



30<sup>th</sup> December 2024

**To Whom it may Concern,**

Proposal for deployment of Project Health Control (PHC) for a prospective project:

## **Integration of Power Generation Projects with Modular Refineries & Mini-Grids Network**

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### **Proposal Summary**

This proposal introduces the **Project Health Control (PHC) Service** to provide comprehensive governance, monitoring, and optimization for the Integration of Power Generation Projects in Nigeria. This initiative involves linking hydroelectric, gas, and renewable energy sources to a unified modular refinery and mini-grid network. PHC will ensure the successful implementation of the project's components, adherence to timelines, risk mitigation, and enhanced outcomes through structured project health control.

The PHC deployment will progress in two phases:

1. Setup Phase – Establishing foundational structures for governance, regulatory compliance, and stakeholder alignment.
2. Full Deployment and Continuation – Ensuring sustained project oversight, delivery efficiency, and optimized integration with national and regional energy grids.

Links to the project's SCALPED documentation are provided for detailed reference.

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### **Involved Parties**

- Order Efficiency Ltd. – Provider of the PHC Service.
  - Government of Nigeria – Key stakeholder and regulator.
  - West African Power Pool (WAPP) – Regional energy partner.
  - Private Sector Partners – Investors and operators of modular refineries and mini-grids.
  - International Development Banks – Financing institutions.
  - State Governments (Akwa Ibom for the pilot phase)
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## Objectives

1. Integration of modular refineries and mini-grids with Nigeria's power generation assets.
  2. Provide a reliable electricity supply across urban and rural areas.
  3. Optimize national grid reliability and facilitate power exports to neighboring countries.
  4. Mitigate risks associated with infrastructure deployment and operational inefficiencies.
  5. Project transparency, accountability, and adherence to international environmental goals.
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## Operational Strategy

The PHC Service will be deployed in two key phases:

- **Setup Phase:** A rapid 3-month deployment of core PHC Systems.
  - **Continuation Phase:** A renewable 12-month operational period focused on scalability and localized implementation.
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## Phase 1: Setup Phase

**Timeline:** 3 Months

**Focus:** Establishing PHC Systems and deploying the Core PHC Team.

### Actions:

1. Governance Structure Development.
  - Establish PHC Service frameworks tailored to the project's scope.
  - Align with national and regional energy policies.
2. Stakeholder Engagement
  - Facilitate agreements among government bodies, private partners, and international financiers.
  - Conduct workshops to introduce PHC protocols and build consensus.
3. Baseline Assessment
  - Review SCALPED documentation to identify key risks, concerns, and opportunities.
  - Develop metrics for monitoring and evaluating project health.



#### 4. Pilot Deployment Preparation

- Finalize frameworks for monitoring Phase 2 pilot projects in rural and industrial zones.

#### **Deliverables:**

- Core PHC Team in place with defined roles and responsibilities.
  - Fully operational PHC Systems and dashboards.
  - Risk Mitigation Plan and Monitoring Framework.
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### **Phase 2: Continuation Phase**

**Timeline:** 12 Months (Renewable)

**Focus:** Scalable governance and localized PHC Service deployment.

#### **Actions:**

1. Real-Time Monitoring and Reporting
  - Implement PHC dashboards to track progress across modular refineries and mini-grids.
  - Provide regular updates to stakeholders with actionable insights.
2. Risk Mitigation and Problem Resolution
  - Address emerging concerns proactively using the PHC methodology.
  - Facilitate adaptive planning to accommodate unforeseen challenges.
3. Scaling and Optimization
  - Guide the national rollout and integration of decentralized power sources with the main grid.
  - Ensure continuous improvement of cross-border power trade mechanisms.
4. Sustainability and Knowledge Transfer
  - Train local stakeholders to manage and sustain PHC operations independently.
  - Document best practices for application to similar regional projects.

#### **Deliverables:**

- Monthly Project Health Reports and Performance Reviews.
  - Scalable team structure, with additional Consultants deployed as needed.
  - Annual Stakeholder Review and Renewal Plan.
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## **Expected Outcomes**

### **1. Efficient Project Governance:**

- Centralized oversight ensures that project health metrics are consistently monitored and optimized.

### **2. Localized Risk Management:**

- Sub-project-specific teams provide targeted support, addressing unique challenges for each power generation system or site.

### **3. Scalable and Adaptive Support:**

- The renewable PHC Service model ensures that resources grow in proportion to project needs.

### **4. Long-Term Sustainability:**

- Regular reviews and team expansions support the successful implementation of all power generation systems, ensuring alignment with national energy goals.

## **Conclusion**

The PHC Service will be instrumental in realizing the objectives of this transformative initiative, ensuring its alignment with national and regional energy goals. By providing structured oversight, the PHC Service will help mitigate risks, streamline execution, and enhance the project's long-term sustainability.

For further details, the SCALPED documents provide in-depth information on the project's schedule, concerns, actions, locations, people, events, and deliverables.



## Cost Structure

Category	Description	Total Cost
Training and Development	Training for Stakeholders and PHC staff on system use and reporting	[undetermined]
Travel and Logistics	Travel costs for on-site setup, inspections, and team collaboration	[undetermined]
Risk Management	Risk assessment resources, including contingency planning and insurance	[undetermined]
<b>Cloud Services/Data Storage</b>	<b>Data storage for project datasets and real-time reporting</b>	<b>\$1,900</b>
Miscellaneous Expenses	Unexpected costs related to logistics, setup, or project adjustments	[undetermined]
<b>PHC Setup Costs</b>	<b>Costs for PHC Service in Phase 1</b>	<b>\$61,160</b>
<b>PHC Continuation Costs</b>	<b>Costs for PHC Service in Phase 2</b>	<b>\$917,280</b>

This table provides a structured overview of potential expenses, with placeholder values to be filled as budget details are finalized.

### Additional Considerations

(1) The cost includes an allowance for trainees on the project as an optional use of the project's Corporate Social Responsibility budget.

For the PHC Setup phase: 3x Trainees at a total cost of \$15,120.

For the PHC Continuation phase: 20x Trainees at a total cost of \$403,200

If the Trainee option is omitted, the PHC costs for Setup and Continuation reduce to \$47,040 and \$514,080 respectively.

(2) The table reflects the costs for PHC core elements of the Setup and Continuation phases only. Other costs remain 'undetermined' pending early-as-possible definition after the PHC Service start. The early stages of PHC Service implementation will help identify these additional costs.

(3) For Cloud Services, costs detailed are for access to the proprietary database from Claris Filemaker allowing 10 seats, sufficient for the PHC Team and selected operational staff from Stakeholder Groups. For the whole project workforce, PHC data is accessed via a browser-based username/password system which we provide free as part of the PHC Service offering.



PHC Service Setup Phase				30/12/2024			
<b><u>P004 – Power Integration</u></b>	Hourly Rate to Person	PHC Provider Markup	Hourly Rate to Client	People in Role	Hours / Week	Contract Hours	Contract Cost
Strategist	\$120	40%	\$168	1	10	120	\$20,160
Analyst	\$80	40%	\$112	1	20	240	\$26,880
Admin	\$45	40%	\$63	0		0	\$0
Trainee	\$15	40%	\$21	3	20	720	\$15,120
Guest	\$0	40%	\$0	0	0	0	\$0
		40%		Months	3		
				1 <sup>st</sup> Contract	yes	1080	\$62,160
Lump Sum Start	\$12,432		\$12,432	20% (applies only to 1 <sup>st</sup> Contracts)			
Monthly Split	\$16,576		\$16,576				

  

Month	Payment	Partner	Transfer
1	\$29,008	\$2,901	\$26,107
2	\$16,576	\$1,658	\$14,918
3	\$16,576	\$1,658	\$14,918
4			
5			

PHC Service Continuation Phase				30/12/2024			
<b><u>P004 – Power Integration</u></b>	Hourly Rate to Person	PHC Provider Markup	Hourly Rate to Client	People in Role	Hours / Week	Contract Hours	Contract Cost
Strategist	\$120	40%	\$168	1	10	480	\$80,640
Analyst	\$80	40%	\$112	1	30	1,440	\$161,280
Admin	\$45	40%	\$63	3	30	4,320	\$272,160
Trainee	\$15	40%	\$21	20	20	19,200	\$403,200
Guest	\$0	40%	\$0	0	0	0	\$0
		40%		Months	12		
				1 <sup>st</sup> Contract	no	25440	\$917,280
Lump Sum Start	\$0		\$0	20% (applies only to 1 <sup>st</sup> Contracts)			
Monthly Split	\$76,440		\$76,440				

  

Month	Payment	Partner	Transfer
1	\$76,440	\$7,644	\$68,796
2	\$76,440	\$7,644	\$68,796
3	\$76,440	\$7,644	\$68,796
4	\$76,440	\$7,644	\$68,796
5	\$76,440	\$7,644	\$68,796
6	\$76,440	\$7,644	\$68,796
7	\$76,440	\$7,644	\$68,796
8	\$76,440	\$7,644	\$68,796
9	\$76,440	\$7,644	\$68,796
10	\$76,440	\$7,644	\$68,796
11	\$76,440	\$7,644	\$68,796
12	\$76,440	\$7,644	\$68,796
13			
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### Project Specific Links

1	<a href="#">Power Integration Project Summary.pdf</a>
2	<a href="#">PHC Report (including SCALPED documents)</a>
3	<a href="#">PHC Portal Access</a>
4	<a href="#">P004 Rate Calculator.xlsx</a>
5	<a href="#">P004 Rate Calculator - Setup Phase.pdf</a>
6	<a href="#">P004 Rate Calculator - Continuation Phase.pdf</a>

### PHC Generic Links

1	<a href="#">Order Efficiency Profile.pdf</a>
2	<a href="#">Why Projects Break Budgets.pdf</a>
3	<a href="#">PHC Activities.pdf</a>
4	<a href="#">TNA Activities.pdf</a>
5	<a href="#">QA-13 - The PHC Value Proposition.mp4</a>
6	<a href="#">PHC in Action.mp4</a>
7	<a href="#">PHC Concerns Management Scope.pdf</a>
8	<a href="#">Seven PHC Lists.mp4</a>

Sincerely,

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