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Sent: Thursday, 26 May 2022 11:01 AM

Subject: Update on RV *Linnaeus* and its continuing operation

Dear All

As you are aware, the issues which emerged in 2021 with the engine for RV *Linnaeus* that rendered it inoperable have caused considerable discussion within CSIRO Oceans and Atmosphere (O&A), and then within CSIRO more broadly. Of prime consideration was quantifying the value of retaining the vessel as a CSIRO research platform, balanced with the financial cost of achieving that outcome. As the current owners of the vessel, the leadership team in O&A have reviewed their strategic direction and concluded that the vessel does not align with future priorities.

O&A reached out to CSIRO National Collections and Marine Infrastructure (NCMI) to query if the vessel may have more strategic importance to NCMI, particularly with its emphasis on marine technology and marine infrastructure.

NCMI has reviewed our strategy, the vessel, alternatives for marine operations in southwestern WA, the current work portfolio for the next five years and the business model, and found the following:

1. The current business model, and experience over the last ten years indicates that the vessel costs can be managed through facility cost recovery. Any additional work through the year above our core business (largely IMOS moorings) further bolsters the vessel's financial position.
2. Retaining the vessel in CSIRO is expected to result in increased ease in meeting our safety obligations. While it is true that CSIRO uses a variety of 3rd party vessels around Australia, ensuring safety criteria are met does take extra scrutiny to deliver on 3rd party vessels.
3. Retaining the vessel would allow Engineering and Technology (E&T) to engage with other research agencies in the regional market, foster relationships and build research linkages, and we will also explore other opportunities where access to *Linnaeus* enhances our ability to meet E&T and broader NCMI Strategic Directions.
4. With our desire to focus on safe operations, it is considered that long transits to NW shelf introduce significant challenges for safe operations. It is therefore intended that the vessel operations will be within the SW area of WA.

On this basis, NCMI has decided to accept the transfer of the RV *Linnaeus* from O&A into the E&T Program in NCMI. Furthermore, funds will be provided by NCMI to replace the main engine and to bring the vessel back to a safe seagoing state.

Recent assessments suggest that the vessel has at least five years of useful life, and NCMI will plan on that basis. It is proposed that the operation of RV *Linnaeus* be reviewed in three years' time (i.e., 2025) to evaluate the usage patterns over that period and whether the strategic opportunities presented by this transfer can be realised. This will determine whether there is a strong case for continued operations of the vessel.

If indeed usage is strong over this period, this review might be a good point in time for key stakeholders to commence development of a case for a replacement vessel that could be presented to relevant funding agencies, be that CSIRO capital or outside mechanisms. Depending on NCMI priorities at this time, this process (if it goes ahead) may be led by NCMI or by other parts of CSIRO if that is more appropriate.

It should be noted that this decision is based on the current facts and circumstances. If further major issues arise in the five-year period, it is unlikely that NCMI would be in a position to invest heavily in major repairs, and if that is the case the vessel would not be able to be retained.

We would like to thank the many people that contributed to the information that supported this decision, and apologise that it took longer than anticipated to come to a final position.

We believe that this is a good decision for CSIRO that considers safe operations for our staff and has balanced the complementary strategic directions for NCMI and O&A.

If you have any questions please let us know or contact Mark Underwood (E&T Research Director).

Kind regards

Toni Moate and Dan Metcalfe

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CSIRO acknowledges the Traditional Owners of the lands on which we live and work across Australia, and pays its respect to Elders past and present.