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Subject: Shortlisting Strategy for CH0009
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Attachments: [.png](#)
[CH0009 - Bidder Shortlist and Strategy - Rev 01EO \(2\).docx](#)

Gentlemen,

Attached is a draft of the short listing strategy document for CH0009 for your review. I will circulate to others team members pending your review and comments.

Ed Over

Sr. Advisor - Commercial Strategies

PROJECT DELIVERY TEAM

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CH0009 - Bidder Shortlist and Strategy - Rev 01EO (2).docx



LOWER CHURCHILL PROJECT

BIDDER SHORT LIST AND STRATEGY

CH0009 CONSTRUCTION OF THE NORTH AND SOUTH DAMS

	TITLE	NAME	SIGNATURE	DATE
<i>PREPARED BY:</i>	Contract Administrator	Ron Adamcyk		
<i>REVIEWED BY:</i>	Sr. Commercial Advisor	Ed Over		
<i>REVIEWED BY:</i>	Area Manager <i>North and South Dams</i>	Mark Turpin		
<i>APPROVED BY:</i>	Project Manager Muskrat Falls	Scott O'Brien		
<i>APPROVED BY:</i>	Supply Chain Manager	Pat Hussey		


 <p>nalcor energy LOWER CHURCHILL PROJECT</p>	Bidder Short List and Strategy	Rev.	Date
	CH0009 North and South Dams	01	02-Feb-2015

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1. PURPOSE

The purpose of this document is to provide the results of the initial evaluation and confirm support for the narrowing of the competition and focusing our efforts on the two more commercially attractive offers. We are recommending placing one bid in abeyance at this time.

2. BUDGET

The total estimated budget for the current scope of work is estimated at \$182 million.

3. BIDDER'S LIST

Request for proposals were issued to the following companies:


1. Astaldi Canada Inc.
2. Barnard-Pennecon J.V.
3. H.J. O'Connell Construction Limited- Dragados Canada Inc. JV

4. SCOPE

The work consists of construction of the South Dam and North dam, construction of the upstream, downstream and intake channel cofferdams, removal of Cofferdams 1, 2 and 3 and downstream section of the RCC riverside cofferdam as well as excavation of Tailrace Rock plug and temporary upstream bridge over the spillway approach channel.

5. SCHEDULE OF KEY DATES

LNTP	Dec 2014
Contract Award	Jan 2015
On-Site Mobilization	01 Apr 2015
Start River Impoundment to elevation 25m	01 Nov 2016
Start River Impoundment to elevation 39m	20 Jul 2017
Substantial Completion	31 Nov 2017

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6. PROPOSALS

Each of the proponents submitted a proposal. One of the proponents offered fixed unit prices and lump sums as requested in the proposal documents. One of the remaining proponents offered fixed unit prices and lump sums, but with the qualification that trades labour would be billed at actual cost. This proponent’s man-hours were slightly higher than our internal estimate, but significantly lower than the estimated man-hours of the fixed priced proponent.

The third proponent’s proposal price is significantly higher than the other two proponents, and is based on a target price concept for target labour. In addition, its labour man-hours are significantly higher than the other proponents and more than double our estimate.

7. SHORT LIST RECOMMENDATION

The evaluation team is recommending that the Astaldi proposal be placed in abeyance at this time. It may be reactivated at a later should further discussions with the two other proponents identify potential major issues.

8. PROPOSED NEXT STEPS

- Internal review process to identify potential opportunities for cost reduction.
- Further clarification meetings to identify opportunities to reduce cost and recover schedule.