

Information Sheet No. 7

Contingency Details

RISK VARIABLES			
Project	Example Project	Date	07 Jun 2004
Location	Plant Build Location	Issue	A
Client	Client Name	Revision	1
Scenario name	Contingency at P90		
ITEM	VARIABLE DESCRIPTION	MIN % (-)	MAX % (+)
1	Equipment Pricing	16.0%	21.0%
2	Bulk Material Pricing	20.0%	25.0%
3	Bulk Material Quantification	30.0%	40.0%
4	P&ID Development	5.0%	15.0%
5	Exchange Rates	20.0%	20.0%
6	Normal Factors and Allowances	25.0%	40.0%
7			
8			
9	Procurement Schedule	5.0%	20.0%
10	Field Labour Productivity	20.0%	25.0%
11	Subcontract Rates	15.0%	20.0%
12	Construction Supervision	5.0%	8.0%
13	Construction Schedule	5.0%	20.0%
14			
15			
16	Third Party Costs	15.0%	18.0%
17			
18	World Wide Market	5.0%	8.0%
19	Local Market	8.0%	15.0%
20			
21			
22			
23			
24			
25			

Project
Location
Client
Scenario name

Example Project
Plant Build Location
Client Name
Contingency at P90

DEPENDENCY MATRIX

Issue A
Revision 1
Issued for +/-15% Estimate
Date 07 Jun 2004

COST CATEGORY	DESCRIPTION	RISK VARIABLES																								
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
MATERIALS	MAJOR EQUIPMENT	1.00				0.60				0.40									0.40							
	PIPING		1.00	1.00	0.20	0.10				0.20									0.20							
	INSTRUMENTS	0.05	1.00	1.00	0.40	0.30				0.20									0.20							
	ELECTRICAL	0.05	1.00	1.00		0.20				0.10									0.20							
	SPARE PARTS	1.00				0.50	1.00			0.05																
	CATALYST AND CHEMICALS																									
	SHIPPING/FREIGHT	0.04					1.00			0.30									0.10	0.20						
	THIRD PARTY INSPECTION																									
CONSTRUCTION	SITE PREPARATION																									
	PILING																									
	CIVIL WORKS		0.30	0.30						0.50	0.50		0.10							0.20						
	BUILDING WORKS (INC FURNITURE)		0.40	0.20						0.50	0.50		0.05							0.20						
	STEELWORK		0.60	0.60						0.50	0.50		0.05													
	HVAC (DUCTWORK)																									
	FIRE PROTECTION																									
	PROTECTIVE COVER		0.40	0.50						0.50	0.50		0.05													
	EQUIPMENT									0.50	0.50		0.10													
	PIPING									0.50	0.50		0.10													
	INSTRUMENTATION									0.50	0.50		0.10													
	ELECTRICAL									0.50	0.50		0.10													
	CONSTRUCTION SUPPORT (COMM'G)												0.30													
SERVICES	SCAFFOLDING									0.40	0.40															
	TEMPORARY FACILITIES									0.20	0.20	0.30					0.70		0.05	0.50						
	VENDORS ENGINEERS									0.30			0.10				1.00									
	CONSTRUCTION MANAGEMENT												0.80	0.20			0.10									
	CAMP ACCOMM. & MESSING												0.20	0.20			0.20			0.60						
	HEAVY LIFT									0.10	0.20		0.10				1.00									
	COMMISSIONING & TEST RUNS												0.20	0.10			0.20									
	H.O.SERVICES				1.00					0.20			0.10	0.10												
OTHERS	FORWARD ESCALATION																									
	OTHER COSTS																									
	CLIENTS COSTS (INSURANCE)									0.05				0.05			1.00		0.10							