

From: [Martin, Craig](#)
To: ["JamesMeaney@lowerchurchillproject.ca"](mailto:JamesMeaney@lowerchurchillproject.ca)
Subject: RE: RFP
Date: Thursday, October 2, 2014 6:30:32 AM
Attachments: [.png](#)
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Jim,

Attached is a copy of the RFP.

Craig

From: JamesMeaney@lowerchurchillproject.ca
[mailto:JamesMeaney@lowerchurchillproject.ca]
Sent: Wednesday, October 01, 2014 11:52 PM
To: Martin, Craig
Subject: RFP

□Hi Craig

When we spoke last Friday you had mentioned an RFP was going to be issued to EY, KPMG and PWC for ongoing support services for the Oversight Committee. Could you please send me a copy of the Scope of Work that was included in the RFP.

Thanks

Jim

Sent from my BlackBerry 10 smartphone on the Bell network.

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REQUEST FOR PROPOSALS

for

**Muskrat Falls Oversight Committee
Advisory Services**

**Executive Council
Cabinet Secretariat
Muskrat Falls Oversight Committee**

September 2014

The Government of Newfoundland and Labrador (Government), through the Muskrat Falls Oversight Committee (the Committee), is seeking the services of an accounting firm (the Consultant) with significant knowledge and experience in major capital projects to provide general advice and support to the Committee in its oversight role of the Muskrat Falls Project (the Project).

1. Background

In March, 2014, the Government announced the establishment of the Committee to strengthen the existing oversight of the Muskrat Falls Project. Its mandate focused the oversight role on project cost, schedule and risk management. The Committee reports quarterly during the construction phase of the project, and had its first report issued on July 31, 2014. That report provided an Oversight Framework to guide the Committee's future work and included a Shareholder Letter detailing the information that Nalcor will report regularly to allow the Committee to monitor the Project cost and schedule performance.

A copy of this report is attached as Appendix A and can be found at:

<http://www.gov.nl.ca/MFOversight/pdf/mfoversight.pdf>.

2. Overview of Work

General

The Government is seeking a consultant with the expertise to provide specialized advice in the review and interpretation of cost and schedule information reported by Nalcor to the Committee with respect to the progress on the Muskrat Falls project. Specifically, the consultant will be expected to interpret and report on the progress data as measured against the cost and schedule baselines.

The consultant should have significant knowledge and experience in major capital project construction, specifically as it relates to monitoring cost and schedule progress, including expertise in earned value methodologies.

The consultant may also be requested to undertake more detailed analysis of certain project areas as it relates to any issues that may arise and may be requested to undertake specified projects as required from time to time.

The consultant will be expected to work closely with the Committee and its working group. The consultant may be required to work with other consultants to the Project from time to time if required. Further, the consultant will be expected to present to the Committee as a whole as required and may also be required to travel to Muskrat Falls Project sites to participate in visits for the purposes of reviewing the project schedule performance.

This is a 'fee-for-service' contract. Submissions should clearly identify staff, expertise, experience rates and any other per diem charges. This current contract period will expire March 31, 2015, but will include an option to renew, by the Government at its sole discretion, for a second, third and fourth year ending March 31, 2016, March 31, 2017 and March 31, 2018, subject to budgetary appropriation.

Muskrat Falls Project

The Muskrat Falls Project was sanctioned by the Government of Newfoundland and Labrador in December 2012. Nalcor Energy is leading the construction of the Project. The project includes construction of an 824 megawatt (MW) hydroelectric dam on the lower Churchill River in Labrador, and more than 1,500km of associated transmission lines.

The Committee's oversight role for the Project relates to the:

- Muskrat Falls Hydroelectric Generating Facility
- Transmission assets:
 - Labrador-Island Link
 - Labrador Transmission Assets

Muskrat Falls Hydroelectric Generating Facility

The facility is an 824 megawatt (MW) hydroelectric generating facility being constructed at Muskrat Falls on the lower Churchill River, approximately 30 km west of Happy Valley-Goose Bay. The facility consists of two dams and a powerhouse, and will be the second-largest hydroelectric facility in the province when complete.

Construction for the generating facility began in January 2013. Major construction activities include:

- Clearing the reservoir area to remove trees that could impact operation of the generating facility or affect navigation.
- Bulk excavation of rock for the intakes, powerhouse and spillway structures.
- Building temporary cofferdams to allow the structures to be constructed in a dry environment.
- Constructing the powerhouse and spillway structures.
- Installing the turbines and generators for the hydroelectric facility.
- Constructing two dams: the north dam, built using roller-compacted concrete through a series of horizontal layers; and, the south dam, which will be a conventional rock-filled dam.
- Impoundment of the reservoir once both dams have been constructed.

Transmission assets: Labrador Transmission Assets and the Labrador-Island Link

More than 1,500 km of transmission lines and related infrastructure will be required for the Muskrat Falls Project. The Transmission assets consist of:

Labrador Transmission Assets: Two 250 km, 315 kV High Voltage alternating current (HVac) transmission lines between the hydroelectric generating facilities at Muskrat Falls and Churchill Falls.

Labrador Island Link: 1,100 km, High Voltage direct current (HVdc) Labrador-Island Transmission Link, between Muskrat Falls and Soldiers Pond on the Avalon Peninsula of Newfoundland.

Major activities related to construction of the transmission lines include:

- Surveying and constructing infrastructure (access roads, bridges, marshalling yards and temporary construction camps).
- Clearing and preparation for the transmission line right-of-way (ROW) and other transmission infrastructure.
- Installing foundations for the transmission towers.
- Assembling and installing the transmission towers.
- Installing conductor and grounding systems.
- Building a converter station at Muskrat Falls and Soldiers Pond, a switchyard and synchronous condenser facility at Soldiers Pond, as well as electrodes at L'Anse au Diable and Dowden's Point.
- Building the Strait of Belle Isle transition compounds on each side of the Strait, which act as the transition point between the subsea cable and overhead transmission line.
- Inspecting and commissioning the line.

Construction is scheduled to be completed by June 2018. The total estimated costs for the Project as of June 2014 are \$6.990 billion (CDN).

Muskrat Falls Oversight Committee

The Committee is accountable to Cabinet for Project oversight and reporting on the Project's cost and budget performance, schedule performance, and cash flow requirements. Its Terms of Reference mandates it to provide reliable and transparent oversight so the public can have confidence that:

- The Project cost and schedule are well managed;
- The Project is meeting the cost and schedule objectives; and,
- The cost and schedule risks are being reasonably anticipated and managed.

The Committee provides quarterly reports to Government and for distribution to the Public. The Committee's Terms of Reference is attached as Appendix B and can be found at http://gov.nl.ca/mfoversight/pdf/oversight_appendix_b.pdf.

An Oversight Framework was developed by the Committee to guide its work and fulfill its mandate, including its information requirements. The Committee's information requirements are summarized as follows:

- Cost: including baseline budget, contingency reports, cash flow reports, and, funding logs;
- Schedule: including schedule development and control plan, performance graphing, and analysis and management of corrective action; and,
- Other: including major contractor monthly progress reports, project policies/plans/procedures, project risk registers, claims log and liens register.

Information requirements have been formally defined in a Shareholder letter issued to Nalcor Energy on July 31, 2014. A copy of this letter can be found in the attached as Appendix C and can be found at http://gov.nl.ca/mfoversight/pdf/oversight_appendix_c.pdf.

3. Timeframe for RFP Submission

Proposals are to be submitted by Monday, October 6, 2014 at 4:00pm (Newfoundland Time).

4. Required Expertise and Capabilities

- Significant knowledge and experience in major capital project construction, specifically as it relates to monitoring cost and schedule progress.
- Demonstrated expertise in Earned Value Management Systems.
- Experience in project risk identification and analysis.

5. Proposal Submission

Interested consultants are asked to review this Request for Proposals (RFP), the July 31, 2014 Committee report and any other relevant documentation and submit a proposal for consideration.

This is a "fee-for-service" contract. To aid in the evaluation, the proposal should include:

- The name and address of the bidder submitting the proposal.
- An outline of the consultant(s) expertise and work experience relevant to the mandate, including a list and description of projects undertaken.
- The name, curriculum vitae (CV), and proposed roles of individuals to be engaged in this work.
- Summary of costs including the per diem rates for each person who will be involved in the contract. The per diem rates for each person should be quoted on an hourly basis excluding HST. Any other per diems should be clearly identified.
- Description of approach for advisory services and the capacity of the consultant firm to undertake and deliver on work assignments.
- Details of any rate increases for subsequent year renewals, at the sole discretion of the Government.
- All costs should be quoted in Canadian dollars, exclusive of HST.

All proposal submissions related to this RFP must be delivered in a sealed package and clearly marked with the title "Muskrat Falls Oversight Committee Advisory Services" to the attention of:

Mr. Craig Martin, CMA
Executive Director, Muskrat Falls Oversight Committee
Cabinet Secretariat, Executive Council
Government of Newfoundland and Labrador
4th Floor, East Block, Confederation Building
Prince Philip Drive
P.O. Box 8700
St. John's, NL, Canada A1B 4J6
email: cmartin@gov.nl.ca

The proposal package shall include one (1) signed original and four (4) complete paper copies and one (1) complete electronic copy in Adobe Reader format. Facsimile or electronic only proposals are not acceptable and will not be considered.

All proposals must remain valid and open for acceptance for not less than ninety (90) calendar days from the closing date of this RFP.

Consultants are solely responsible, and without recourse for any expenses they incur in preparing and submitting a proposal and for its participation in the RFP process including, but not limited to, attending any interviews or presentations requested by the Committee and providing any additional information that may be requested. The Government shall not defray nor be liable for any reason for any expenses incurred by the consultant in responding to this RFP.

All proposals and accompanying documentation submitted under this request for proposals are considered the property of the Government and will not be returned.

All proposals must address the content of this RFP. Proposals are those that clearly demonstrate a thorough understanding of the RFP, and its stated requirements and criteria. The Government will disqualify proposals that do not demonstrate this understanding and not include the information that is requested in the RFP.

6. Proposal Acceptance

The Government reserves to itself the unfettered right to reject any or all responses received in response to this RFP and the Government is not bound to accept the highest ranking or any response. The Government may elect to cancel this RFP at any time with or without cause and no liability shall accrue to the Committee nor the Government as a result of its exercise of its discretion in this regard.

Should the Government decide not to accept any proposal received, all proponents will be given notice of such decision.

The proposal of the successful proponent will form part of any resulting agreement by attachment and incorporation by reference. Claims made in the proposal will constitute contractual commitments. Any provision in the proposal may be included in the resultant agreement as a direct provision thereof.

Any agreement resulting from this RFP shall be governed by the laws of the Province of Newfoundland and Labrador. Any agreement issued pursuant to this RFP shall be issued in the name of the proponent exactly as that proponent's personal or corporate name is stated in the RFP document. Funds payable in Canadian dollars (CDN\$) for materials delivered pursuant to this Agreement shall be paid only to the proponent who is so listed as party to this agreement.

All documents and other records in the custody of, or under the control of some or all of the Government of Newfoundland and Labrador, or its representatives shall remain confidential.

7. Proposal Evaluation

Government will evaluate proposals for completeness and suitability. The proposals will be scored out of 100 as follows:

Consultant Proposal Rates and Per Diems	25 points
Consultant Profile: Proposed Advisory Team Members, knowledge and experience	35 points
Major Capital Project knowledge and experience and Previous Consultant Project Work	30 points
Approach for Advisory Services; Consultant Capacity to Undertake & Deliver Work; Ability to meet timelines	10 points

Additional information may be requested from the consultant, if necessary, to substantiate and support proposal submissions to this RFP. Any such additional information will be provided at the consultant's expense.

Proposals will be evaluated for completeness, conciseness and general suitability. Only proposals that have been deemed by the Government to have met all mandatory requirements as identified within this RFP document will be evaluated.

Interviews or presentations may be requested of proponents, if necessary, to substantiate responses. Any presentations made on site will be at the proponent's expense.

Proposals should identify the employees who will be involved and their per diem rates. All costs should be quoted in Canadian dollars (CDN\$), exclusive of applicable taxes.

8. General terms and Conditions

The successful proponent must be in good standing with the Workplace Health, Safety and Compensation Commission (WHSCC) or its equivalent in the jurisdiction where the proponent organization is located and provide a certification letter to this effect prior to receiving any payments for this contract.

If the proponent is a corporation, the organization must be licensed to conduct business in its own jurisdiction and shall be in good standing in that jurisdiction.

Contracts will be governed by the laws of the Province of Newfoundland and Labrador.

The successful proponent will be expected to execute the standard consulting agreement used by the Province, a copy of which is attached as Appendix D.

9. Inquiries and Communication

Inquiries and questions related to this RFP are to be submitted to the Committee no later than Thursday, October 2, 2014 at 4:00pm (Newfoundland Time). Inquiries and requests for clarification received after this date will not be addressed.

Please forward all inquiries to:

Craig Martin, CMA
Executive Director, Muskrat Falls Oversight Committee
Cabinet Secretariat, Executive Council
Government of Newfoundland and Labrador
4th Floor, East Block, Confederation Building
Prince Philip Drive
P.O. Box 8700
St. John's, NL, Canada A1B 4J6
Tel: (709) 729-0966
Fax: (709) 729-5218
email: cmartin@gov.nl.ca

All inquiries are to be submitted in writing or by email and the RFP title "Muskrat Falls Oversight Committee Advisory Services" should be quoted on all correspondence. To ensure consistency and quality in the information provided to bidders, the Committee shall provide, by way of amendment to this RFP in the form of an addendum to all bidders, any relevant information with respect to the RFP inquiries received in writing without revealing the source of those inquiries. Bidders are cautioned that it is their responsibility to ensure that they receive all information relevant to this RFP. Government shall not be responsible for bidders who fail to inform themselves regarding the scope and nature of the work. Bidders will be notified of any amendments to the RFP. Bidders are solely responsible for ensuring they are aware of and have complied with any amendments by RFP closing time.

Verbal information or representations shall not be binding upon the Committee. Only written changes, alterations, modifications or clarifications approved by the Committee are binding. In order to be valid all such changes, alterations, modifications or clarifications shall be issued in the form of addenda and all such addenda shall become part of this RFP.

Information pertaining to the Committee or the Project obtained by the proponent as a result of its participation in relation to this RFP is confidential and must not be disclosed by the proponent except as authorized by the Committee.

The Committee or its representatives, may, during the assessment period, request a meeting with a proponent to clarify points in the proposal. Demonstrations of any or all proposed solutions may also be requested. No changes or amendments by the proponent will be permitted to its proposal after the RFP closing date. The proponent shall be responsible for any expenses incurred related to this requirement.