

Janes, Darci MEM:EX

From: Wieringa, Paul MEM:EX
Sent: Wednesday, December 16, 2015 3:51 PM
To: Janes, Darci MEM:EX
Subject: FOI request.
Attachments: MCW Briefing for MBB - DRAFT Nov 18v4.pdf

Importance: High
Sensitivity: Confidential

Darci: The attached ppt presentation is the only document I have that says anything about the price of the main civil work procurement for Site C.

From: McNeil, Kevin MEM:EX
Sent: Thursday, November 19, 2015 9:45 AM
To: Wieringa, Paul MEM:EX; Chace, Julie MEM:EX
Cc: West, Michele L MEM:EX
Subject: FW: MCW public announcement
Importance: High
Sensitivity: Confidential

FYI too

From: Symes, Leslie MEM:EX
Sent: Thursday, November 19, 2015 9:41 AM
To: MacLaren, Les MEM:EX; McNeil, Kevin MEM:EX
Subject: FW: MCW public announcement
Importance: High
Sensitivity: Confidential

FYI Power point for call today at 2:45.

Brigitte

Leslie Symes
Executive Coordinator
Deputy Minister's Office
Ministry of Energy and Mines
Ministry of Natural Gas Development
and Minister Responsible for Housing
Phone: 250 952-0683

From: Costa, Sarina MEM:EX
Sent: Thursday, November 19, 2015 9:35 AM
To: Symes, Leslie MEM:EX
Subject: RE: MCW public announcement
Importance: High
Sensitivity: Confidential

Hi Brigitte. Attached is the slide deck for the call with BC Hydro this afternoon at 2:45pm.

Sarina

From: Symes, Leslie MEM:EX
Sent: Thursday, November 19, 2015 9:02 AM
To: Costa, Sarina MEM:EX
Subject: FW: MCW public announcement

Hi Sarina. Les, Paul and Julie Chase will all be on the call.

Brigitte

Leslie Symes
Executive Coordinator
Deputy Minister's Office
Ministry of Energy and Mines
Ministry of Natural Gas Development
and Minister Responsible for Housing
Phone: 250 952-0683

From: MacLaren, Les MEM:EX
Sent: Thursday, November 19, 2015 7:23 AM
To: Symes, Leslie MEM:EX
Cc: McNeil, Kevin MEM:EX; Wieringa, Paul MEM:EX; Chace, Julie MEM:EX
Subject: RE: MCW public announcement

I will participate and invite Paul and Julie.

Les

From: Symes, Leslie MEM:EX
Sent: Wednesday, November 18, 2015 4:17 PM
To: MacLaren, Les MEM:EX
Cc: McNeil, Kevin MEM:EX
Subject: FW: MCW public announcement
Importance: High

Hi Les. This phone call is happening tomorrow, November 19 @ 2:45 with Minister and Jessica McDonald, just double checking if you want to participate?

Brigitte

Leslie Symes
Executive Coordinator
Deputy Minister's Office
Ministry of Energy and Mines
Ministry of Natural Gas Development
and Minister Responsible for Housing
Phone: 250 952-0683

From: Costa, Sarina MEM:EX
Sent: Wednesday, November 18, 2015 4:13 PM

To: Symes, Leslie MEM:EX
Subject: RE: MCW public announcement

Hi Brigitte. Just to let you know - a phone call has been scheduled with the Minister and Jessica McDonald on this topic tomorrow - November 29th at 2:45pm. I know you said that Les need not participate, but let me know if anything has changed, or if the Deputy needs to participate.

Sarina

From: Symes, Leslie MEM:EX
Sent: Tuesday, November 17, 2015 4:22 PM
To: Costa, Sarina MEM:EX
Subject: FW: MCW public announcement

Hi Sarina. Here is another email on this. I guess Cynthia is on this as well. Just to let you know that Les will not be in the BC Hydro briefing, so you may need a separate briefing on this.

Thank you.

Brigitte

Leslie Symes
Executive Coordinator
Deputy Minister's Office
Ministry of Energy and Mines
Ministry of Natural Gas Development
and Minister Responsible for Housing
Phone: 250 952-0683

From: MacLaren, Les MEM:EX
Sent: Tuesday, November 17, 2015 4:02 PM
To: McKnight, Elaine L MEM:EX
Cc: Wieringa, Paul MEM:EX; Symes, Leslie MEM:EX
Subject: RE: MCW public announcement

We spoke about this at the Minister's Briefing. Cynthia is on it and flagged the BCH briefing as well. Minister may also get an initial briefing on Thursday when he is in Vancouver.

Les

From: McKnight, Elaine L MEM:EX
Sent: Tuesday, November 17, 2015 3:53 PM
To: MacLaren, Les MEM:EX
Cc: Wieringa, Paul MEM:EX; Symes, Leslie MEM:EX
Subject: Re: MCW public announcement

Maybe this can happen next week. Minister has another meeting with hydro.

Sent from my iPad

On Nov 16, 2015, at 2:51 PM, MacLaren, Les MEM:EX <Les.MacLaren@gov.bc.ca> wrote:

Hi Elaine

Here is the briefing request re Main Civil contract. Ideally by early next week. I will call you later.

Les

Begin forwarded message:

From: "McDonald, Jessica" <Jessica.McDonald@bchydro.com>
Date: November 16, 2015 at 2:39:20 PM PST
To: "Les MEM:EX MacLaren" <Les.MacLaren@gov.bc.ca>
Cc: "O'Riley, Christopher" <Chris.Oriley@bchydro.com>
Subject: MCW public announcement

Hi Les,

Just following up on our exchange at the project board this afternoon. There is a very tight timeframe for announcement of this award - s.13
s.13,s.16

We have prepared draft communications materials to try to ease timelines and would be very pleased to brief the Minister at the earliest appropriate time. Please let us know if there is anything further we can do.

Jessica

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-BCHydroDisclaimerID5.2.8.1541

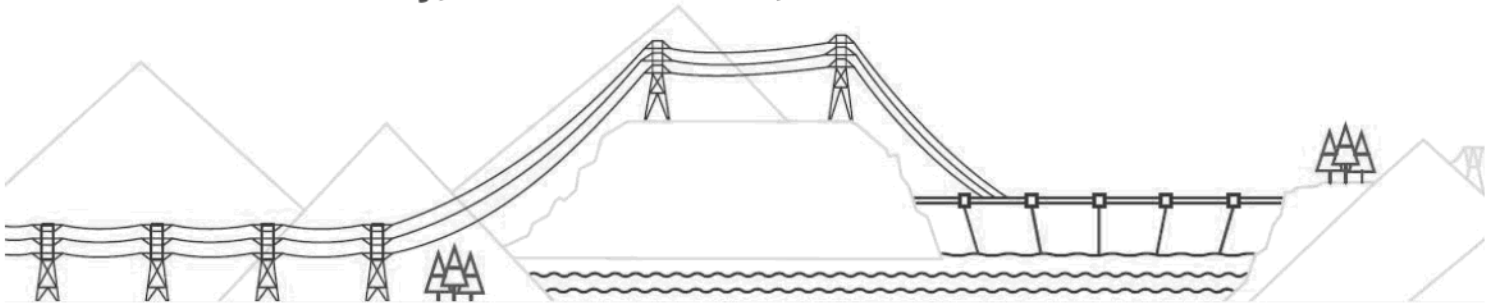
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Site C: Main Civil Work Procurement Update

Jessica McDonald, CEO

Chris O’Riley, Deputy CEO, BC Hydro

Diane McSherry, Vice President, Site C



November 19, 2015

Site C | Main Civil Works | Privileged and Confidential



Main Civil Works

Single largest contract for the construction of Site C

- Comprises the majority of earthworks required to construct the project:
 - Approximately 32 million cubic metres of excavation for structures, including the approach channel and tailrace.
 - River diversion works, including construction of two 10.8 m internal diameter concrete-lined tunnels between 700 m to 800 m in length, and associated cofferdams and intake and outlet structures.
 - Earthfill dam – central core zoned earth embankment approximately 1,050 m long and 60 m above the present river level.
 - A roller-compacted concrete buttress – approximately 800 m in length to a maximum height of 70 m.
 - Significant ancillary works such as permanent network of site roads, site drainage and debris handling facilities.
- On site for duration of construction period

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Main Civil Works Key Procurement Milestones

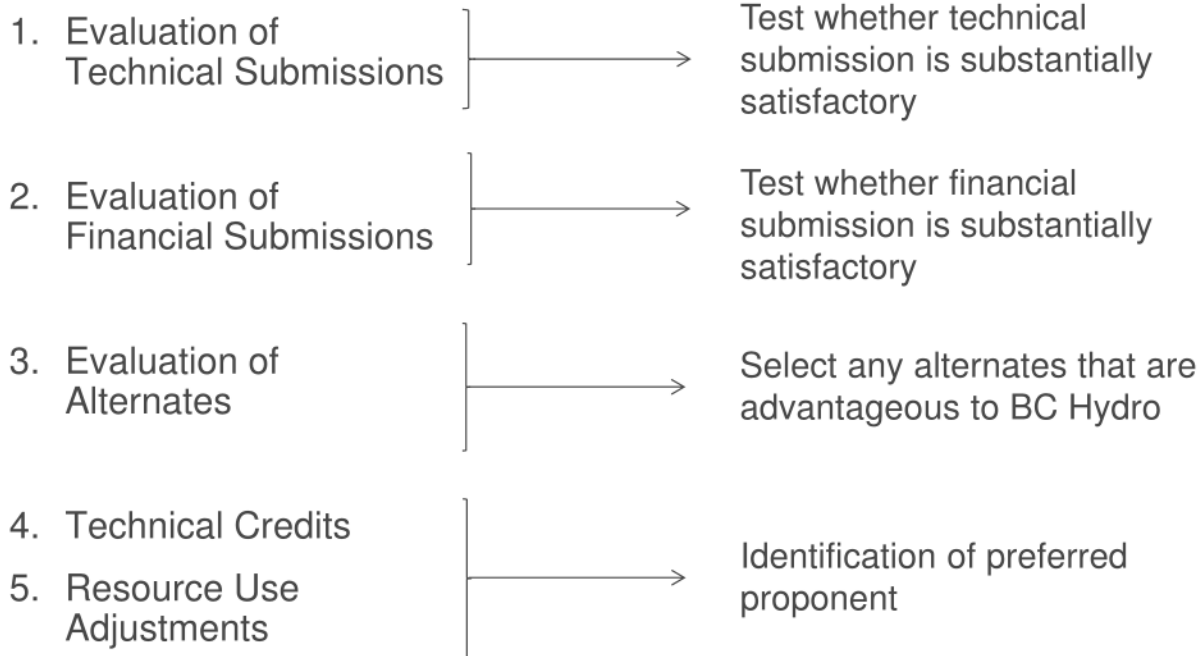
	Activity	Schedule
✓	Request for Qualifications issued	Apr 2014
✓	Establishment of short-listed respondents	Jul 2014
✓	Site visit and business-to-business networking sessions	Sep 2014
✓	Short-listed respondents who submit participation agreement and security are declared as Proponents and issued with formal Request for Proposals	Nov 2014
✓	Proponents submit Technical and Financial Submissions	Oct 2015
✓	Evaluation of submissions	Oct – Nov 2015
✓	Board acceptance of preferred proponent	Nov 18

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Four Proponents

Proponent	Proponent Team Members
AFD JV	<ul style="list-style-type: none">○ Aecon Constructors○ Flatiron Constructors Canada Ltd.○ Dragados Canada Inc.
CLENGROUP Constructors	<ul style="list-style-type: none">○ Ferrovial Agroman Canada Inc.○ North American Enterprises Ltd.○ EBC Inc.
Peace River Hydro Partners	<ul style="list-style-type: none">○ Acciona Infrastructure Canada Inc.○ Samsung C&T Corporation○ Petrowest Corporation
Salini-Impregilo S.p.A.	<ul style="list-style-type: none">○ Salini-Impregilo S.p.A.

Evaluation Process



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Technical Submission Requirements

- Project Management:
 - Proponent team members and subcontractors: work history; organization structure; senior management
 - Labour Strategy
 - Environmental Obligations
 - Quality Management
 - Safety
 - Aboriginal Inclusion
 - Communication
- Work Program and Schedule
- Construction Implementation Plans

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Financial Submission Requirements

- Proponent structure
- Price proposals
- Financial capacity (of team members and their guarantors)
- Insurance
- Resource use (worker accommodation and electricity)
- Tax assumptions

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Evaluation of Substantial Satisfaction (Steps 1 and 2)

Proponent	Proponent Team Members	Technical Substantial Satisfaction	Financial Substantial Satisfaction
AFD JV	<ul style="list-style-type: none">○ Aecon Constructors○ Flatiron Constructors Canada Ltd.○ Dragados Canada Inc.	s.17,s.21	
CLENGROUP Constructors	<ul style="list-style-type: none">○ Ferrovial Agroman Canada Inc.○ North American Enterprises Ltd.○ EBC Inc.		
Peace River Hydro Partners	<ul style="list-style-type: none">○ Acciona Infrastructure Canada Inc.○ Samsung C&T Corporation○ Petrowest Corporation		
Salini-Impregilo S.p.A.	<ul style="list-style-type: none">○ Salini-Impregilo S.p.A.		

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Evaluation Continued

Selection of Alternatives (Step 3)

Award of Technical Credits (Step 4)

Adjusted Proposal Prices (Step 5)

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Evaluation Outcome

s.17,s.21

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Fairness & Due Diligence Advisors

Fairness Advisor Role: Independently observe the Procurement Process in order to review fairness and provide comments to address fairness issues

- The Fairness Advisor, John Singleton, Q.C.:

s.21

- The Fairness Advisor concluded they are satisfied

Due Diligence Advisor Role: test the reasonableness of the Evaluators' deliberations and process compliance

- The Due Diligence Advisors Doug Ewing (KPMG), Don Fairbairn:

s.21

- The Due Diligence Advisors concluded they are satisfied

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Preferred Proponent



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Preferred Proponent Composition: Peace River Hydro Partners

Joint Venture Member (All Jointly and Severally Liable)		Interest
Acciona Infrastructure Canada Inc.	<ul style="list-style-type: none">• Wholly-owned Canadian subsidiary of Acciona Infraestructuras, S.A.: constructs roads buildings, tunnels, bridges, airports, hydroelectric dams;• Vancouver, Calgary, Toronto & Montreal offices;	s.17,s.21
Canadian Subsidiary of Samsung C&T Corporation	<ul style="list-style-type: none">• Canadian subsidiary of Samsung C&T Corporation to be established• Samsung C&T Corporation are:<ul style="list-style-type: none">• Publicly-traded on the Korean Stock Exchange• Engineering, construction, trading and investing, including construction of roads buildings, tunnels, bridges, airports, hydroelectric dams• Headquartered in Korea, offices around the world	
Petrowest Corporation	<ul style="list-style-type: none">• Publicly-traded on the Toronto Stock Exchange• Constructs roads, develops oilfield wells and quarries• Fort St John, Charlie Lake and Alberta offices	

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Scope of Work Assignment

Proponent Team Member/ Subcontractor	Scope of Work
Peace River Hydro Partners: <ul style="list-style-type: none">• Acciona Infrastructure Canada Inc.;• Samsung C&T Corporation;• Petrowest Corporation	Overall project management Diversion Works Construction Dams and Cofferdams Construction RCC Buttress Construction Surface and Underground excavations Off-Site Material Production On-Site Material Production
s.17,s.21	

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Labour

- PRHP have negotiated labour agreements for the anticipated duration of the Main Civil Works contract with:
 - CMAW: Construction Maintenance and Allied Workers Canada (over 7,000 members including carpenters, lathers, millwrights, floorlayers, piledrivers, industrial workers and many other construction trades)
 - CLAC: Christian Labour Association of Canada (over 60,000 members over multiple sectors including construction)
- PRHP have experience on projects with similar labour environments
 - Fort St John Hospital was in the same location and with a mixed labour site

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Budget Review



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Budget Comparison

s.13,s.17,s.21

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Next Steps




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Procurement Next Steps

Key Activities	Timeline
Government briefings: preferred proponent, contract award timing	Nov 19-20
Notify preferred proponent	Nov 20 or 23
Notify unsuccessful proponents (one day prior to announcement)	Nov 25
News Release for Preferred Proponent	Nov 26 (TBC)
Award contract (date subject to agreeing on a schedule with preferred proponent)	mid-to-late Dec
News Release for Contract Award, includes contract value (announcement must be prior to MCW mobilizing to site)	mid-to-late Dec

Communications Approach

November announcement is Preferred Proponent; contract award to follow

Preferred Proponent Announcement Nov.26, 2015 -TBC	Contract Award Announcement mid-December 2015-TBC
<p>News Release:</p> <ul style="list-style-type: none">• Describe scope of MCW• Largest Site C contract and duration• Competitive selection process• Describe proponent team• Head's up Job Fairs / Business to Business Sessions in 2016 (no specific dates)	<p>News Release:</p> <ul style="list-style-type: none">• Contract value• # of Jobs, when they will be hired; focus on 2016 hiring schedule• High involvement from Contractor – quotes, visuals, emphasizing their background; tangible commitment to local employment / jobs• Provide dates / communities with a finalized schedule for Job Fairs/Business to Business Sessions (subject to contractor's commitment to schedule) <p> BC Hydro Power smart</p>

Preliminary Schedule: Job Fair, Business to Business Sessions

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JANUARY 2016

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Announce and advertise job fairs and job info

Job fairs: week one
Tumbler Ridge, Chetwynd, Dawson Creek, Fort St. John

FEBRUARY 2016

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Job fairs: week two
Prince George and Quesnel

Hudson's Hope job fair – date TBC

Advertise B2Bs

Contractor outreach in First Nations communities in February

MARCH 2016

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Week one B2B Sessions:
Fort St. John, Chetwynd, Dawson Creek

Week two B2B Sessions:
Prince George and Quesnel

Spring Break

Note: all dates are proposed, and will be finalized based on discussion with the MCW contactor; B2Bs may take place first in January, followed by Job Fairs in March

