SCR No : N-2012-00198

SCR Date/Time : 2012/01/16 09:02 **SCR Status:** EO

Event Title : Project #16-31555 D2O Storage Delay - Cancellation of Request for Proposal for Engineering Services

Discovery Date: 2012/01/10 **Location :**

Date Occurred : 2012/01/10 **Facility :** N **MRM:** NR&PS

Time Occurred : 07:00 **Power :** NA **(0-100%, DF, GSS or NA)**

Equipment Failure? : N **Critical Codes :**

Equipment Tags:

Device :

OPEX Communication To:

WANO : N **COG :** N **Fleetwide :** N **Not Applicable :** N

Description of Condition :

On November 29th 2011 the D2O Storage project Request for Proposal (RFP), N-LT-2011-003 in support of Engineering Services was issued to six proponents. Lessons learned from previous attempt to secure a vendor were incorporated (see ref SCR N-2011-05638). New requirements were stipulated related to mandatory criteria. Direction was given to include those items in the Terms and Conditions which OPG normally spends significant time negotiating but always arrives at a final position. The thought was that we would save time during the negotiation process. These terms and conditions were reviewed and concurred to by Projects and Supply Chain.
RFP closed on Jan 7th 2012. RFP had to be cancelled because all bids received did not meet the mandatory criteria. Having to cancel the RFP is an immediate 6 week delay to the project and prevents the business case from moving forward for approval in March 2012 to the Board of Directors.
Path forward will need to be established and new milestones identified.

Immediate Action Taken :

Notified Senior Management, initiated SCR, Supply Chain issued a cancellation letter to the proponents.

Recommended Actions to Resolve Condition :

Supply Chain to evaluate why the strategy was not successful.

Projects and Supply Chain to agree on path forward to award the next phase of the Engineering work.

Recommend C3 EO by Supply Chain

Other Personnel Knowledgeable or Involved : ********

Initiator : VA TZAMBAZIS **Ext :** 1180

SCR No : N-2012-00198

Initiating Organization : N-PMDPDM

Initiating Dept. Manager : MAKDESSI

First Line Manager : MAKDESSI

Ext :

Presenting Manager : MAKDESSI

Is It Reportable? : N

S-99 Report No :

Applicable S-99 Section(s) :

Reportable To :

Notification Criteria :

If Different Than Initial Reportability, Why? :

Does It Affect Operability? : N

Is a TOE Required? :

TOE Status :

Operability Comments :

Resolution Category : C

NFE? : N

Rationale for Resolution Category disposition : Apparent Cause Evaluation required.

Significance Level : 3

Rationale for Significance Level disposition : Has potential to be significant.

Closed To SCR # :

SCR No : N-2012-00198

Coordinator Name : MASSEYC

Coordinator Comments :

Evaluating Organization : N-PMDPDM

Evaluating Organization Manager : MAKDESSI

Initiator requested to be contacted by EO :

Initiator Contacted? : Initiator contacted for input.

CA Plan Due Date : 2012/02/25

Extension: **Reason for Extension:** **Approved By:**

CACG Review of CA Plan Required? :

MRM Review of CA Plan Required? :

EO Effectiveness Review Required?: N

MRM Chair Person :

Disposition Date : 2012/01/26

Comments :

Trending Organizations : N-PMDPDM

Inappropriate Behaviour :

Causal Factors :

CF-A

CF-B

Human Performance :

FD-ATE

Event Codes :

WMI 4

Management Focus Area :

Line Defined codes : MS

Filed: 2021-04-26
EB-2020-0290
Exhibit L D2-02-AMPCO-079
Attachment 12
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SCR No : N-2012-00198

Equipment Failure Codes

EF Impact Code : **ER Program Code :** **Failed Component Code :**

Station Maintenance Rework / ERA Codes :

MRM Review Comments for CA Plan : **MRM Concurrence? :**

CACG Review Comments : **CACG Concurrence? :**

CA Plan Completion Date : 2012/02/18

Evaluator(s)	Adverse Trend Contributing SCRs	SCRs Closed to This One
CV MASSEY		

Detailed Discussion of Facts

Due to ineffective communication between Supply Chain and Design Projects Request for proposal (RFP) was cancelled due to proponent's non-compliance with the mandatory criteria and OPG Terms & Conditions.
OPG's process via Supply Chain process did not allow for sufficient flexibility or effectively negotiate T&C prior to submission of RFP.
No interim actions were required.

DETAILS
On November 29th 2011 the D2O Storage project Request for Proposal (RFP), N-LT-2011-003 in support of Engineering Services was issued to six proponents. Lessons learned from previous attempt to secure a vendor were incorporated (see ref SCR N-2011-05638). New requirements were stipulated related to mandatory criteria. Direction was given to include those items in the Terms and Conditions which OPG normally spends significant time negotiating but always arrives at a final position. The thought was that we would save time during the negotiation process. These terms and conditions were reviewed and concurred to by Projects and Supply Chain
RFP closed on Jan 7th 2012. RFP had to be cancelled because all bids received did not meet the mandatory criteria. Having to cancel the RFP is an immediate 6 week delay to the project and prevents the business case from moving forward for approval in March 2012 to the Board of Directors.

SCR No : N-2012-00198

Root Cause Analysis Methodology

Root Cause Analysis Conclusions

Apparent Cause Analysis Methodology

Detailed discussion with the immediate project team including Supply Chain.
This apparent cause evaluation was completed using Barrier Analysis, N-FORM-10134 see attached.

ACE Conclusions

The apparent cause is OPG process was inflexible process to negotiate RFP's Terms and Conditions (T&C) and the Mandatory criteria in combination with insufficient and timely assistance from appropriate support organisation i.e. Supply Chain (SC). Proponents selected should have been screened by SC to ensure their suitability i.e. familiar with OPG's T&C and the Mandatory Criteria. Therefore, unconfirmed assumptions and ineffective communication between Supply Chain and Design projects, lack of insufficient rigor/understanding of the contracting process and the implementation requirements resulted in the current adverse condition - the RFP was cancelled for the second time which resulted in schedule delay.
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Previous Similar Condition

SCR N-2011-05638 and N-2011-04242

Other Systems or Organizations Affected:

Unable to meet schedule commitment to the Darlington Station with regards to providing D2O storage facility

Attachments :

Refernce Action Request No. :

Additional Action Request Nos. :

SCR No : N-2012-00198

Assignments Details

Assignment # : 1 **Assignment Status :** OPEN **Due Date :** 2012/04/30

Assig.Subject : Review of proponents screening process

Responsible Group : N-SCSPM **Assignment Codes :**

Assignment Type : RC

Assigment Description : Alert group (Supply Chain) to review and revise the current screening process i.e. N-PROC-MM-0016 and specific to Verification of Contract information (N-FORM-10669), making it more flexible and tailored to specific needs of a project for selecting qualified proponents. The revised process must ensure OPG's Terms & Condition and Mandatory criteria pertaining to specific projects are clearly identified and accepted by the contractor(s) prior to be included on the list of bidders/proponents without compromising OPG interests.

This assignment would be considered complete when the above new/existing process is revised accepted by appropriate senior management and issued.

Assignment # : 2 **Assignment Status :** OPEN **Due Date :** 2012/04/30

Assig.Subject : Communication rollout for Design Projects Staff re RFP

Responsible Group : N-PMDPDM **Assignment Codes :**

Assignment Type : S

Assigment Description : Alert group (Design Projects) to conduct a rollout with an expectation on effective communication with Supply Chain regarding bidding process/strategy to ensure the content of RFP is clearly understood prior to issuing the RFP package.

This assignment would be considered complete when all Design Projects teams have received the rollout and sign back the expectation letter to EO Manager.

Fire Report

Safety Report