

**Re: Action Plans**

Darren Debourke to: stephen.hall

Cc: Paul Harrington

Bcc: Trina Troke

03/03/2016 09:21 AM

History: This message has been forwarded.

Hello Stephen,

Trust you are well?

No doubt you have seen my email yesterday and can sense my level of continued frustration . In a nutshell, there needs to be a significant and immediate change in Contractors approach (all aspects) in order to deliver this work. In saying that, I'm not sure your action plan is drastic enough considering the situation .

Its been a couple of weeks now since we last met, so I thought it would be a good chance to reconnect, now that I've had a chance to reflect a little more . I also have some specific questions on the proposed Action Plan as indicated in the email string below .

I understand your Planning/Engineering/Construction Leads are on the ground in Quebec (which is a good thing) and I am anxious to hear and understand their finding and recommendations .

There are some details in the Plan meant to address the planning / scheduling and overall management issues. However, I would like to better understand if this is a one time exercise , or if it will be reviewed and updated weekly, monthly, etc. Also, I'd like for you to clarify who is / will be involved in this process going forward .

In terms of completions / commissioning, we are somewhat in the dark as to what, if anything, has been happening since the 12-Feb high level workshop. We have sent conditional approval of the Completion Manager position, but clear next steps have not been defined as to when Mr. Lacroux will be on the Project fulltime .

Construction is currently an exercise in mismanagement at best . It sounds as though you will be changing and adding resources? Which is much needed, however, it is not clear if the process and philosophy will also change. There is definitely something missing here and there is significant Risk on the project as a result. The situation at MF is the worst I've seen in my career and there are no signs of improvement .

I'm wondering what will be the impact of adding discipline leads / executive sponsors for the individual disciplines of construction, procurement, and engineering for support as required . They will do an initial audit but what happens afterwards is not obvious . It appears that there may be some sort of a joint Company / Contractor workshop following the audit? I suggest

that there should be some indication of whether there will be other , future audits / workshops. I'd also like to see something more specific about your plans to ensure a timely implementation and a lasting change.

For Engineering, adding specific links in the schedule as well as resources will help . I would like to see something more specific about process changes to ensure the schedule will be used for regular priority setting both now and into the future .

Procurement is still a major gap, particularly in terms of Quality. Quality processes are a big concern, and they really need to be addressed in the Plan . We continue to struggle after countless reminders to Contractor of noncompliance . How are you going to ensure quality requirements are met and still deliver, knowing that Contractor will have to more than triple its progress rate in order to meet schedule? Concerning? Very.

On the topic of schedule and the need for increased productivity - How will this be achieved? Additional Resources? Working extended hrs and weekends? Other/All? The Action Plan doesn't really speak to this to the level required considering what is needed to recover .

How will connectivity between the various groups change/improve? It was clear at our meetings that PES (Stafford) / other groups are operating independently. While it will likely add value for the PM and EM to travel there more regularly , there needs to be more action to align operations of the various arms of the team .

Finally, my comments regarding Thierry Martin remain as stated yesterday . Therefore I would like to understand what other suitable candidates are available within GE or other ? You previously mentioned a Sr. GE person from the U.S. who has experience in delivering large scale projects - Have you managed to secure ?

I would like to have a call with you today if possible - if so, please advise most appropriate time and number where I can reach you .

Kind Regards,

**Darren DeBourke**

**Project Manager - HVdc Specialties**

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**From:** "HALL Stephen" <[stephen.hall@alstom.com](mailto:stephen.hall@alstom.com)>

**Date:** February 21, 2016 at 9:29:37 AM NST

**To:** "[DarrenDeBourke@lowerchurchillproject.ca](mailto:DarrenDeBourke@lowerchurchillproject.ca)" <[DarrenDeBourke@lowerchurchillproject.ca](mailto:DarrenDeBourke@lowerchurchillproject.ca)>

**Subject:** Action Plans

Dear Darren,

Further to our discussions on Thursday and Friday 18<sup>th</sup> and 19<sup>th</sup> February, 2015 the following is a summary of the various actions we are taking to support the delivery of our works on the Lower Churchill Project and to address the current performance issues.

These actions are focussed on ensuring that we have a clear plan that drives the schedule, and is used by the whole team as the single tool to manage activities and report and monitor progress against. From this the organisation and resources required have been, and will continue to be, reviewed to ensure that they are appropriate to deliver the plan.

Schedule:

We are revisiting the project schedule to address the following to ensure overall schedule integrity, critical paths and priorities :

1. Checking and confirming the activities and the execution logic, confirming the logics links and durations are properly reflective of our plan.
2. Updating the Construction Logic to reflect the most current detail available from the Contractors and Tenderers, and where required inserting sequences of works for construction.
3. Confirming the Construction resource loading via Labour Histograms for each site.
4. Cross checking and confirming the Engineering documentation deliverables are fully logic linked to support Procurement and Construction activities.
5. Cross checking and confirming that the Procurement Plan is fully logic linked with all current manufacturing durations etc., and where available supported by current Tender durations, and also supporting the required on site date.
6. Where any changes to current logic are identified, any consequent mitigation plans will be built into the schedule.

As part of this process the following discipline leads, from our Paris Office, will carry out audit reviews to confirm the integrity of the planning for their discipline activities.

- Planning – Issa Konate
- Engineering – Jean-Michel Rivere
- Construction – Jacques George

Going forward, Jean-Michel Rivere (Engineering), Olivier Ruis (Procurement) and Jacques George (Construction and Commissioning/Completions) will act as executive sponsors for the

individual disciplines providing support to the team as required.

This process will take two weeks to complete (close Friday 4<sup>th</sup> March), with the audit reviews taking place in the second week. As per our discussions we would see the next activity being the detail cross checking and review by our respective teams in a joint process.

Resources:

As part of the Schedule review there will be a cross check to confirm that our Engineering, Procurement and Construction/Completions/Commissioning Resources are as required to support the plan.

Organisation:

The current project organization has been reviewed, to confirm that it is appropriate to deliver the project and provide:

- Efficiency: right resource in right place with appropriate capabilities and clear/agreed objectives and linked personal performances plan.
- Simplicity: clear roles and responsibilities, matched with level of authority.

This process, as you know from our conversations, will result in changes to our current structure. I believe it is important, at this time, these remain Confidential until the point where we can make a rapid change (replacement individual is available to commence with immediate effect). It is noted that some changes under the Contract will also require your approval. In summary the change process should be implemented to ensure minimum disruption to the project execution while respecting our contractual obligations for the key personnel.

The changes proposed in the leadership team are as follows :

1. Replace the current 501 Project Manager. We completed a round of interviews last Friday and Thierry Martin will be sending you a copy of the individual we are proposing as a replacement. He is available with immediate effect.
2. Having removed the Soldiers Pond Construction Manager, we completed the round of interviews last Friday and will be formally announcing the new appointment week commencing Monday 22<sup>nd</sup> Feb. Though not an approved position I have asked Thierry to provide you with a copy of the individuals CV.
3. Project Director Executive support, I have been providing this directly during the last two weeks and will continue to so do in the short term. As discussed I am looking to identify personnel within our North American structure who could do this going forward. I have identified an individual and will be taking the process forward next week.
4. The individuals in the current roles Construction Mgr/E&M Construction Mgr and Civils Construction Mgr will become providers of specialist support to the Project, on as required basis by the Leadership Team and specifically defined by the Project Director and the Muskrat Falls and Soldiers Pond Construction Managers.

Within the Site Teams for both Soldiers Pond and Muskrat Falls we have reviewed the organisations and are looking to make the following changes :

- Site Planning – Current Resources will be relocated to put a lead planner on site at both Soldiers Pond and Muskrat Falls.
- QS Resource – Recruitment process ongoing to provide for both sites.
- Contract Management – Interview Process complete and offer made to individual, based on start early March.
- Site Manager – Additional Site Manager identified offer made, based on start mid-March.

We will continue to review the structure and resources during the next weeks as the activities are completed and we monitor the results. The KPI for this being the delivery of planned activities against the Schedule.

While we believe these changes will deliver the required results we confirm that we will make any further change we deem required to address issues if they arise.

We confirm our commitment to working with you to ensure that our activities are delivered in a collaborative environment and in the interests of the Project.

Rgds  
Steve

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