overall environment.

Open environment will consist of general workstations that can be easily reconfigured and reused without the need of different trades to disconnect and reconnect services. The current standard desk configurations are limited to the following footprints...



Partitions will be at heights of 1200mm or 1500mm. All bench widths will be 750mm and bench tops will be between 710 – 750mm in height.

Communal areas

There are several different types of communal areas necessary to meet the operational requirements of the business. They are enclosed and open communal areas and amenities:

Enclosed Communal areas

Meeting rooms are enclosed rooms equipped with tables and chairs to accommodate from 2 up to 20 people. Selected meeting rooms will be equipped with an electronic whiteboard, a data projector and screen, video

conferencing and telephone conferencing facilities, as deemed necessary for business use.

In some cases (and where possible) larger meeting rooms will have movable partitions that will allow the room to be subdivided into smaller rooms for maximum flexibility.

Storerooms are a secured room with appropriate shelving for storage. Storerooms are set aside for items such as merchandise, strategic equipment and bulk storage.

Communication centre is set aside for strategic voice and data equipment. It includes its own back-up power supply.

Open Communal areas

Break out / informal meeting areas are areas between work groups that have a multi-purpose table chairs. These areas can be used for informal meetings or as a temporary space to “spread-out”. They can be equipped with an electronic whiteboard and/or data projector if required.

Amenities

Utilities rooms are areas that are equipped with a document centre (a multi-functional information printer that can receive as well as dispatch), a shredder, recycling facilities, a workbench for office documentation activities and consumable storage. There will be at least one utility room per floor / depot.

Kitchens facilities are required to have hot & cold running water, however in addition to this Aurora kitchen facilities will include a microwave, refrigerator, dishwasher, boiling water via the means of an auto boiling unit or a kettle, waste facilities and cupboard storage for general utensils. These areas are of no set size as they are constrained by the space that is left over after all other essential facilities / work areas are accounted for, so if possible the kitchen area will include café tables and chairs. There will be at least one kitchen facility per floor / depot.

Essential amenities are toilet facilities, emergency equipment and evacuation requirements. These amenities are planned for and designed in accordance with local council regulations and the Building Code of Australia.

First Aid room – For all buildings that fall within the scope of the Tasmanian Appendix to the Building Code of Australia (H101.15(a)) every workplace with more than 150 workers and without a health care centre is to be provided with a suitable first aid room.

The first aid room may also accommodate breastfeeding requirements.

Parking

Car parking is essential for the following vehicles:

- Badged operational vehicles (including light & heavy vehicles);
- Pool cars; and
- Executive management vehicles (as per remuneration package).

Security

There is a hierarchy of security that pertains to any building:

Level 1 security is key lock security that is the responsibility of qualified and / or certified personnel only. It includes keys to the building, building management room, plant room, electrical cabinets, lift motor rooms, switchboards, fire escape doors, fire control room, and cleaners store rooms.

Level 2 security can be a combination of key lock and access control security for certified personnel for access to PABX cabinets and communications rooms.

Level 3 security is key lock security for general offices and storerooms.

In addition, there is access control to main exits (both internal and external) in the form of swipe cards for all employees. Access control assists in monitoring who comes and goes into the building and allows for some areas of the building to have restricted access if required.

Furniture / Equipment requirements

Whether the work area is an enclosed or open environment, office equipment will be standard issue. In general every work area will be provided with

- PC desktop and data / voice equipment;
- Desk, screen and open shelf;
- Mobile under desk unit; and
- Chair.

Data filing units (for additional storage) and electronic whiteboards can be provided if required subject to GM approval.

All office furniture and equipment is subject to ergonomic assessment, ensuring that the needs of the individual are catered for. Additional items (such as footrests and slope boards) are determined at the time of the ergonomic assessment.