

**CENTRAL MAINE POWER COMPANY  
RESPONSE TO ORAL DATA REQUEST NO. 1  
DOCKET No. 2008-255**

**November 7, 2008**

**ODR-01-15**

- Q.** Identify any area of risk in the schedule and work around plans. Include land acquisitions.
- A.** There is risk associated with almost every activity in the schedule and work around plans are developed as new information becomes available that may threaten the accomplishment of specific tasks. In terms of larger risks for the MPRP, these are listed, along with the current mitigation plan, on the attached Risk Register. This Risk Register is the result of a formal risk assessment workshop and is one of the project control tools being utilized for the MPRP.

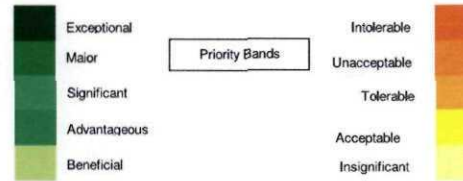
**Response Prepared & Submitted By:**  
Geoff Thomas  
Program Manager  
Cianbro

**Attachment:**

1. MPRP Risk Register



# Risk Register



Legend: P - Probability  
I - Impact  
RR - Risk Rating  
(From P/I Grid)

Risk ID	Risk Category	Risk Description	Cause(s)	Effect(s)	Category	Qualitative				Existing Control	Action Plan	Action Owner	Action Review Date	Mitigation		
						P	I	RR	Priority					Time	Cost	Flag
TA027	A	Losing Key individuals/ maintaining bench strength	Pursing better opportunities elsewhere	Delay	Iberdrola/Energy East/CMP	3	1	3	5			Mary Smith				
TE	E	Significant increase in Cost of Capital (Finance)	Internal & External Economic Conditions	Higher Project Costs & higher customer rates	Finance & Cost Management	2	2	4	3	Formula Rate in Federal Tariffs ( ISO NE)	Attain CWIP in rate base	Scott Mahoney				
TA	A	Change in investment strategy (Energy East)	Competing Capital Projects	Delay or reduced scope	Iberdrola/Energy East/CMP	1	5	5	4							
TE	E	Economic hyper-inflation	Macro Economic Conditions	Cost increase	Finance & Cost Management	2	4	8	2	Formula Rate in Federal Tariffs ( ISO NE), or exit strategy	To develop a total project cost that incorporates variability, Monitor inflation	Thorn Dickinson				
TE003	E	Actual financial requirements being different in comparison to forecast	Inaccurate estimate or change in plans	Delay, reapplication to regulators, less earnings opportunity & potential over capitalization	Finance & Cost Management	4	2	8	2	Quarterly Reforecast & Risk Analysis	Continue to refine & improve and communicate	Geoff Thomas				
TE	E	Market Risk - Significant escalation of commodities independent of inflation	Inbalance between supply & demand	Cost overruns	Finance & Cost Management	3	3	9	1	Modeling a range of commodity escalation factors and it's affect on total project cost	Develop a procurement strategy & commodity hedging action plan	Mary Smith				
TA010	A	Stability, Tariff Administration or role of ISO-NE	Changes in leadership or Regional Energy Policy Priorities	Attractiveness of the ROE or other regulatory approvals	Iberdrola/Energy East/CMP	2	5	10	3			Mary Smith				
TA028	A	Knowledge transfer between CMP and Program team	CMP Resource Constraint	Delay & Cost	Iberdrola/Energy East/CMP	5	2	10	3	Meetings, Communication, management interface at several levels, Web-based information management system	To develop a plan for the long term knowledge transfer for engineering & operations; Elevate current issues to the appropriate sponsor	Mary Smith & Geoff Thomas				
TA032	A	Need to implement an Exit strategy	Abandon part or all of the project	Increased Risk of unrecoverable cost	Iberdrola/Energy East/CMP	2	5	10	3	No Formal Plan	To develop exit strategy	Geoff Thomas				
TA	A	Competing Regional Transmission Projects (External to CMP)	Increased Earnings opportunities	Changes needed for MPRP	Iberdrola/Energy East/CMP	3	4	12	2	Monitor potential projects	Evaluate competing projects to determine whether they can meet the reliability needs at a lower cost	Dave Conroy				
TA004	A	Equipment & Material Commitment risk in advance of regulatory approval	To keep the project on schedule	Possible unrecoverable costs	Iberdrola/Energy East/CMP	5	3	15	1	Authorization Levels	To identify program needs and options to secure the equipment and material that satisfy the program & business needs ( how much? When? Consequences? Options?)	Geoff Thomas				
TM017	M	Construction and commissioning workforce constraints within wave of National Transmission Owner infrastructure investment	High demand labor resources	Project delay, lower quality & higher cost	Human Resources	5	4	20	1	None	Develop a construction & commissioning strategy	Geoff Thomas				
TM024	M	Lack of skilled professionals in technical arena	High demand	Project delay, lower quality & higher cost	Human Resources	5	4	20	1	Hired highly skilled and experienced professionals	To develop a retention & HR plan	Geoff Thomas				
TD014	D	Slowing economy (See TB4)			Economic Modeling			0								Dan Peaco
TD015	D	High price of heating oil driving electric heat (See TB022 & OB4)			Economic Modeling			0								Dan Peaco
OL1	L	Black Outs / Brown Outs support needs assessment (See OB3)			System Operations/ Outages			0								
TL018	L	Outage scheduling within ISO-NE (See TL025)			System Operations/ Outages			0								Rick Conant
TF005	F	Risk of Costs determined to be imprudent	Mismanagement	Lower earnings	Environmental & Permitting (Technical)	1	2	2	10		Well documented decision process	Mary Smith				
TK030	K	Weather risk-System Operation	Cancellation of outages required for construction sequence to critical facilities due to weather	Lengthen the construction period	System Operations/ Outages	3	1	3	LOW		Building in time for cancellations of outages	Rick Conant				

TD019	D	Uplift costs for generation during MPRP outages	Construction outages	Higher LMP's	Economic Modeling	5	1	5	MID	Design of the construction sequencing process	Monitor and look for opportunities to improve	Rick Conant				
TB5	B	Challenge to systems studies key assumptions	Intervenor consultants	To delay and defer project	System Studies	5	2	10	HI	MPUC CPCN process	In-depth, effective presentations to minimize questions and reach a technical settlement	Rick Conant / Dan Peaco				
TB6	B	Modeling collaboration with intervenors	Intervenor consultants	To delay and defer project	System Studies	5	2	10	HI	MPUC CPCN process	In-depth, effective presentations to minimize questions and reach a technical settlement	Rick Conant / Dan Peaco				
TC1	C	NTA Study Analysis Rebuttal	Intervenor consultants	To delay and defer project	Non-Transmission Alternatives	5	2	10		MPUC CPCN process	In-depth, effective presentations to minimize questions and reach a technical settlement	Rick Conant / Dan Peaco				
TL025	L	Magnitude of MPRP scope puts existing system at risk	Outages required for construction sequence to critical facilities	System reliability at risk and uplift cost (See 27)	System Operations/ Outages	5	2	10	HI	Design of the construction sequencing process	Monitor and look for opportunities to improve	Rick Conant				
OG	G	Litigation Support / ISO	ISO Support need in litigation	Facilitates Approval	Regulatory, Permitting & Licensing	5	-3	-15	7		Prod ISO Management	Scott Mahoney				
OG		TCA full PTF	Successful persuasion of ISO	Lowest cost to CMP customers		3	-5	-15	6		Provide full and accurate cost justification	Geoff Thomas				
OG	G	Wind Resource Development drives transmission construction	MPRP link to wind	Higher probability of approvals, more support	Regulatory, Permitting & Licensing	4	-2	-8	11		Assemble and disseminate information	Kay Rand				
TG	G	Objections from external stakeholders [Landowners (Abutting), NGO's, Generators, OPA, IECG, Municipalities, Other State Commissioners, MPUC Staff, Transmission Owners, Municipal Utilities, Eastern Canada]	Subsumed		Regulatory, Permitting & Licensing	0	0	0								
TG	G	Regulatory Schedule - FERC - ROE & Cost Recovery	Intervenor Opposition	Lower earnings	Regulatory, Permitting & Licensing	1	1	1	12		Manage FERC case	Scott Mahoney				
TG	G	Concerns about EMF in PUC process	Intervenor Opposition	Delay / Design Changes	Regulatory, Permitting & Licensing	2	1	2	9		Present coherent testimony	Tom Welch				
TG	G	Crossings- MTA, RR, MDOT, FAA	Bureaucracy	Delay / Design Changes	Regulatory, Permitting & Licensing	3	1	3	8		Identify needs, begin process	Mary Smith				
TG	G	BEP (Board of Environmental Protection) assumes jurisdiction over environmental permitting	Board Interest / Public Input	Schedule Delay	Regulatory, Permitting & Licensing	2	2	4	5		Work with staff and commissioner	Tom Doyle				
TG001	G	Regulatory Schedule - PUC	Extensive Participation / Project Changes	Delay	Regulatory, Permitting & Licensing	4	2	8	3		Timely response to discovery and creative processing	Tom Welch				
TG002	G	Regulatory Schedule - DEP, ACOE	Intervenor Opposition, Design Change	Delay	Regulatory, Permitting & Licensing	4	2	8	4		Staggered Pre-app submittals, interagency meetings, continued interaction with staff	Tom Doyle, Dave Dominie				
TG	G	Regulatory Schedule - Local Permitting - visual & EMF	Local Opposition	Delay / Denial / Design Changes	Regulatory, Permitting & Licensing	5	4	20	1		Frequent Municipal Interaction / Early Start	Kay Rand / Dave Dominie				
TG	G	Onerous permit conditions (DEP, ACOE, PUC, Local)	Agency Support for Alternatives	Delay / Design Changes / Cost	Regulatory, Permitting & Licensing	5	4	20	2		Develop cost and reliability arguments / Mitigation methods	Tom W, Kay R, Dave D, Brian R				
OK	K	Start working on substations under CMP current program, rather than waiting for PUC approval	lines vs. substations not needing PUC	advance schedule	Construction Management	2	-5	-10	2	started South Gorham	evaluate for others	Geoff Thomas				
OH		Execution Strategy	change in sequence timing	advance schedule	Engineering & Design	2	-5	-10	1	EPC bid packages	evaluate alternative design and construction sequences	Norm St. Hilaire				
TK009	K	Finished in Detroit in time to support MPC	MPRP schedule delays	delay in MPC construction timeline	Construction Management	1	1	1				Norm St.Hilaire				
TB020	B	Security risk during construction-interface with existing system-cyber security	regulatory	additional cost	Construction Management	2	1	2				Rick Conant				
TK	K	Safety violations	unsafe practices	schedule / cost impact	Construction Management	2	1	2								
TK	K	NERC cyber security requirements	regulatory	design/engineering changes / longer construction time	Construction Management	3	1	3								
TK029	K	Weather risk - Construction		schedule / cost impact	Construction Management	3	1	3				Norm St.Hilaire				
TI	I	Properly construction prohibits condemnation - timing of RTI (Right, Title or Interest)	owner changes condemnation status	delay in schedule / costs / scope	Real Estate	3	1	3								
TK	K	Union issues	budget for merit/ open shop / need to utilize union scale	increase costs	Construction Management	4	1	4								
OI001	I	Land acquisition provides ROW for additional projects	other companies use of land	delay in schedule / costs / scope	Real Estate	1	4	4				Bruce Metrick				
TI	I	Corridor Designations	national significance / optional use	delay in schedule / costs / scope	Real Estate	1	4	4								

