



Auckland Electric Trains

7th November 2013

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Introduction

- EMU Project
 - Overview of the Project
 - Project Delivery
 - Enablers
 - Risk and Risk Management

The Train



Project Overview

- Construcionnes Y Auxiliar Ferrocarriles (CAF) are contracted to:
 - Design, Manufacture and Supply 57 three car Electric Trains
 - Maintain those trains for 12 years
 - Supply 2 Driver Training Simulators
- Contract, signed 4 October 2011, value US\$300m (NZD417m)
- First train due end August 2013, last train due July 2015
- First service operation April 2014, complete service July 2015

Project History

- In Nov 2009, the Minister of Transport invited KiwiRail to procure electric trains for Auckland, working jointly with ARTA and NZTA
- Cabinet approved an appropriation of NZ\$500m for the Electric Trains and a new Depot
- KiwiRail established a procurement team which was jointly governed by KiwiRail and ARTA. The team commenced work in January 2010
- Contract Documentation and Specifications were produced and the RFT for the Electric Trains was issued in September 2010
- Bids were received in January 2011, a shortlist agreed in May 2011 and preferred tenderer identified in August 2011

Project History

- Auckland Transport assumed the management and governance of the EMU Procurement and Depot Construction from KiwiRail, prior to signing of the contract with CAF (4 October 2011)

Project Timeline

- Kiwirail invited to procure the trains October 2010
- Project Team formed December 2010
- Expressions of Interest May 2010
- RFT Issued September 2010
- Tenders Received January 2011
- Request for BAFO June 2011
- BAFO Received July 2011
- Contract Award October 2011

Project Phases

- Contract Award 4/10/11
- 12 months to complete design 4/10/11 - 4/10/12
- 9 months to build and test 1/9/12 - 30/6/13
- 2 months to ship 1/7/13 to 1/9/13
- 3 months to commission and test 1/9/13 to 30/12/13
- 1st train handed to AT 14/01/14
- 57th train handed to AT 30/07/15
- Supply Contract Completion 30/07/15

Project Delivery

Challenges

- Timescale
 - Fixed Budget
 - Expectations
 - Skills shortage
 - Stakeholders
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- Step 1: Understand what is most important; time, cost or quality
 - Step 2: Set appropriate budget
 - Step 3: Engage, be realistic, be firm
 - Step 4: Pay
 - Step 5: Engage

Key Enablers

- Small focussed experienced core team
- Empowerment and Support
- Clarity of what, when and how
- Definition of and Engagement with Stakeholders
- Relationships and way of working
- Understand motivations
- Have common goals

Risk Identification

- Risk is:
 - Necessary
 - Inevitable
 - Manageable
- Differentiate between Project Risk and Technical Risk
- Spend the time and effort up front to identify the key risks
- Bring knowledge and experience into risk identification process
- Involve all parties
- Achieve mitigations inherently through process
- Ensure the responsibility for managing risk lies with those most able to do so.

Key Risk Mitigations for This Project

- Started with a robust contract
- Performance Specification
- Use of international standards and processes
- Use of standard proven technology
- Use of established supplier and sub suppliers
- Highly experienced Project Team
- AT presence in Spain
- Independent Verification and Validation contract (IV&V)

Mindset and Approach

- Recognise that the contract is a partnership
- Establish relationships
- Agree common goals
- Be prepared to flex requirements
 - Understand what mattered and what didn't
- Be decisive
- Proactively identify and help to solve contractors problems
- Always be alert to changes in risk profile

What did we achieve

- Placed order 4th October 2011
- First train delivered on the 28th August 2013
- Achieved full speed running on the mainline on the 6th October
- No battles, no dramas, no claims.

THANK YOU