

Technical Oversight Panel

November 23, 2015

Project Charter –Original

The role of the TOP is to review the costing and feasibility studies developed by the Engineering Team to ensure that the studies include the necessary due diligence. **The TOP will also advise on how to best engage the private sector in this phase of the project.**

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Project Charter - Revised

Fundamental to providing independent technical oversight and confirming due diligence is to ensure that the engagement of the private sector in this phase of the project and the innovative solutions that may come forward is informed by, not necessarily bound by (as per the TOP TOR), decisions to date regarding sites, option sets, timelines, definitions of treatment and other potential limitations on analysis and costing.

2

Limitations on analysis & costing --Sites

- Absent real cost information, people chose a site thinking they had real cost information. Young
- Ill advised to do what we did as the public had no capacity to evaluate the sites Derman
- Very hard for the public to pick sites based on the information we provided Brownoff
- Some of the now eliminated sites would still be there if people had known they were part of a small decentralized system. They were fearful Plant

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Limitations on analysis & costing -- Additional Sites

TOP TOR #7. The team will begin its work with the option set sites provided. But it may consider additional sites that will ensure the best business case scenario that maximizes benefit to the best value for taxpayers. Once identified, the TOP will recommend to the CALWMC that the budget be amended and the respective councils will be asked to put forward the sites for further analysis.

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Limitations on analysis & costing: Option Sets

The Lost Option:
IRM-based full 50-year life-cycle analysis and costing of a distributed or decentralized enhanced tertiary system with gasification

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Limitations on analysis & costing -- Time Lines

- Jan 30th decision driven by Mar 31 \$83M 3P funding deadline
- Infrastructure Minister Sohi eliminated the P3 screening requirement for federally funded infrastructure projects last week
- Dead policy = dead deadline?
- Golden opportunity for the TOP to fulfill its mandate

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Opportunity for TOP to Request Timeline Extension

- Project Charter: TOP not *bound* by previous decisions
- TOP's TOR allows for extension
- Mandate for Oceans: "choose the best technologies available to reduce environmental impacts". Policy?
- Mandate for Environment & Climate Change: "investments in the best wastewater treatment technologies" Policy?
- Mr. Jenk's review of Innovation Days: unfinished work
- Director Derman's Nov 25th motion
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What You Don't Want to Hear in Feb. 2016

Federal Minister: *How can you, the CRD Board, forward a centralized secondary facility plan, totally devoid of any features in the new ministers' mandate letters, using the excuse that you didn't have enough time to fully and independently evaluate the viability of integrated waste approaches and other innovative solution sets because of the Mar. 31 3P funding deadline when the 3P requirement was eliminated in November? For goodness sake, who was in charge of due diligence for your costing and feasibility studies?*

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Gasifier Presentation: Innovation Days

We need to obtain installed capital costs, operating costs and realistic revenue projections in order to develop a life cycle cost analyses.

Director Derman' Motion

- a. That the Core Area Liquid Waste Committee initiate a high level Request for Expressions of Interest designed to fully canvass the private sector and allow integrated waste approaches and other innovative solution sets to come forward.
- b. That the Core Area Liquid Waste Committee insure means are established to fully and independently evaluate the viability of integrated waste approaches and other innovative solution sets in a manner that does not compromise the interests of applicants.