

Appendix A - Biographies

The Honourable John Manley, P.C., M.P., B.A., LLB, Chair

John Manley has served as a Liberal Member of Parliament for Ottawa South since 1988 and as a Cabinet Minister from 1993 to 2003.

Mr. Manley was appointed Minister of Industry in 1993. In this portfolio, he worked to foster innovation among the 13 agencies of the Industry portfolio and to secure Canada's position as a global leader in high technology.

In 1996 Mr. Manley was given additional responsibilities. He was appointed Minister responsible for the Atlantic Canada Opportunities Agency, Minister of Western Economic Diversification and Minister responsible for the Economic Development Agency of Canada for the regions of Quebec.

Mr. Manley was appointed Minister of Foreign Affairs on October 17, 2000. During Mr. Manley's tenure in this portfolio, Canada hosted the historic Québec City Summit of the Americas in April 2001.

Following the shocking terrorist attacks against the United States of September 11, 2001, Mr. Manley was appointed by the Prime Minister as Chairman of a new Cabinet Committee on Public Security and Anti-terrorism, where he coordinated Canada's domestic and international response to the attacks.

In January 2002, Mr. Manley was appointed Deputy Prime Minister of Canada, Political Minister for Ontario, and continued to serve as Chairman of the Ad Hoc Cabinet Committee on Public Security and Anti-Terrorism. He has also served as Minister of Infrastructure and Crown Corporations, and as Chairman of the Cabinet Committees on Economic Union and Social Union. In June 2002, Mr. Manley was given additional responsibilities when he sworn in as the Minister of Finance.

Mr. Manley graduated from Carleton University with a Bachelor of Arts degree in 1971. He then studied law at the University of Ottawa, graduating in 1976. From 1976 to 1977 he served as Law Clerk for the Right Honourable Bora Laskin, Chief Justice of Canada.

The Honourable Jake Epp, P.C., B.A., B.Ed., LL.D., Chairman

Jake Epp is Chairman of Ontario Power Generation Inc. (OPG). He was appointed to this position in December 2003.

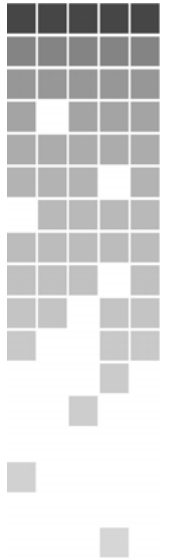
OPG is an Ontario-based electricity generator whose principal business is the generation and sale of electricity in Ontario and to interconnected markets, while operating in a safe, open and environmentally responsible manner.

In May 2003, Jake Epp was appointed by the Ontario government to lead a panel to review the delays and cost overruns at the Pickering A nuclear generating station. The findings of the report were released in December 2003.

Mr. Epp was a Member of Parliament for the riding of Provencher, in Manitoba from 1972 to 1993. He also held three cabinet posts: Minister of Energy, Mines and Resources (1989 – 1993); Minister of National Health and Welfare (1984 – 1989); and Minister of Indian Affairs and Northern Development (1979 – 1980).

From 1993 to 2000, he was Senior Vice President and Vice President at TransCanada PipeLines Ltd.

Mr. Epp graduated from the University of Manitoba with a B.A. in 1961 and a B.Ed. in 1965. He was appointed to the Privy Council of Canada in June 1979 and received an LL.D. (Honourary) from Trinity Western University in 1988.





Peter C. Godsoe, O.C.

Peter Godsoe is the former Chairman and Chief Executive Officer of The Bank of Nova Scotia.

Mr. Godsoe began his career with the Bank in 1966 in Ottawa, Ontario. After serving in Toronto and Montreal, he moved to New York and rose rapidly through various positions in international, corporate and investment banking to become Vice Chairman of the Board in 1982. He was elected President and Chief Operating Officer in 1992, Chief Executive Officer in 1993 and Chairman in 1995.

Mr. Godsoe holds a B.Sc. in Mathematics and Physics from the University of Toronto, which he attended on a scholarship in mathematics and french. He also holds an M.B.A. from the Harvard Business School, and is a C.A. and a Fellow of the Institute of Chartered Accountants of Ontario. In 1993, Mr. Godsoe accepted the degree of Doctor of Civil Law honoris causa from University of King's College, in June, 1995 accepted the degree of Doctor of Laws honoris causa from Concordia University and in October, 2001 accepted the degree of Doctor of Laws honoris causa from the University of Western Ontario. In 2002, Mr. Godsoe became a member of the Canadian Business Hall of Fame and an Officer of the Order of Canada.

In addition to The Bank of Nova Scotia, Mr. Godsoe's corporate directorships include Empire Company Limited, Fairmont Hotels & Resorts, Ingersoll-Rand Company; Lonmin PLC, Rogers Communications Inc. and Templeton Emerging Markets Investment Fund. In addition, he is affiliated with a number of non-profit institutes.

Mr. Godsoe lives in Toronto with his wife Shelagh and has three children: Craig, Eden and Cynthia.

Appendix B - Consultation Summary

AECL

Association of Major Power Consumers of Ontario

Association of Power Producers of Ontario

Auto Parts Manufacturers Association

Barker, Dunn and Rossi

Bruce Power

Calpine

Cameco

Canadian Chemical Producers' Association

Canadian Gas Association

Canadian Nuclear Safety Commission

Canadian Petroleum Products Institute

Canadian Wind Energy Association

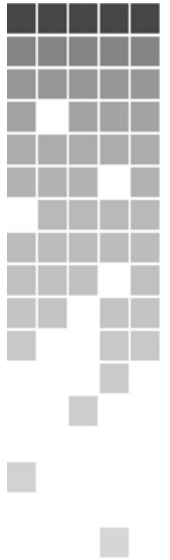
Electrical Distributors Association

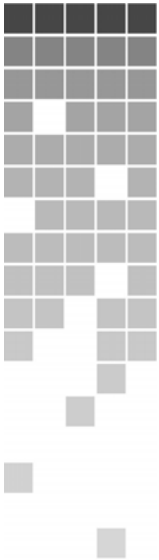
Electricity Market Investment Group

Energy Probe

EPCOR

Hydro One





IMO

Institute for Competitiveness and Prosperity

International Energy Association

Ministry officials from Finance, Energy, and Natural Resources

OEB

Ontario Chamber of Commerce

Ontario Clean Air Alliance

Ontario Energy Association

Ontario Forest Industries Association

Ontario Mining Association

Ontario Water Power Association

OPG

Pollution Probe

Power Workers Union

Public Power for Ontario

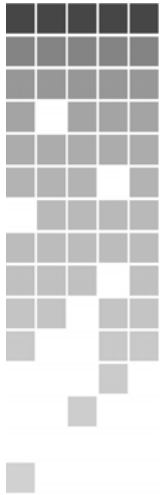
Schiff, Hardin and Waite

Sierra Club

Society of Energy Professionals

Appendix C - Reference Materials

Reference Item	Source	Production Date
10 Year Outlook: An Assessment of the Adequacy of Generation & Transmission Facilities to Meet Future Electricity Needs in Ontario	Independent Electricity Market Operator	March 31, 2003
A Framework for Competition	Advisory Committee on Competition in Ontario's Electricity System	May-1996
Annual Information Form	Ontario Power Generation	December 31, 2002
Corporate Aftershock - The Public Policy Lessons from the Collapse of Enron and Other Major Corporations	Christopher L. Culp and William A. Niskanen, CATO Institute	2003
Curbed Enthusiasm for Electricity Reform	The Conference Board of Canada	May 1, 2003
Direction for Change: Charting a Course for Competitive Electricity & Jobs in Ontario	Ontario Ministry of Energy, Science and Technology	November-1997
Electricity Restructuring Acting on Principles	The Conference Board of Canada	June-2003
Electricity Restructuring Letting Prices Work	The Conference Board of Canada	September-03
Electricity Restructuring Securing Clean Power	The Conference Board of Canada	June-2003
Energy Plan to Create Investment, Jobs, Prosperity	British Columbia Ministry of Energy & Mines	November-2002
Greening Ontario's Electricity Sector: From Crisis to Opportunity	Torrie Smith Associates	October 29, 2003
International Energy Outlook 2003 – Coal	Energy Information Administration	May 1, 2003



Measuring the Health Costs of Air Pollution	Gary Koop, Lise Tole & The World Bank	July-2002
New Energy Directions - A Low-Cost, Low-Risk Electricity Supply Strategy for Ontario	Ontario Clean Air Alliance	February 26, 2004
Nuclear Power in the OECD	World Nuclear Association Annual Symposium	September 1, 2001
Nuclear Technology Review 2003 Update	International Atomic Energy Agency	September-2003
Ontario Power Generation Annual Information Form - 2002	Ontario Power Generation	December 31, 2002
OPG Nuclear Report Card	Ontario Power Generation	4th Quarter 2003
Pickering A Unit 1 Return to Service Readiness Assessment	Schiff Hardin LLP	March 15, 2004
Power Generation Investment in Electricity Markets	International Energy Agency	2003
Power Play: The Fight to Control the World's Electricity	Sharon Beder, The New Press	2003
Report of the Pickering "A" Review Panel	Pickering Review Panel	December-2003
Schwarze Pumpe Lignite-Fired Power Plant	CARNOT Online	January-2004
Ten Steps to a Governance Check up	Public Policy Forum	2002
The Case for Public Power for Ontario	www.publicpowerforontario.ca	December 15, 2003
The Politics of Power	Neil B. Freeman	1996
Tough Choices: Addressing Ontario's Power Needs	Electricity Conservation & Supply Task Force	January-2004
What Will Keep the Lights on in Ontario	C.D. Howe Institute	December-2003

Appendix D - Glossary

Base Load

The minimum continuous load over a given period of time.

Biomass

Energy resources derived from organic matter, including wood, agricultural waste, and other living-cell material that can be burned to produce heat energy.

Capacity

The maximum power output for which a generating unit, generating station or other electrical apparatus is rated. Common units include kilowatts (kW) and megawatts (MW). Also used to refer to the maximum potential output for the entire electricity system.

Co-generation

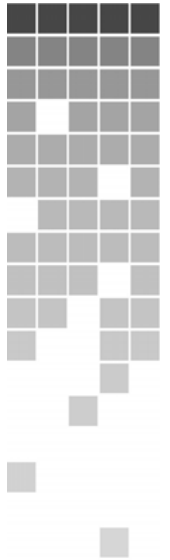
The combined production of electricity and useful heat. Co-generation is often employed at industrial plants where the heat produced to generate electricity can be utilized subsequently in the manufacturing processes and for general space heating. Co-generation facilities use significantly less fuel to produce electricity and thermal energy than would be needed to produce them separately.

Combined Cycle Gas Plant

An electricity generating station that uses waste heat from its gas turbines to produce steam for conventional steam turbines.

Conservation

Any activity which reduces the amount of electricity used overall, or shifts the consumption of the electricity from a peak time to a time of lower demand.





Demand Side Management

Measures undertaken to control the level of energy usage at a given time, by increasing or decreasing consumption or shifting consumption to some other time period.

Emission

A discharge into the air, land, or water from an industrial process, transportation vehicle, household activity, or other source.

Fossil Fuel

Remains of organisms embedded in the earth's crust, with high carbon and/or hydrogen content and used as a source of energy (e.g. coal, oil, natural gas).

Generator

An entity that owns / operates an electricity generating plant.

Gigawatt-hour (GWh)

One million kilowatt-hours.

Grid

A network of electric power lines and connections.

Independent Electricity Market Operator (IMO)

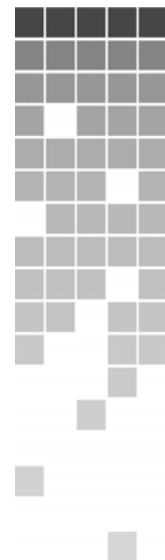
A non-profit, regulated corporation established by the Electricity Act. Roles involve overseeing the operation of the wholesale electricity market and managing the reliability of the high-voltage power system.

Kilowatt (KW)

1,000 watts (W) or 1.34 horsepower (hp).

Kilowatt-hour (KWh)

The amount of electrical energy produced or consumed by a one-kilowatt unit for one hour (1,000 watt hours).



Market Power Mitigation Agreement (MPMA)

An agreement negotiated between the Market Design Committee and Ontario Power Generation Inc. (OPG) as a means to mitigate OPG's market power in Ontario's wholesale electricity market. Parts of it are, as a result of a directive issued by the Minister of Energy, conditions of license for OPG. The MPMA sets out market share reduction targets for OPG and provides incentives to meet these targets. In addition, the MPMA rebate mechanism provides a measure of protection for Ontario consumers of electricity against high prices.

Megawatt (MW)

1,000 kilowatts (kW) or one million watts (W). Unit of electrical power commonly used to measure the capacity of a generating station or the maximum demand of a large electricity consumer.

Megawatt-hour (MWh)

A measure of the electricity produced by a generating station over time; 1 MW of power produced for 24 hours provides 24 MWh of electricity (as does 24 MW produced for one hour).

Non-Utility Generators (NUGs)

Generators owned by entities other than an electric utility. Also referred to as Independent Power Producers (IPPs).

Nuclear Power

Power generated at a station where the steam to drive the turbines is produced by an atomic process, rather than by burning a combustible fuel such as coal, oil or gas.

Ontario Energy Board (OEB)

A regulatory agency of the Ontario Government. It is an independent, quasi-judicial tribunal created by the Ontario Energy Board Act. Although it reports to the Legislature through the Minister of Energy, the Board operates independently from the Ministry and all other government departments in the performance of its regulatory functions and responsibilities.



Ontario Power Generation (OPG)

A company established by the Electricity Act, 1998, whose principal business is the generation and sale of electricity to customers in Ontario and interconnected markets. It is 100% owned by the Province of Ontario.

Public Utility

An organization that provides basic services to the public, such as water, energy, transportation, or telecommunications.

Performance Based Regulation

A system of regulation in which the regulator approves rates for several years, but builds annual productivity improvement targets into the approved rates. This is intended to give the utility an incentive to improve cost control, since any profits flowing from improvements beyond the productivity targets remain with the utility. This differs from traditional cost-based regulation in which the utility is allowed to charge rates that cover its costs including an allowed rate of return. Rates would be set each year based on a cost of service hearing.

Price setting fuel

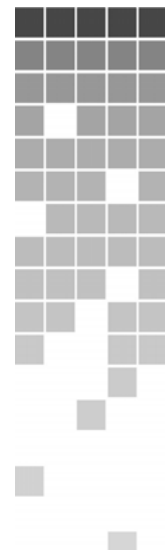
In wholesale electricity markets such as Ontario's, the price setting fuel is the fuel use to produce the offered price of the last unit of power accepted by the market operator. The market operator stacks the offers for each time period in ascending order of price, and beginning with the lowest priced offer, accepts offers up to the amount needed to match demand (load) for the period.

Rate Regulation

The process by which regulatory bodies determine the rates charged to customers in regulated industries, including gas and electricity. In Ontario, the Ontario Energy Board sets rates for natural gas distribution and electricity transmission and distribution based on cost estimates submitted by the utilities and allowances of an approved capital structure and return on capital. These costs are scrutinized by the Board prior to setting the rates.

Regulator

An entity that, through power of law or some other legitimate means, has the authority to impose regulation.



Renewable Energy Sources

Energy sources that are renewed by natural processes including wind, biomass, solar, geothermal, water, and tidal.

Reserve Margin

The amount of generation capacity that must be available to meet unexpected reductions in supply.

Solar Power

The radiant energy of the sun that can be converted into other forms of energy, such as heat (e.g. for water heating) or electricity.

Spot Market

A market in which goods are traded for immediate or near-immediate delivery. In the IMO administered electricity market, bids to buy or sell electricity determine a market clearing price.

Supply Mix

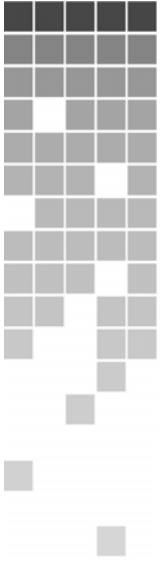
The supply mix refers to the different types of fuel which are used to produce electricity in a particular jurisdiction. Normally the mix is expressed in terms of the proportion of each type within the overall amount of energy produced.

Transmission

The movement or transfer of electricity energy or natural gas over an interconnected group of lines and associated equipment between points of supply and points at which it is transformed for delivery to consumers, or is delivered to other, separate electric/gas transmission systems. Transmission of electricity is done at high voltages (50kV or higher in Ontario); the energy is transformed to lower voltages for distribution over local distribution systems.

Wind Power

Electricity produced from a system of airfoils or blades that spin a drive shaft to capture the kinetic energy of the wind.



Appendix E

MANAGEMENT ATTRIBUTE	1997 (IIPA REPORT)	2001 (EXTERNAL CONSULTANTS REPORT TO OPG)
Manager Accountability	<ul style="list-style-type: none"> - Lack of accountability by managers - No awareness of site specific goals 	<ul style="list-style-type: none"> - Managers do not have ownership of their projects - No follow through on commitments
Lateral Working Relationships	<ul style="list-style-type: none"> - Unclear lines of authority and of accountability - Lack of teamwork 	<ul style="list-style-type: none"> - Roles/responsibilities not clearly defined nor documented - Lack of teamwork
Managerial Practices	<ul style="list-style-type: none"> - Ineffective lines of communication - Gap between perceived and actual performance - Timeliness and resource limitations 	<ul style="list-style-type: none"> - Ineffective management controls - No adherence for the achievement of milestones
Support of Subordinate Managers	<ul style="list-style-type: none"> - Bad news does not flow up - Problems solved at too low a level 	<ul style="list-style-type: none"> - Workers are not encouraged to voice issues upward - No encouragement for innovation
Pickering A Culture	<ul style="list-style-type: none"> - Little focus on cross organizational cooperation - Employees lack accountability and commitment to quality 	<ul style="list-style-type: none"> - Ineffective sharing of information - No cultural support of safety standards



Appendix F - Key Lessons Learned on Pickering A Return to Service

Key Lessons Learned #A:

- ❑ Project Scope Must be Fully Developed and Frozen

Unit 4 History:

- ❑ Piecemeal design process led to final work scope not being finalized until long after construction was started.
- ❑ Regulatory requirements were not included in initial scope of work.
- ❑ No contractor reviews of engineering.
- ❑ Over 8000 field change notifications (FCNs) during construction, 50% of which added to scope.

Unit 1 Approach & Status:

- ❑ All additions to the Unit 4 scope (from FCNs) and change orders have been reviewed for addition to the Unit 1 scope.
- ❑ All regulatory requirements have been included in the scope of engineering work.
- ❑ OPG has completed detailed field walk-downs to confirm engineering work.
- ❑ Contractors in preparing estimates have performed own walk-downs and constructability reviews.
- ❑ Fewer FCNs expected due to robust engineering

Key Lessons Learned #B:

- ❑ Project Budgets must be based on Completed Scope and a Defined Project Schedule

Unit 4 History:

- ❑ No due diligence of required project definition prior to establishing budget.
- ❑ Initial budget based on incomplete conceptual engineering resulting in drastic underestimation of cost, schedule and complexity.
- ❑ No availability of integrated project schedule to allow sequencing of work.
- ❑ No project specified/itemized budget for in-house project tasks

Unit 1 Approach & Status:

- ❑ Budget is being developed on basis of full scope definition of project including all internal and external work required.

- ❑ Engineering and basic Planning & Assessing of work completed prior to initial contractor man-hour estimates.
- ❑ Detailed integrated task schedule developed from contractor estimates to test 12 month project duration.
- ❑ Budget has been developed for in-house construction and support staff

Key Lessons Learned #C:

- ❑ Steps Precedent to Construction Must be Completed Before Construction Starts

Unit 4 History:

- ❑ Construction mobilization occurred well before any of the customary precedent steps – engineering, planning and assessing, scheduling of work, and material procurement - were completed

Unit 1 Approach & Status:

- ❑ The Unit 1 team identified significant prerequisite tasks that must be performed prior to the start of construction.
- ❑ Progress in completing Precedent Steps is being closely tracked

Key Lessons Learned #C1:

- ❑ Engineering must be complete before a construction contractor begins work in the field.

Unit 4 History:

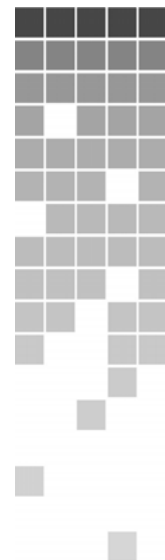
- ❑ Engineering completed approximately 18 months after construction start and 6 months after projected end of construction

Unit 1 Approach & Status:

- ❑ Engineering is virtually complete – 860 of 866 final detail level drawings have been completed.
- ❑ \$60 million has been spent in engineering Unit 1 to ensure that design is more complete than at any time during the Unit 4 work.
- ❑ Engineering has been tested by contractors and is considered robust

Key Lessons Learned #C2:

- ❑ Planning and Assessing must be completed
 - P & A establishes detailed and coordinated construction work packages or CWPs as well as accurate bills of materials for the ordering of parts and equipment





Unit 4 History:

- ❑ Lags in producing engineering resulted in additional compression of an already too short Planning and Assessing phase.
- ❑ P & A was deferred in large part until after construction started resulting in engineering on the fly, coordination problems, inefficiencies and unnecessary delays in the field

Unit 1 Approach & Status:

- ❑ Unit 1 team made commitment to completing Planning and Assessing prior to start of related construction tasks.
- ❑ P & A is currently behind schedule but will be substantially complete and sufficient to support start and initial months of construction

Key Lessons Learned #C3:

- ❑ Detailed Schedule must be completed and updated
 - Fundamental to management of a major construction project

Unit 4 History:

- ❑ Contrary to industry standards, work proceeded for months without an integrated baseline schedule.
- ❑ Once produced, the schedule was re-baselined 8 separate times, making it ineffective for gauging progress

Unit 1 Approach & Status:

- ❑ The Unit 1 team has made considerable progress in developing a detailed, integrated and logically-tied, baseline critical path schedule.
- ❑ Schedule should be in place by early May 2004 by which time all participants – Prime Contractors and internal OPG departments – should be able to sign off.

Key Lessons Learned #C4:

- ❑ Materials must be ordered, stored on-site and ready for delivery to workface

Unit 4 History:

- ❑ Much of the work was delayed due to the unavailability of materials that were to be supplied by OPG.
- ❑ Lag in engineering and subsequent lack of Planning & Assessing was a major cause



Unit 1 Approach & Status:

- ❑ OPG Supply Chain reports that 70% to 80% of materials for the entire project are already available and specialty long-lead items are available or on order – work arounds have been used to pre-order materials prior to completion of final P & A.
- ❑ Completion of engineering and Planning & Assessing is allowing confirmation of bills of materials.
- ❑ Investments are being made in warehousing and staff to kit and deliver materials to the job in sequence with the schedule.
- ❑ Commitment to ensure all required materials are on site and kitted prior to each 3-month section of the schedule.

Key Lessons Learned #C5:

- ❑ OPG Operations and Maintenance must commit to assisting Prime Contractors

Unit 4 History:

- ❑ Permit system for contractor access to work sites used a daily sign-in, single window approach that was cumbersome and inefficient resulting in daily work crew wait times of 2-3 hours
- ❑ Likely delayed construction completion by as much as 3-5 months

Unit 1 Approach & Status:

- ❑ OPG Operations & Maintenance has primary responsibility for ensuring safety and integrity of plant and that work performed meets all licensing conditions.
- ❑ Within that context, O&M is seeking ways to increase efficiency and productivity.
 - 4 Maintenance Authorities have been added, in addition to the permit window, who will also be able to issue work access permits and will be available 2 hours prior to each shift

Key Lessons Learned #C6:

- ❑ Contingency plans must be in place-
 - Project-related delays of varying magnitude occur frequently during every major construction project

Unit 4 History:

- ❑ Those contingency plans in existence for responding to delays were largely ineffective
- ❑ The baseline schedule and project control metrics required to identify and re-allocate resources to mitigate such delays were non-existent.



Unit 1 Approach & Status:

- ❑ Project team is continuing to develop alternate strategies, communications plans and clear roles and responsibilities so that delays to the critical path of the schedule can be mitigated
- ❑ The detailed schedule and project metrics which are the central tools of contingency planning are in advanced stages of development

Key Lessons Learned #D:

- ❑ Project Metrics Must be Established for Tracking Work

Unit 4 History:

- ❑ Appropriate project control metrics were never effectively developed or applied.
- ❑ Resulted in an inability to track the work or respond to problems in a coordinated manner

Unit 1 Approach & Status:

- ❑ A new project controls system is being implemented using tracking software.
- ❑ Implementation of the new system will require attention for the duration of the project but it is already reporting more information than was ever the case on Unit 4

Key Lessons Learned #D1:

- ❑ Commodity based earned value of all construction work must be tracked
 - Success depends on being equipped with the tools to compare status with baseline at any given time

Unit 4 History:

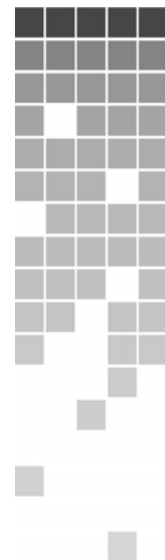
- ❑ Work was gauged in a number of different ways at different times resulting in confusion as to progress and inability to verify status

Unit 1 Approach & Status:

- ❑ A stable Work Breakdown Structure is being established of codes for tracking of hours of work and commodities estimated, expended and installed
- ❑ This will allow the determination of earned value percent complete against hours of work expended
- ❑ Contractors are working with the project team to integrate the system

Key Lessons Learned #D2:

- ❑ Performance metrics must be established for OPG administrative staff
 - OPG must subject its internal activities to metrics to enable identification of issues and problems



Unit 4 History:

- ❑ Metrics for OPG functional groups were not in place

Unit 1 Approach & Status:

- ❑ OPG functional departments are developing deliverables metrics to track progress that should enable correlation of cost and hours with efficiency and productivity
- ❑ By construction's start, it is expected that each department will have a performance indicator

Key Lessons Learned #E:

- ❑ OPG Project Management Must Improve its Performance

Unit 4 History:

- ❑ Lack of skills in this area was key to the project's deficiencies
- ❑ Project team failed to perform the role typically played by an owner in a multi-prime project
- ❑ When it tried to contract out the project management role, it did not give enough authority and it was late in the project

Unit 1 Approach & Status:

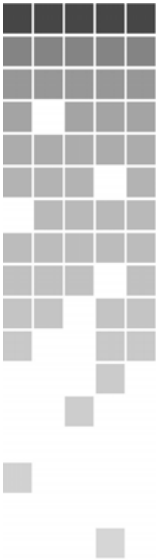
- ❑ It is Schiff's assessment based on observation of performance over the last several months, that the current OPG project management team is capable of successfully managing the project to completion
- ❑ The project scope, now that it has been engineered, is not considered abnormally demanding
- ❑ Some of the members of the team lived through the problems with Unit 4 and possess a critical knowledge of the pitfalls
- ❑ Key changes have been made to the Project Team to add expertise and depth
- ❑ An external advisor with nuclear construction expertise is mentoring the team and supporting the project manager on critical issues.

Key Lessons Learned #F:

- ❑ Effective Contracting Strategies Must be Developed

Unit 4 History:

- ❑ Contracting strategy was nebulous
- ❑ Procuring engineering on piecemeal basis through fixed-price purchase orders was not a viable mechanism

- 
- ❑ The attempt to externalize project management mid-way through the project through the “Alliance Agreement” was deficient because it lacked strong provisions for project controls, contractor compliance, scope, modification and schedule revisions and did not include the engineering design function
 - ❑ Each of the contractors worked on a time & materials basis with virtually no controls relating to billings

Unit 1 Approach & Status:

- ❑ Roles and responsibilities of project team, OPG internal departments and prime contractors have been better defined
- ❑ Discussions are ongoing with prime contractors as to issues which could present barriers to project performance
- ❑ Whatever model the contracts take, they will be based on accurate estimates and an integrated schedule and with appropriate controls available for billings
- ❑ The Project Team is seeking a form of control that would allow the Unit 1 Project to set a reliable budget.

Key Lessons Learned #G:

- ❑ Project Team Must Provide Accurate Information to Senior Management and the Board of Directors-
 - Senior management and the Board of Directors must have accurate information to hold the Project Team accountable

Unit 4 History:

- ❑ The evidence supports the view that senior management and the board of directors were not well informed about the status of the project and its problems
- ❑ There was no independent oversight with access to the Board on the project
- ❑ Data was filtered in essence through a “gate keeper” without independent verification

Unit 1 Approach & Status:

- ❑ Third-party oversight team, Schiff has been established to review progress with prime responsibility to report to board of directors
- ❑ Oversight Panel established with representatives from the board of directors and external members with experience in construction and nuclear to review Schiff’s findings with the project management and to report to the Board.
- ❑ Accurate project control metrics for contractor and internal work being established
- ❑ Baseline schedule in advanced stage of development