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Subject: Astaldi Cost Analysis
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Attachments: [.png](#)
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[Astaldi Analysis - 20 Nov 2014.xls](#)
[Astaldi Analysis - 6 Oct 2014 - EB.xls](#)

All;

Please see the attached spreadsheet, prepared by LCP Project Controls, that summarizes where we stand to the Astaldi labour cost based on November's incurred cost data.

In summary, we have incurred about 28% of our direct and indirect labour budget in the performance of 4.95% of the value of the measurable work.

Based on these calculations, Astaldi will exceed their LMAX by over \$510 million.

This is similar to the result of the analysis prepared in early October 2014 which has also been attached for reference..

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Astaldi Analysis - 20 Nov 2014.xls



Astaldi Analysis - 6 Oct 2014 - EB.xls

CH-0007 Preliminary Labour Cost Analysis

	Actual This Period September 2014	Actual To Date September 2014	Total Contract Value	Spent (%)	Earned (%)	Forecast at Completion
Total Labour (Indirect + Direct)	\$ 25,069,472	\$ 99,419,044	\$ 583,130,335	17.05%		\$ 1,172,304,106
Indirect Labour	\$ 21,591,975	\$ 90,370,490	\$ 343,317,358	26.32%		\$ 498,458,818
Direct Labour	\$ 3,477,497	\$ 9,048,554	\$ 239,812,977	3.77%	1.34%	\$ 673,845,288
Forecast Detail						
Direct Labour (based on performance to date)						\$ 673,845,288
Indirect Labour (October 2014 to December 2015)						\$ 259,103,700
Indirect Labour (January to December 2016)						\$ 77,731,110
Indirect Labour (January 2017 to September 2018)						\$ 71,253,518
Actual Indirect Labour to September 2014						\$ 90,370,490
Target Cost of Labour						\$ 583,130,335
LMAX						\$ 64,300,000
Sub-Total						\$ 647,430,335
Forecast at Completion						\$ 1,172,304,106
Variance						\$ 524,873,771

NOTES

Note 1): All "actual" data from Astaldi's Monthly Cost Reports - "Incurred for Labour (Excluding Subcontractors)" and "Incurred for Non-Labour" for period ending September 25, 2014

Note 2): Prorated based on current trend of earned vs spent to date as at September 2014.

Note 3): Projection for Indirect Labour for period October 2014 to June 2015 based on 100% of incurred direct labour costs for September 2014. July to December 2015 assume 50% of September 2014

Note 4): Projection for Indirect Labour for period January - December 2016 based on 30% of incurred direct labour costs for September 2014.

Note 5): Projection for Indirect Labour for period January 2017 - September 2018 based on 15% of incurred direct labour costs for September 2014.

CH-0007 Preliminary Labour Cost Analysis

Oct-14

	Actual This Period October 2014	Actual To Date October 2014	Total Contract Value	Spent (%)	Earned (%)	Forecast at Completion	Notes
Total Labour (Indirect + Direct)	\$ 30,720,507	\$ 130,139,551	\$ 583,130,335	22.32%		\$ 1,044,118,873	
Indirect Labour	\$ 16,981,614	\$ 107,352,104	\$ 343,317,358	31.27%		\$ 411,322,995	
Direct Labour	\$ 13,738,893	\$ 22,787,447	\$ 239,812,977	9.50%	3.60%	\$ 632,795,878	Cumulative PI = 0.38 Last month =0.355
Forecast Detail							
Direct Labour (based on performance to date)						\$ 632,795,878	Note 2
Indirect Labour (November 2014 to December 2015)						\$ 186,797,754	Note 3
Indirect Labour (January to December 2016)						\$ 61,133,810	Note 4
Indirect Labour (January 2017 to September 2018)						\$ 56,039,326	Note 5
Actual Indirect Labour to September 2014						\$ 107,352,104	
Target Cost of Labour						\$ 583,130,335	
LMAX						\$ 64,300,000	
Sub-Total						\$ 647,430,335	
Forecast at Completion						\$ 1,044,118,873	
Variance						\$ 396,688,538	Last month = 525 M

NOTES

Note 1): All "actual" data from Astaldi's Monthly Cost Reports - "Incurred for Labour " and "Incurred for Non-Labour" for period ending October 25, 2014

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Note 3): Projection for Indirect Labour for period November 2014 to June 2015 based on 100% of incurred direct labour costs for October 2014. July to December 2015 assume 50% of October 2014.

Note 4): Projection for Indirect Labour for period January - December 2016 based on 30% of incurred direct labour costs for October 2014.

Note 5): Projection for Indirect Labour for period January 2017 - September 2018 based on 15% of incurred direct labour costs for October 2014.

Note 6): We are still waiting on Astaldi to provide his updated MFL so we can have a more accurate forecast of his Indirect Labour

CH-0007 Preliminary Labour Cost Analysis

Nov-14

	Actual This Period November 2014	Actual To Date November 2014	Total Contract Value	Spent (%)	Earned (%)	Forecast at Completion	Notes
Total Labour (Indirect + Direct)	\$ 31,377,471	\$ 161,517,023	\$ 583,130,335	27.70%		\$ 1,157,596,322	
Indirect Labour	\$ 19,163,913	\$ 126,516,017	\$ 343,317,358	36.85%		\$ 450,386,138	
Direct Labour	\$ 12,213,559	\$ 35,001,006	\$ 239,812,977	14.60%	4.95%	\$ 707,210,184	Cumulative PI = 0.34 Last month =0.38
Forecast Detail							
Direct Labour (based on performance to date)						\$ 707,210,184	Note 2
Indirect Labour (December 2014 to December 2015)						\$ 191,639,125	Note 3
Indirect Labour (January to December 2016)						\$ 68,990,085	Note 4
Indirect Labour (January 2017 to September 2018)						\$ 63,240,911	Note 5
Actual Indirect Labour to September 2014						\$ 126,516,017	
Target Cost of Labour						\$ 583,130,335	
LMAX						\$ 64,300,000	
Sub-Total						\$ 647,430,335	
Forecast at Completion						\$ 1,157,596,322	
Variance						\$ 510,165,987	Last month = 397 M

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Note 3): Projection for Indirect Labour for period December 2014 to June 2015 based on 100% of incurred direct labour costs for November 2014. July to December 2015 assume 50% of November 2014.

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Note 6): We are still waiting on Astaldi to provide his updated MFL so we can have a more accurate forecast of his Indirect Labour

CH-0007 Preliminary Labour Cost Analysis

	Actual This Period September 2014	Actual To Date September 2014	Total Contract Value	Spent (%)	Earned (%)	Forecast at Completion
Total Labour (Indirect + Direct)	\$ 25,069,472	\$ 99,419,044	\$ 583,130,335	17.05%		\$ 1,183,779,846
Indirect Labour	\$ 21,591,975	\$ 90,370,490	\$ 343,317,358	26.32%		\$ 509,934,558
Direct Labour	\$ 3,477,497	\$ 9,048,554	\$ 239,812,977	3.77%	1.34%	\$ 673,845,288
Forecast Detail						
Direct Labour (based on performance to date)						\$ 673,845,288
Indirect Labour (October 2014 to December 2015)						\$ 259,103,700
Indirect Labour (January to December 2016)						\$ 77,731,110
Indirect Labour (January 2017 to September 2018)						\$ 82,729,258
Actual Indirect Labour to September 2014						\$ 90,370,490
Target Cost of Labour						\$ 583,130,335
LMAX						\$ 64,300,000
Sub-Total						\$ 647,430,335
Forecast at Completion						\$ 1,183,779,846
Variance						\$ 536,349,511

NOTES

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