

From: pharrington@lowerchurchillproject.ca
To: gbennett@nalcoreenergy.com
Subject: Fw: Report for Government - re oversight
Date: Monday, May 26, 2014 3:54:49 PM
Attachments: [.png](#)
[LCP Compliance Checklist.docx](#)

Gilbert

Attached is the compliance table between the E&Ydeck of 21 March and what we can provide as listed or equivalent - or in a few cases we do not have what they have identified.

I have asked Ed to put this all together in a binder and provide to me so we can give to you and Ed Martin. It will be a hefty tome because they have listed Project policies and procedures as a deliverable and you know how many there are of those and what they will take up in paper...but that is what we seem to have to do , so we will provide.

Regards paul

Paul Harrington

Project Director

PROJECT DELIVERY TEAM

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----- Forwarded by Paul Harrington/NLHydro on 05/26/2014 03:50 PM -----

From: Ed Bush/NLHydro

To: Paul Harrington/NLHydro@NLHydro,

Cc: Brian Crawley/NLHydro@NLHYDRO, James Meaney/NLHydro@NLHYDRO, Jason Kean/NLHydro@NLHYDRO

Date: 05/25/2014 06:29 PM

Subject: Re: Report for Government - re oversight

Sent by: ED Bush

Paul;

Please see the attached draft of a "compliance table" based on the E&Y slide deck. Let's discuss how we can best provide this information to the oversight committee.

Ed



LCP Compliance Checklist.docx

Ed Bush, MBA, P.Eng., PMP

Project Controls Manager

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Paul Harrington---05/23/2014 03:10:43 PM---Ed Ed Martin met with Government regarding the oversight committee and report - in order to satisfy

From: Paul Harrington/NLHydro

To: Ed Bush/NLHydro@NLHYDRO,

Cc: James Meaney/NLHydro@NLHYDRO, Brian Crawley/NLHydro@NLHydro, Jason Kean/NLHydro@NLHydro

Date: 05/23/2014 03:10 PM

Subject: Report for Government - re oversight

Ed

Ed Martin met with Government regarding the oversight committee and report - in order to satisfy the Government we need to get something in front of them in the form of a report and a compliance table showing what E&Y listed as being contained in a report and what we can offer.

So we need to have a draft report put together asap, I understand you are working on this but we need to get a push on , ask folks to work the weekend to get it over the line so we have something tangible to table early next week. The compliance table will also be required, I think you have the E&Y draft report dated 21 march 2014 - pls use that to develop the compliance table

Paul Harrington

Project Director

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LCP Compliance Checklist – Monthly Oversight Report

(Based on E&Y “Oversight Protocol for the LCP” – March 2014)

Item	Compliance Criteria	Status	Remarks
1	<u>Cost</u>		
1.1	Baseline Budget with Basis of Estimate	Complete	“DG3 Capital Cost Estimate Basis of Estimate” (LCP-PT-ED-0000-EP-ES-0000-01)
1.2	Cost reporting showing: Cost Performance Index (CPI), Budget (Baseline, Change Approved, Change Pending, In Period), Actuals (Incurred -In Period, Cumulative), Estimate To Complete (ETC), Estimate at Complete (EAC), Variance – Period and Cumulative	Ongoing	Asset based summary level cost reporting completed monthly as part of “Construction Report” issued to Canada and IE.
1.3	Contingency draw log, report of planned vs. consumed contingency	Incomplete	Contingency drawdown curve has been prepared as part of internal monthly forecast review. A drawdown log is not available. An estimated drawdown curve has not been prepared.
1.4	Performance Graphs showing performance, trend and forecast	TBD	Clarification required.
1.5	If available, To Complete CPI (TCPI) and Independent Estimate At Complete (IEAC)	Unavailable	LCP is not using earned value management as means of overall development of estimate at completion. However, it is being used within specific commitment packages on a limited basis.
1.6	Project/Contract level cost reporting as above but including: original commitments, approved changes, pending changes, revised commitments, invoiced to date, paid to date, percentage complete and CPI	Ongoing	Asset based detailed (commitment package) level cost reporting is available in PM+ for internal purposes. This system captures the information identified, including original commitments, approved changes, pending changes, revised commitments, invoiced to date, paid to date, percentage complete and CPI (where applicable). This information is not provided as part of “Construction Report” issued to Canada and IE.
1.7	Rolling cash flow (TBD Period) – planned versus actual	Ongoing	Asset based cash flow, by currency (CAD, USD, GBP, EUR), is prepared for the overall project duration, as well as a 15 month rolling window. This report is updated and issued to LCP Finance and Accounting on a monthly basis.
1.8	Log for tracking funding draws	Ongoing	Asset based details for funding draws are provided in the “Fund

			Release Request and the Applicable Funding Request” issued to Canada and the IE on a monthly basis.
1.9	Analysis and management corrective actions for variance at the individual line item level	TBD	Clarification required.
2	<u>Schedule</u>		
2.1	Basis of Schedule and/or Assumptions	Completed	“Project Control Schedule Baseline Document” (LCP-SN-CD-0000-PC-SH-0001-01). “Integrated Project Schedule” (LCP-PT-MD-0000-PC-SH-0001-01)
2.2	Updated Gantt Charts (at level 1 to 4) including with critical path, baseline, float, % complete, actual/forecast start, actual/forecast end date	Ongoing	A report entitled “Integrated Project Schedule – Monthly Schedule and Progress Analysis” is issued on a monthly basis. This comprehensive report includes the overall project summary schedule and milestones (compared to baseline), 6 month look ahead schedule, monthly and cumulative progress, critical path and sub-critical path analysis, and float analysis.
2.3	Performance graph showing schedule performance, trend and forecast end date	Ongoing	This is addressed as part of the “Integrated Project Schedule – Monthly Schedule and Progress Analysis”.
2.4	Top 10 Critical Items and +Float	Ongoing	Critical activities and milestones are analyzed as part of the “Integrated Project Schedule – Monthly Schedule and Progress Analysis”.
2.5	Schedule Specification used to guide teams in the creation of schedule	Completed	“Lower Churchill Project Schedule Development and Control Plan” (LCP-SN-CD-0000-PC-PL-0003-01).
2.6	Predecessor/Successor report (if used)	Unavailable	A predecessor/successor report is not a standard reporting deliverable for the LCP, however it is used as a planning tool during the development of an internal schedule or during the review of a contractor/vendor schedule to validate the schedule logic applied to the model.
2.7	Analysis and management corrective action (at individual line item level)	TBD	Clarification required.
2.8	Schedule milestone report showing Baseline Finish, Actual/Forecast Finish, Schedule Performance Index, Variance	Ongoing	This is addressed as part of the “Integrated Project Schedule – Monthly Schedule and Progress Analysis”. In addition, key milestones forming part of the Project Finance Agreement Milestone Schedule are included as part of “Construction Report” issued to Canada and the IE.
3	<u>Other</u>		

3.1	Standard project monthly progress report (including Health & Safety, Environment, Community/Stakeholder, Scope & Change, Cost, Schedule, Quality, Risk and Contract reports)	Ongoing	Included as part of overall LCP Monthly Report.
3.2	Resource profiles and graphs/histograms (planned versus actual/forecast)	TBD	Clarification required.
3.3	Project Work Breakdown Structure (WBS) and dictionary	Complete	"Project Work Breakdown Structure and Code of Accounts" (LCP-PT-MD-0000-PC-LS-0001-01). "LCP Master Package Dictionary" (LCP-SN-CD-0000-PM-LS-0001-01).
3.4	Project policies and procedures (Project Management Plan, Project Execution Plan, other processes)	Complete	"Environmental Management Plan" (LCP-PT-MD-0000-EV-PL-0001-01), "Health and Safety Management Plan" (LCP-PT-MD-0000-HS-PL-0001-01), "Security Management Plan" (LCP-PT-MD-0000-HS-PL-0002-01), "Project Risk Management Plan" (LCP-PT-MD-0000-RI-PL-0001-01), "Information Technology Management Plan" (LCP-PT-MD-0000-IS-PL-0001-01), "Information Management Plan" (LCP-PT-MD-0000-IM-PL-0003-01), "Project Controls Management Plan" (LCP-PT-MD-0000-PC-PL-0001-01), "Project Finance and Accounting Management Plan" (LCP-PT-MD-0000-FI-PL-0001-01), "Project Change Management Plan" (LCP-PT-MD-0000-PM-PL-0002-01), "Project Technical Interface Management Plan" (LCP-PT-MD-0000-PM-PL-0006-01), "Administrative Management Plan" (LCP-PT-MD-0000-AD-PL-0001-01), "Work Planning Management Plan" (LCP-PT-MD-0000-PM-PL-0003-01), "Accounts Payable Risk Management Plan" (LCP-PT-MD-0000-FI-PL-0002-01), "Communications and Stakeholder Relations Management Plan" (LCP-PT-MD-0000-CO-PL-0001-01), "Team Effectiveness and Labour Relations Management Plan" (LCP-PT-MD-0000-HR-PL-0001-01), "Industrial Relations Management Plan" (LCP-PT-MD-0000-LR-PL-0001-01), "Workforce Preparation Training Plan" (LCP-PT-MD-0000-IB-PL-0001-01), "Engineering Management Plan" (LCP-PT-MD-0000-EN-PL-0001-01), "Overarching Quality Management Plan" (LCP-PT-MD-0000-QA-PL-0001-01), "Procurement Management Plan" (LCP-PT-MD-0000-SC-PL-0001-01), "Contract

			Administration Plan” (LCP-PT-MD-0000-CA-PL-0001-01), “Construction Management Plan” (LCP-PT-MD-0000-CS-PL-0001-01), “Operations and Maintenance Plan” (LCP-PT-MD-0000-OP-PL-0001-01), “Completions and Commissioning Management Plan” (LCP-PT-MD-0000-CM-PL-0001-01), “Ramp Up Handover and Project Closure Management Plan” (LCP-PT-MD-0000-PM-PL-0004-01), “Emergency Response Plan” (LCP-PT-MD-0000-HS-PL-0004-01).
3.5	Project execution and contracting strategy	Complete	“Project Execution Plan (Scope and Approach)” (LCP-PT-MD-0000-PM-PL-0001-01).
3.6	Project risk register	Complete	“Project Risk Management Plan” (LCP-PT-MD-0000-RI-PL-0001-01). Risk management also forms part of the LCP Monthly Report.
3.7	Change order log	Ongoing	“Procedure for Change Order” (LCP-PT-MD-0000-CA-PR-0002-01). Change order registers are maintained by the Contract Administrator for a specific commitment package. The approved CO and supporting documentation are maintained on Aconex in the “LCP Construction Management” instance. Listings of approved changes are also maintained in PM+ as part of the project cost management system.
3.8	Claims log	Ongoing	Claims affecting any of the Material Contracts identified in the Project Finance Agreements are disclosed as part of asset based reporting completed monthly as part of “Construction Report” issued to Canada and IE.
3.9	Liens register	Ongoing	A lien search is performed on a monthly basis as part of the project funding request process.
3.10	Project assurance plan(s) – including internal audit and third party assurance	Complete	LCP Assurance Framework, led by Nalcor Internal Audit, is in place to provide for an independent assessment of governance, risk management, and control process for the project. Independent Engineer (MWH Canada Inc.) has been engaged by Canada to provide 3 rd party oversight. (Note – would this also include quality assurance?)