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| **CVG SIDOR POWER PROJECT SITE “A”** |
|  |

**DATE: 3 November 2010, Wednesday**

**PROJECT #: 410-3202**

**LOCATION: SIDOR Industrial Area, Puerto Ordaz, Venezuela**

**SITE MANAGER: Patrick Melody**

**TEMPERATURE: 88 F**

**RANGE: 85 to 95 F**

**SITE CONDITIONS: Partly Sunny /**

**PERSONNEL ON SITE:**

|  |  |  |  |
| --- | --- | --- | --- |
| Lugo, Bill | Project Director | Newan, Miguel | Mat'l. Handler Local |
| Melody, Patrick | Site Manager | Izquierdo, Weiser | Mat'l. Handler Local |
| Siros, James | Mechanical Supt. | Herman, Flores | Tool Room Local |
| McCormick, William | Safety Manager | Monasterios, O | Safety Local |
| Frawely, Ted | Elect. Supt. | Leccia, Karina | Admin. Local |
| Montgomery, Mike | QA/QC | Zambrano Natalia | Elect. Eng. Local |
| Rodriguez, Juan | QA/QC | Alvarez, Josbett | Admin. |
| Boykin, Ken | Start Up Manager | Betancourt, Lienertz | Trans./Drwg Control |
| Lynch, Patrick | Start Up | Rojas, Moises | Procurement Local |
| Bingham, Allen | Start Up | Barrosa, Svetlana | Elect Eng. |
| Graves, Mike | Start Up | Thurman, Fred | High Voltage |
| Hicks, Todd | Start Up | Medina, David | High Voltage |
| Hazelrigg, Brett | Start Up LM 6000 TA | Villareal, Luis | High Voltage |
| Deha Garza, Adan | Start Up | Gonclaves, Adriano | High Voltage |
| Doran, Patrick | Start Up 7EA I&C | Jimenez, Selena | High Voltage |
| Perya, Harold | Start Up | Silva, Rafael | High Voltage |
| Flower, Caleb | Start Up |  |  |
| Siros, Melinda | Start Up |  |  |
| Holiday, Rodney | Start Up |  |  |
| Henderson, Mike | Start Up |  |  |
| Govea, Jorge | Start Up |  |  |
| Flowers, Kurt | Start Up |  |  |

**SUBCONTRACTOR PERSONNEL:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Civil Contractor (Cosorcio Megavatio)** | | | |
| Operators | 1 | Carpenter | 10 |
| Electrician | 2 | Concrete Finisher | 2 |
| Laborers | 12 | Iron Workers | 2 |
| Truck Driver | 1 | Welders | 1 |
| Plumber | 0 | Surveyor | 0 |
| Oilers | 0 | Mechanic Heavy | 0 |
|  | **Total Civil Contractor** | | **31** |

|  |  |  |  |
| --- | --- | --- | --- |
| **Mechanical Contractor (ISI)** | | | |
| Welders | 4 | Fitters/Mechanics | 13 |
| Helpers | 13 |  |  |
|  | **Total Mechanical Contractor** | | **30** |
|  | | | |
| **Electrical Contractor (SIALCA)** | | | |
|  | | | |
| Electrician | 35 | Helpers | 10 |
|  | **Total Electrical Contractor** | | **45** |
|  | | | |
| **I&C Contractor (ITS)** | | | |
|  | | | |
| Instrument Techs | 10 |  |  |
|  | **Total I&C Contractor** | | **10** |

1. **GENERAL ITEMS**

* Design issues and procurement for the project needs to be completed as soon as possible to support current project schedule. Daily meetings are held with the field engineers to follow up on the design issues.
* GT 100 & 200 MCCs were not correctly configured. The equipment purchased did not match the engineering design. Rewiring of MCC 100 & 200 is complete. These MCC’s correspond to Unit 100 & 200 (LM 6000’s) respectively.
* Industrial Egret has cleared customs in Guanta. Material expected to ship 27 October 2010. ETA Site 28 October 2010. **Material arrived.**
* ***Unit 300 (7EA GTG Unit) is missing electrical equipment such as main transformer differential relay (GE 745), generator multifunction meter and aux transformer multifunction meter, bus over current relay, 86 T lock out relay, device 74-6 among others This is because CVG A is a Southaven “Even” unit and the equipment missing was installed in the “Odd” Unit installed somewhere else. Tom Koonz is already aware of this issue and actions are being taken to address this situation. Mike Henderson visit the site on Oct 27th, 2010 to review the situation and to proceed to purchase the material and equipment needed.***
* ***Flushing of the LM6000 lubrication system and jacking oil will have to be repeated. Vene-Filter a local company will perform the high volume flush next week. The oil sample taken did not meet GE cleanliness criteria for referenced systems. Vendor and equipment arrived on site today.***
* ***Additional parts for the LM6000 units have been requested. We are checking on their delivery times to revise start up schedule accordingly. This may impact the schedule.***
* ***The gas compressors are being serviced by a local service company. The initial findings are that parts are needed to be able to complete the work. Currently working in the part list and researching their delivery dates. Estimated delivery is between three (3) to six (6) weeks. This will most likely impact the schedule.***
* ***Commercial issues (lack of payment and cash flow problems) continue to affect construction / start up productivity as well as project schedule. Suppliers that have not been paid are not delivering materials and/or equipment as needed; and some contractors have or are already planning on slowing down and possible stopping because of lack of payment.***

1. **CLIENT ISSUES/CONCERNS:**

* Preliminary discussions were held with SIDOR to discuss gas blows and alternative options. To the extent possible, SIDOR would like to minimize the need for gas blows***.*** SIDOR has agreed to gas blows and has requested a written procedure for gas blows along with a site plan indicating location of gas blow offs. A format has been reviewed. Written procedure is in process by Start Up Group.
* SIDOR has indicated that the water supply is out of specification and will require pretreatment. SIDOR’s water treatment consultant has furnished a recommendation which is being reviewed by EDG. EDG has met with the SIDOR’s vendor to discuss their recommendations. EDGI advised that additional equipment will be needed to be able to treat the water based on the new sample analysis provided by SIDOR. A contract change order has been submitted to Derwick. ***A communication has been sent to Derwick informing them that water treatment system will not be able to be placed in operation until the equipment needed is purchased and installed; startup activities and project completion will be impacted. The startup staff will have to be demobilized and later re-mobilized once this system is complete, but this will be an additional cost to the contract or a change order.***
* Derwick has verbally indicated that the Fuel storage tank, fuel unloading bldg. and related utilities will be removed from our scope of work. An email has been received from Derwick deleting certain elements of the fuel storage systems. ***Prior to project closeout it will be necessary to complete the LM 6000 dual fuel conversion. Procurement/delivery of equipment and materials is pending.***
* Gas compressors were visually inspected by a local gas compressor service company. Vendor strongly recommended inspection and service to be performed prior to start the equipment. A PO was issued and the service company has started to work; work is being coordinated with start-up activities.Vendor has completed inspection of the two KCI compressors. Damaged bearings and seals were noted in both compressors. A detailed report has been received for each compressor. ***The initial findings are that parts are needed to be able to complete the work. Currently working in the part list and researching their delivery dates. Estimated delivery is between three (3) to six (6) weeks. This will most likely impact the schedule.***

1. **CIVIL:**
   * + BOP – Install forms at light pole bases
     + BOP – Gas Compressor MCC – FRP Air Conditioning Foundation
     + BOP – Control Building Interior Build Out Ongoing
     + BOP – Control Building Install Exterior Siding
     + BOP – Control Building Set Crane Rail
     + GT 300 - Exterior Grouting Ongoing
2. **CONCRETE FOUNDATIONS:**
   * + Foundations Complete
3. **MECHANICAL:**
   * + GT 100 - Fabricate Misc. Interior Grating
     + GT 100 - Install and Route Igniter Cable
     + GT 100 – Punch List Ongoing
     + GT 100 - Install Tubing Turbine Lube Oil System
     + GT 100 – Preparing Flush at Generator / Vene Filter
     + GT 200 - Punch List Ongoing
     + GT 200 – Start Flush at Turbine
     + GT 200 – Flush at Generator / Vene Filter
     + GT 300 – Install CO2 Piping **Complete**
     + GT 300 – Install Inlet Bleed Heat Piping **Complete**
     + GT 300 – Continued Sealing Accessory Compartment
     + GT 300 – Turbine Roof Install Instrument Supports @ Fisher Valve
     + BOP – Water Treatment Building Install Piping
     + BOP – Walk Down Demin Water System
     + BOP – Gas Compressor Inspection Ongoing
4. **ELECTRICAL:**
   * + GT 100 - Line Side Switch Terminations **ongoing**
     + GT 200 - Line Side Switch Terminations **Complete**
     + GT 300 – Cable Installation Ongoing
     + GT 300 – Installing Exterior Conduit
     + GT 300 – Installing Exterior Package Lighting
     + GT 300 – Terminations Ongoing
     + GT 300 – SWGR Terminations and connections ongoing
     + BOP – Water Treatment Install Cable
     + BOP - Install Grounding Water Treatment 7 Gas Comp. **Complete**
     + BOP – Water Treatment Cable Terminations
     + BOP – Cable Installation R3 Substation to Various Switchgear
5. **INSTRUMENTATION AND CONTROLS:**
   * + GT 100 & 200 Review 86 Trip Logic
     + GT 100 & 200 Define Breaker Trip/Blocked Signals from Switch Yd
     + GT 200 - Installation of Vibration System **Complete**
     + GT 300 - Calibrate Instruments & Install Tubing
6. **SCHEDULED ITEMS:** 
   * + ***General***
       1. CPS Schedule updates on going.

***Contract Milestone Payments***

* + - 1. Down Payments (50%) Complete
      2. Gas Turbines on Foundation (10%) Complete

***8.1.2.3*** Civil Foundations Complete (25%) Complete

***8.1.2.4 \**** Electrical/Mechanical Complete (10%)

November 15th, 2010

* + - 1. \*Start- up Complete and Ready to Export Power (5%)

January 15, 2011

***Note (\*): Commercial issues are impacting the schedule.***

* + - ***Construction Substantial Complete***
      1. ***Unit 100 – LM6000***

November 15, 2010 \*

* + - 1. ***Unit 200 – LM6000***

November 15, 2010 ***\****

* + - 1. ***Unit 300 – 7EA***

November 30, 2010 \*

***Note (\*):*** ***These dates are being revised based upon cash flow and commercial issues that are starting to impact the schedule as well as the LM6000 and gas compressor part delivery dates.***

A revised Start up Schedule has been received with a145 day duration. Durations will be evaluated prior to incorporation into the schedule.

1. **CRITICAL AREAS OF CONCERN:**

* ***Unit 300 (7EA GTG Unit) is missing electrical equipment such as main transformer differential relay (GE 745), generator Malfunction meter and aux transformer multifunction meter, bus over current relay, 86 T lock out relay, device 74-6 among others This is because CVG A is a Southaven “Even” unit ant the equipment missing was installed in the “Odd” Unit installed somewhere else. Tom Koonz is already aware of this issue and actions are being taken to address this situation. Mike Henderson visit the site on Oct 27th, 2010 to review the situation and to proceed to purchase the material and equipment needed.***
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* ***Activities in Venezuela slowdown after the first week of December 2010. So we need to assumed that construction and start up activities will greatly slow down after this date.*** 
  1. **SAFETY:**
     + - 1. Develop JSA as needed
         2. Inspection of subcontractor power tools.
         3. Inspection of motorized equipment prior to usage.
         4. Scaffold inspections ongoing.
         5. Site Orientation for New Staff
  2. **OUTSTANDING DRAWINGS:**
  3. **DRAWINGS ISSUED:**

1. **PICTURES:**

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**Control Building Interior Build Out**

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**Control / Maintenance Bldg. Exterior**

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**Gas Compressor MCC Terminations**

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**GT 300 PDC Teminations**