

Capital Project Management System®

Capital projects are typically secondary to most Project Owners' business objectives. They are a 'cost center' on most Profit and Loss sheets, not a 'Revenue Center'. As a result, many Owner Organizations ('operating companies') consider capital projects as a thing to be avoided. However, any growing business cannot continue that growth without some form of capital investment project(s).

Typically, there are several key parameters used in the development, execution and evaluation of a capital project. These are scope, schedule, budget and quality. However, when looking at the larger context in which the project occurs, such as an overall capital program or the on-going business objectives, some additional parameters can become even more important. These include reliability, maintainability, operability and flexibility. To best optimize both the near-term and long-term performance of the project, proper analysis and planning at the beginning is critical.

Front End Planning Services

As you think about Front End Planning Services, consider these questions...

Are my projects delivering all that I ..hoped for? ...needed?...expected?

Are we meeting our cost targets?

Are we making our schedule windows?

Does the project outcome support our business objectives?

How can we improve next time?

Capital Program Planning

MDC®'s experience can assist you in the development of conceptual cost estimates and schedules to support each item in your capital facilities plan. Application of appropriate values will enhance and strengthen your plan for submission to management. This can include benchmarking your projects against other similar facilities.

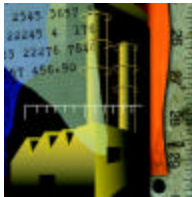


MDC® can develop cash flow models incorporating all costs affecting each facility in the plan. These costs will include first costs, annual maintenance and operating costs, tax implications, and other capital costs. The cash flow model can be prepared as first cost or as net present value.

Assisting clients in prioritizing capital projects for use in "What If" modeling. This allows a client to easily optimize and adjust the capital facilities plan to reflect the dynamic world market.

Project Front-End Planning

MDC® enhances your project development and start-up by preparing accurate cost models and baseline schedules that reflect the appropriate parameters for your project. This allows a client to initialize a project with all the team members starting on the same basis.



Benchmarking each cost and schedule against business norms and other similar projects. The benchmark supports your project to management and to the entire project team.

MDC® will develop management tools for the project team, reflecting the scope and size of the specific project. Cost, schedule, monitoring, and reporting tools, set as project standards, allow all members of the project team to monitor and report on the same basis.

Services offered

Project Development

- Assessment
- Current performance measurements
- Comparative benchmarking

Project Modeling

- Key Parameter Identification
- Parameter Interrelationship Analysis
- Key Variable Identification
- Anticipated Range of Variability
- Sensitivity Analysis
- Define 'out of bounds' / stop project limits

Project Planning

- Schedule
- Resource Requirements and Constraints
- Project assumptions
- Milestones
- Success markers

Project Monitoring

- Schedule compliance
- Cash flow
- Resource utilization
- Project 'assumption' validation

Project Evaluation

- Project Delivery
- Total Capital Outlay
- Performance Satisfaction Survey
- 'Lessons Learned' Knowledge Capture

Program and project development and execution is a 'bottom line' arena. MDC®'s experience in the analysis, evaluation and resolution of challenges and problems associated with the execution of capital projects gives us a unique insight into that 'end game'. Having that 'end game' experience has taught MDC® to recognize the important factors needed in Front End Planning which result in on-time, on-budget and on target performance.