

# **Government of Newfoundland and Labrador**

Request for EY to Review Project Cost, Schedule  
and Associated Risk of the Muskrat Falls Project

December 20, 2015



# Muskrat Falls Project

## Request for EY to Review Project Cost, Schedule and Associated Risk

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### Objectives and Overview:

- ▶ An independent review of the Muskrat Falls Project's Cost and Schedule status (current and forecast), including the identification of opportunities to address any critical risks.

### Reporting:

- ▶ A report will be provided to the Provincial Government covering:
  - ▶ The cost and schedule performance of the Project
  - ▶ The key risks and issues impacting the cost and schedule of the Project
  - ▶ Identification of opportunities for remediation or corrective action, if necessary
- ▶ Anticipated delivery date – March 2016

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### Scope and Activity Overview

#### 1. Cost & Schedule Review

- ▶ A comprehensive review of the status of the Project's cost and schedule – both current and projected
- ▶ Identification of the significant risks and issues facing the Project
- ▶ Root cause analysis
- ▶ Expected duration of 2 months
- ▶ Interim reporting will be provided during the course of the review, as appropriate

*The scope, duration and expectation for deliverables will be determined through collaboration with Government and EY and documented in an agreed Scope of Work.*

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### Potential focus areas for the Cost & Schedule Review:

#### 1. Project Status / Baseline

- ▶ Cost – assess status and estimate to complete
- ▶ Schedule – assess status and forecast to complete
- ▶ Scope – assess changes pending / approved and claims
- ▶ Scope, Cost and Schedule - identify mitigation / improvement opportunities
- ▶ Procurement / Contracting – assess and identify risks
- ▶ Quality management – assess and identify risks

#### 2. Risk identification, quantification and mitigation

- ▶ Assess the status of critical risks identified by the project and related risk management plans
- ▶ Assess the quantification of risk and contingency provisions in budgets and schedules
- ▶ Identify additional risks and other areas of concern that come to our attention while conducting the cost and schedule procedures outlined herein
- ▶ Identification of opportunities for remediation or corrective action, if necessary

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