

# Lower Churchill Project

## Spillway Gates – Construction Acceleration

19-Aug-2015

Boundless Energy



Take a  
**MOMENT**  
for Safety

# Section title

# LCP Objectives For CH0032 Spillway Scope

## Ready for diversion 1-Jul-2016

- All Spillway scope does not need to be 100% complete to allow river diversion.
  - All gates and stoplogs must be operational - they can be controlled from the hoist house, likely by temporary power supply
  - Gate heating systems, and spillway electrical building are not needed to be fully complete

# Change in Schedule

Upstream Spillway Ready For Hydro-Mechanical Contractor

Delayed from 16-Feb-2015 to 1-Nov-2015

Ready for Diversion Delayed from 13-Feb-2016 to 1-Jul-2016

Original duration to complete full scope was 362 days.  
Most of the scope must now be completed in 243 days.

# Andritz Acceleration Proposal

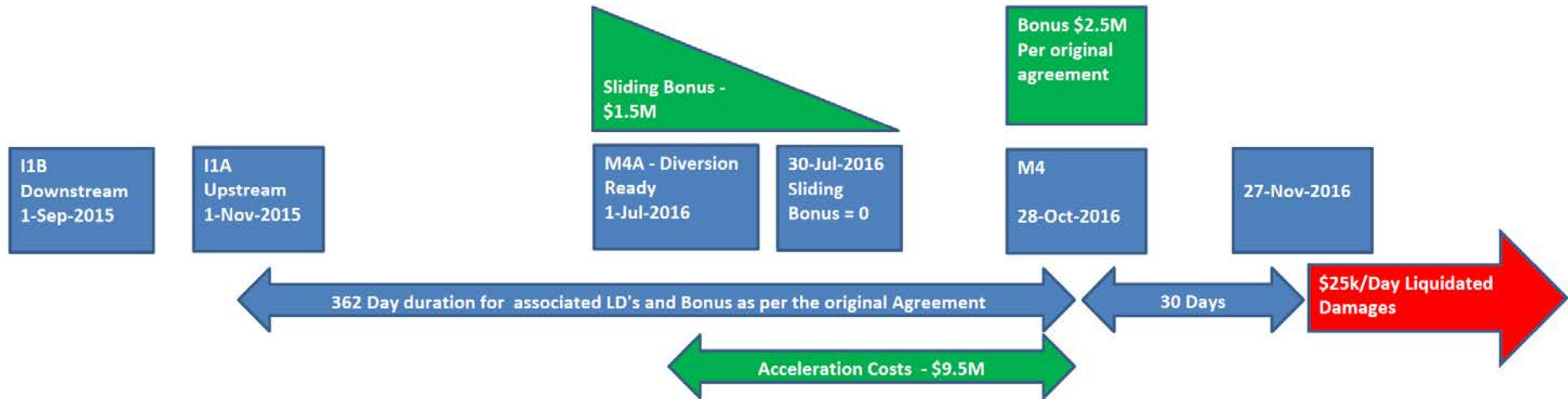
- LCP received AH draft acceleration proposal for the mechanical scope 18-Aug-2015.
- Mechanical scope is critical path and the majority of the manhours. (47,320 Mhrs)
- Civil and Electrical scopes to be part of a later proposal expected to be ready 31-Aug-2015

# Andritz Acceleration Proposal

- Identifies a number of open commercial items that must be closed to start accelerated schedule and mobilize to site
- Contains no detail on how the work will be executed
- Includes only high level one-page schedule with no reference to baseline

# Proposal Summary

- Andritz draft proposal shows limited commitment on their part to meet the diversion timeline. Only incentive is \$1.5M bonus.
- Accelerations costs payable regardless: “The lump sum would be payable to the Contractor regardless of the actual completion dates of any of the works on the spillway.”



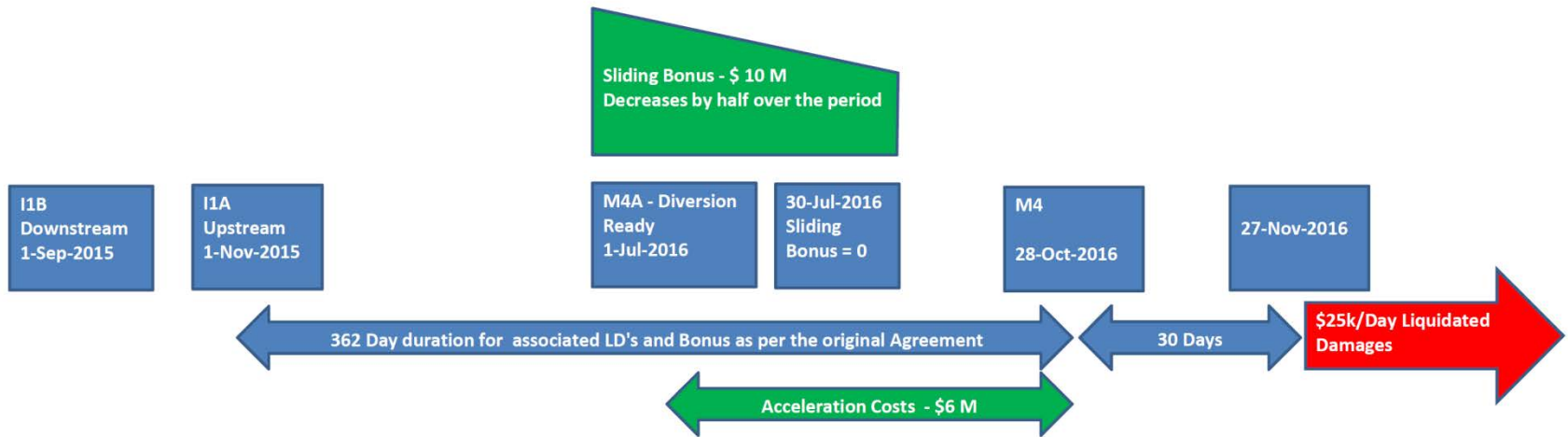


# Strategy for Counter Proposal

- Need Andritz to commit to the schedule for diversion
- Increase Andritz share of risk.
  - Include 2.5M bonus in ready for diversion bonus
  - Include some of acceleration costs in ready for diversion bonus
- Increase Incentive for Andritz
  - Increase bonus basic amount by 2.5M

# Strategy for Counter Proposal

- Increase Incentive for Andritz
  - Increase bonus basic amount by 2.5M



# Strategy for Counter Proposal

- Require a pre-estimate of costs associated with further delay to start date
- Closure of all unresolved commercial issues to this point in time for the spillway

Sharing our ideas in an open and supportive manner to achieve excellence.

# Teamwork

# Open Communication

Fostering an environment where information moves freely in a timely manner.

# Honesty and Trust

Being sincere in everything we say and do.

Relentless commitment to protecting ourselves, our colleagues, and our community.

# Safety

# Respect and Dignity

Appreciating the individuality of others by our words and actions.

# Leadership

Empowering individuals to help, guide and inspire others.

Holding ourselves responsible for our actions and performance.

# Accountability