

## PUBLIC ACCOUNTS COMMITTEE

### Question Taken on Notice

**Date:** 03/10/2025

**From:** Justine Davis MLA

**To:** Department of Logistics and Infrastructure

**Subject:** Inquiry into the Darwin Ship Lift Project

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#### **QUESTION:**

What are the ongoing maintenance cost estimates?

#### **ANSWER:**

*Annual maintenance costs for a ship lift facility will vary greatly as they dependant on what planned and reactive maintenance is undertaken for that year, in addition to what capital replacement is also undertaken. This is evidenced in the early work of ACIL Allen's report on pages 97-100.*

*It is very difficult to provide firm annual maintenance costs for the Territory (and the Operator) until such time as the necessary asset management plans are completed.*

*In accordance with clause 21 of the Operations and Maintenance Deed:*

- *The Territory is required to provide the Operator with a Facility Maintenance Schedule at least 6 months prior to the anticipated commissioning date (1 March 2027). The Operator is then required to update that Schedule annually.*
- *The Operator is required to create, maintain and implement an asset management plan for the purposes of:*
  - *documenting the objectives underlying the Operator's approach to managing and maintaining the SLF Area and SLF Assets, including providing the rationale for the approach to maintenance and renewal for various asset types or classes;*
  - *documenting the approach and systems that the Operator will implement with respect to ongoing assessment of asset performance and condition, including linkage of data collected to asset investment priorities and decisions;*
  - *identifying the influence and impact of future development works on the maintenance, repair and renewal of existing assets; and*
  - *defining the forward annual non-capital and capital asset maintenance works and expenditure.*
- *The Operator must use its reasonable endeavours to obtain a conformity assessment certifying compliance of the Operator's AMP, management systems, processes and practices with ISO 55000.*

*It is only possible to provide high level indicative figures for yearly maintenance and capital replacement costs for the Territory. It is possible that the annual cost to the Territory could be \$5M-\$8M, particularly in the first few years of operation, however, it is entirely plausible that it will be significantly higher in others when capital replacement or significant maintenance works are required.*