Investment in Fort McMurray

<table>
<thead>
<tr>
<th>Current Projects</th>
<th>$B</th>
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<tbody>
<tr>
<td>Suncor</td>
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<tr>
<td>Syncrude</td>
<td>2.3</td>
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<tr>
<td>Albian Sands</td>
<td>5</td>
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<tr>
<td>CNRL</td>
<td>6.8</td>
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<td>Petro-Canada</td>
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<tr>
<td>Opti-Nexen</td>
<td>0.45</td>
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<tr>
<td>Synenco</td>
<td>3.8*</td>
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*Proposed

Natural Resources & Energy Specialization

U of A – Houston Presentation

Project Management

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School of Business
University of Alberta
BUS TRANSPORTATION:
40 Diversified heading South
Avg of 10 buses inside plant

TRANSIENT POPULATION:
- 6600 camps
- 1200 L.O.A (Town residents)

CHARTERED FLIGHTS:
Monday & Thursday
Approx 120 passengers

Quality

CLIENT
- Insufficient support from disciplines
- Time spent on stewardship with Management

CONSULTANT
- Lack of knowledge of Canadian Regulatory Standards
- Allow deviations without detailed check to match requirements

CONTRACTORS
- Place construction needs ahead of engineering
- Performing field changes without consulting design engineer

SKID PACKAGES
- Inadequate documentation provided
- Tie-in and utility details not discussed and agreed

Natural Resources & Energy Specialization
Cost

- Workforce Requirements
- Lump Sum vs. Reimbursable Contracts
- Lack of Local Industrial Fabrication
- Scope Changes

Average Estimated Costs

Year (Construction Cost does NOT include $3000/mth L.O.A.)

Schedule

- Incorrect front-end loading of the schedule to meet deadlines
- Stretch targets
- Cumulative delays: a delay on a 30-day project vs. a three-year project
Is There Enough Labor Force?

2006 UNEMPLOYMENT RATE:
- Canada: 6.3
- Alberta: 3.3
- Wood Buffalo – Cold Lake: 3.9

Other Contributing Factors
1. Building in an operating plant
2. Isolation and air travel
3. Corporate cultural differences
4. Weather
5. Effects on Fort McMurray
What can Alberta do?

- Work with other Provinces and HRSDC
  - Promote equivalency assessments
  - Facilitate inter-provincial mobility
- Open Canada to skilled trades immigration and promote Alberta as a destination
- Plan for coordinated use of Temporary Foreign Workers
- Coordination between Companies and Immigration Office

Make Alberta attractive to Canadians and to the rest of the world!

Thank you!