

Respect

Excellence

Integrity

Leadership



FCSAP Demand Forecast Analysis

Federal Contaminated Sites National Workshop

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PWGSC



Public Works and
Government Services
Canada

Travaux publics et
Services gouvernementaux
Canada

Canada

Overview of Presentation

- Brief overview of roles within FCSAP
- Responsibilities of PWGSC as Expert Support provider
- Caveats associated with demand forecast projections
- Presentation of projected demands on private sector
- Learn and improve discussion



Setting the Stage

Scope of Federal Contaminated Sites Action Plan

- \$3.5 B over 15 years for federally owned sites and sites for which the federal government has accepted responsibility

FCSAP Roles

- ADM-level Federal Contaminated Sites Steering Committee
- Secretariat (TBS-EC) – Responsible for central coordination of program
- Expert Support (EC, HC, DFO, and PWGSC) -Technical assistance to custodial departments and Secretariat
- CSMWG and IRWG
- Custodians – Responsible for project delivery

Context : PWGSC Expert Support

Within the Federal Contaminated Sites Action Plan (FCSAP) program, PWGSC has the following expert support mandate

- Develop project management enabling tools for consistent contaminated sites project delivery.
- Share information within government, the private sector, and academia on innovative technologies that accrue from the FCSAP investment.
- Liaise with the environmental industry such that they are aware of, and can build capacity in response to, future demand arising from the FCSAP program.

Communicating the Demand

- Budget 2004 announcement – \$3.5B to address federal contaminated sites. This is basis for current “FCSAP” program for 15 years.
- Starting Year 4 of first 5 years of FCSAP investment in fiscal framework – project initiation occurs through annual solicitation and acceptance of proposals submitted by custodians on “IDEA” Database.
- This demand forecast analysis is based on \$984 M investment based on 548 priority projects plus 1395 assessment projects on 9210 contaminated sites submitted to IDEA



CAVEATS ASSOCIATED WITH FCSAP DEMAND FORECAST



Caveats Attached to Demand Forecast

- Data is based on a snapshot of funding submissions as of March 25, 2008 which is subject to possible revisions and TB approval.
- Even when projects are approved, projects may not proceed for logistical reasons.
- Annual updates will improve future year estimates in terms of quality (from a cost objective to a budget estimate) and quantity (both number of projects and value).
- Confidence is highest in current fiscal year estimates and thus, focus is on current year projects.



Caveats Attached to Demand Forecast

- Many custodians are not able to forecast beyond one or two FYs and thus the data set is less complete and less reliable for later years.
- Program renewal be sought after FY2009-10 for next 5 year cycle; funding projections beyond FY2009-10 uncertain (represents 47% of \$984 M).
- Further elaboration is at the site level – will occur through advertisement on MERX.
- Best information currently available – provides big picture.



DEMAND FORECAST DATA AND PRELIMINARY ANALYSIS AS OF MARCH 25, 2008



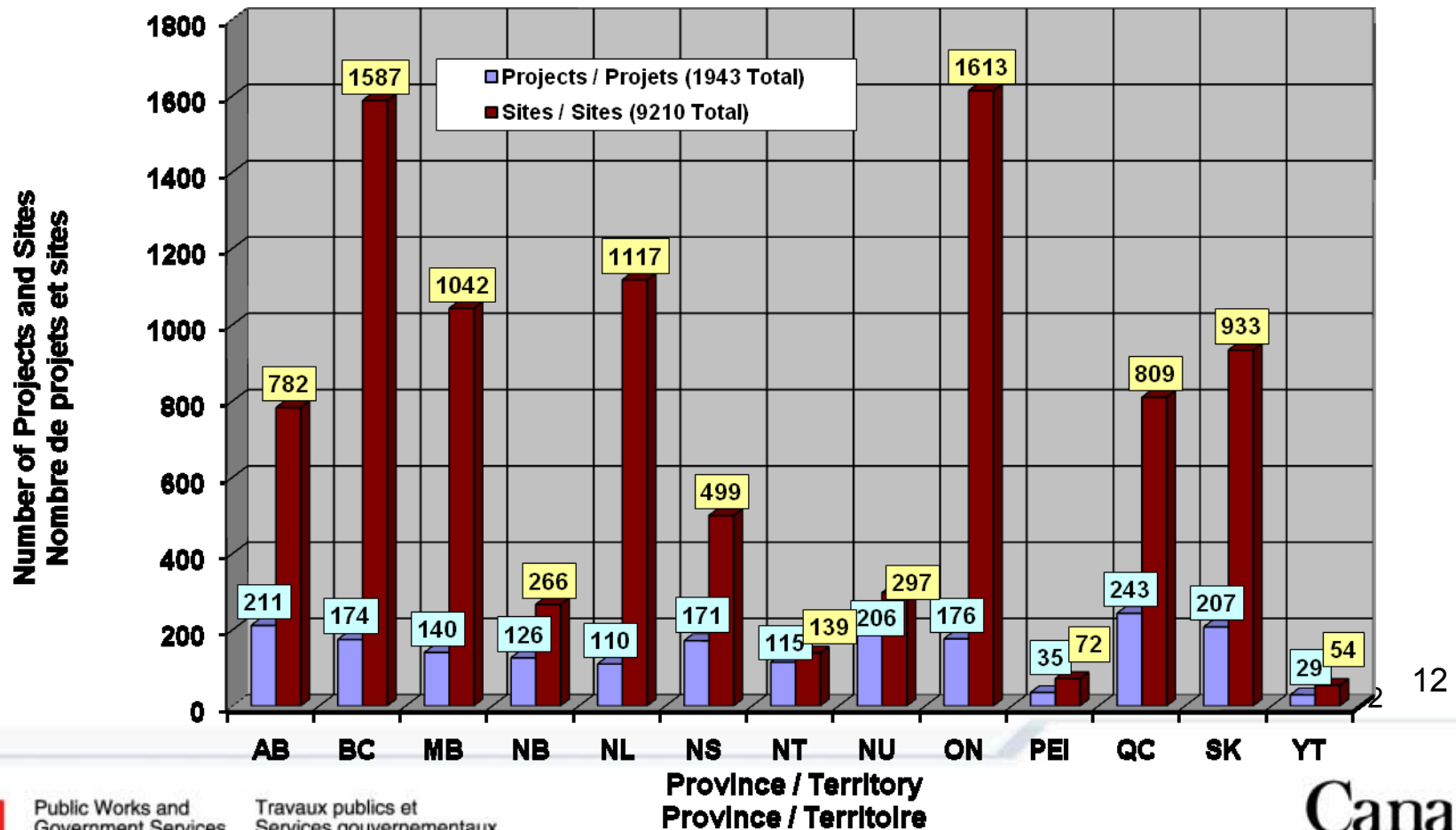
FCSAP Project Distribution

- Overall, there are currently 548 priority projects plus 1395 assessment projects planned on 9210 federal contaminated sites throughout Canada.
- 95 new priority projects and 231 new assessment projects in FY2008-09 with an additional 253 priority projects and 559 assessment projects pre-approved.

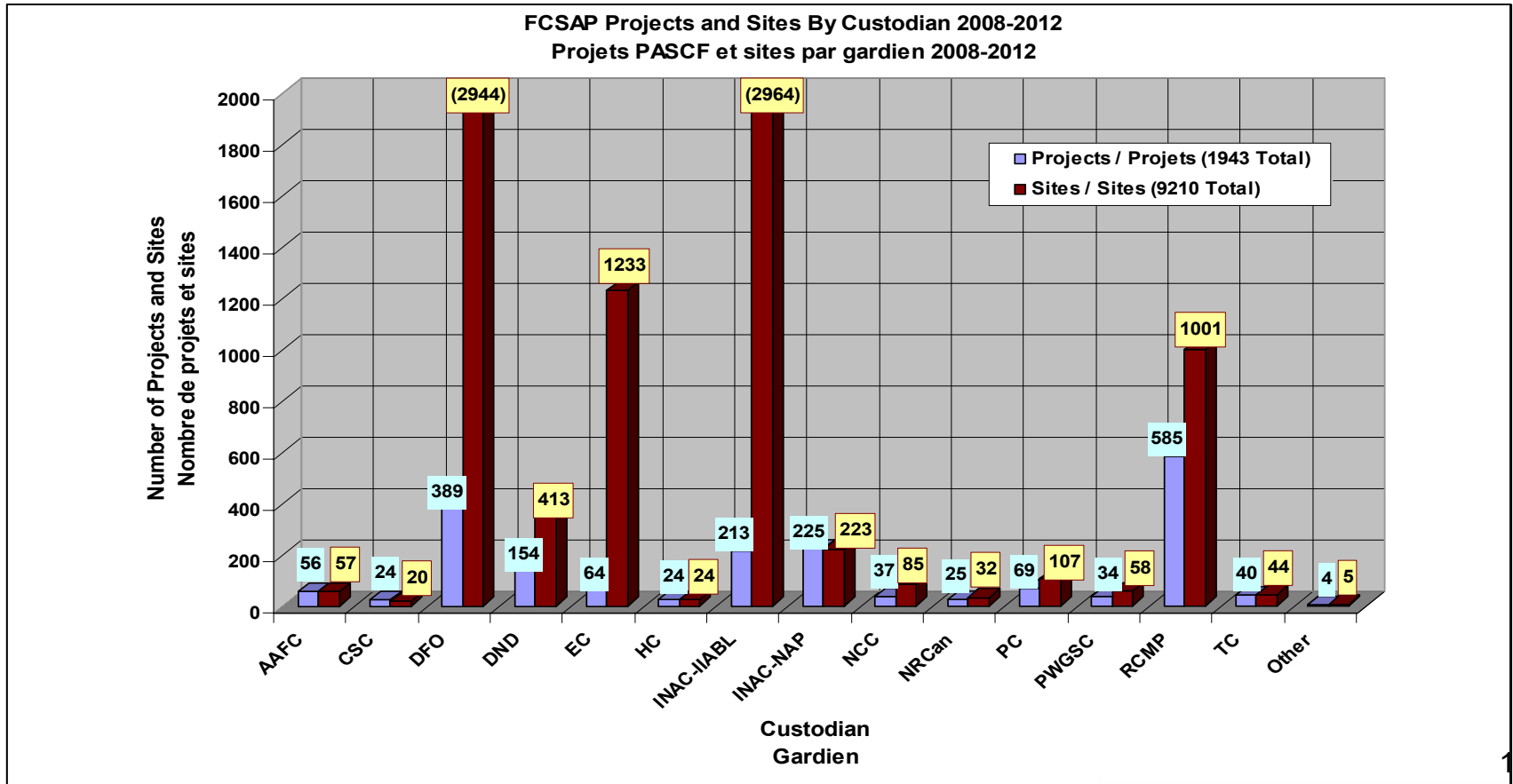


Geographic Distribution of Projects and Sites

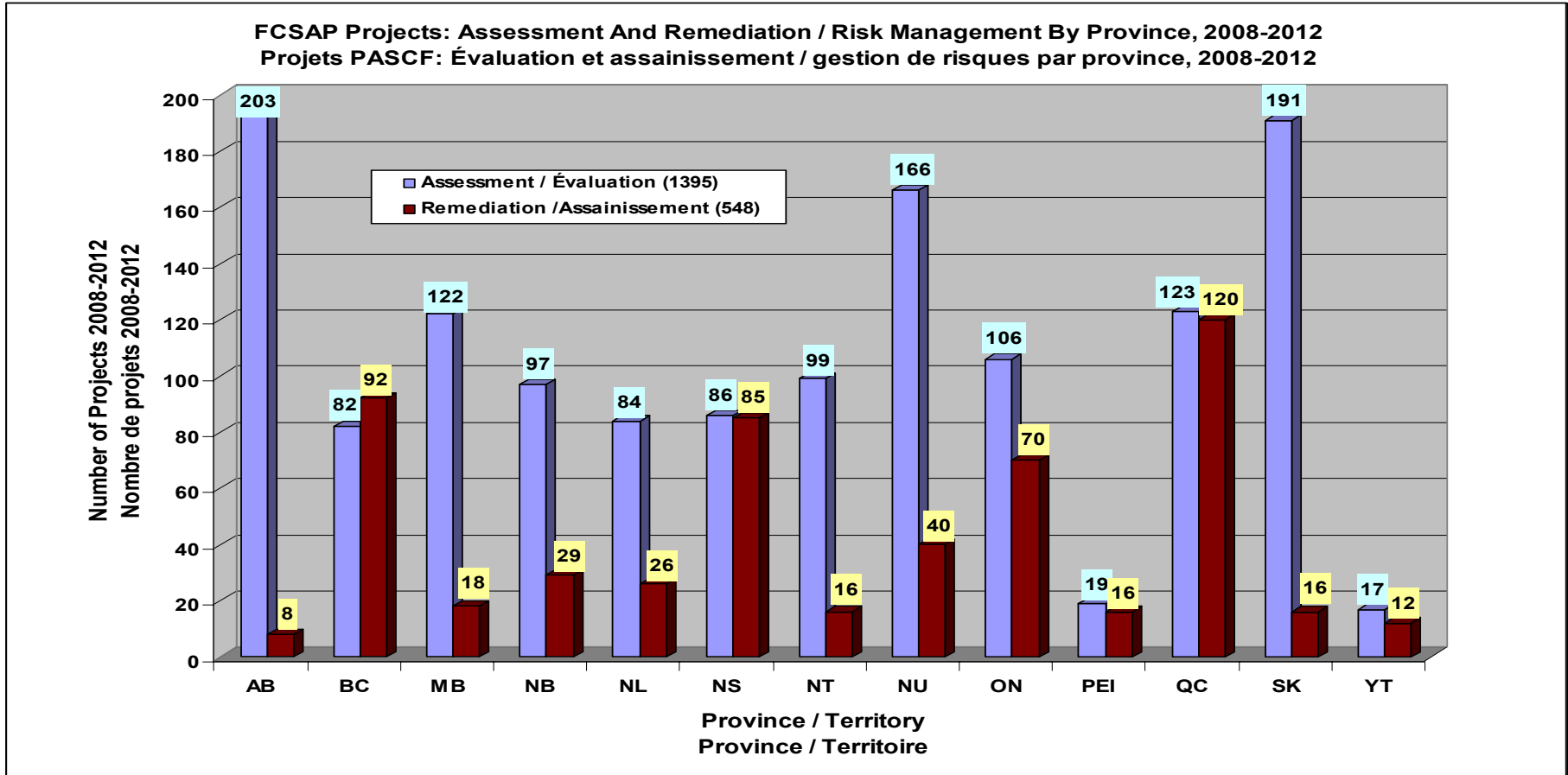
FCSAP Projects and Sites By Province 2008-2012
 Projets de PASCf et sites contaminés par province 2008-2012



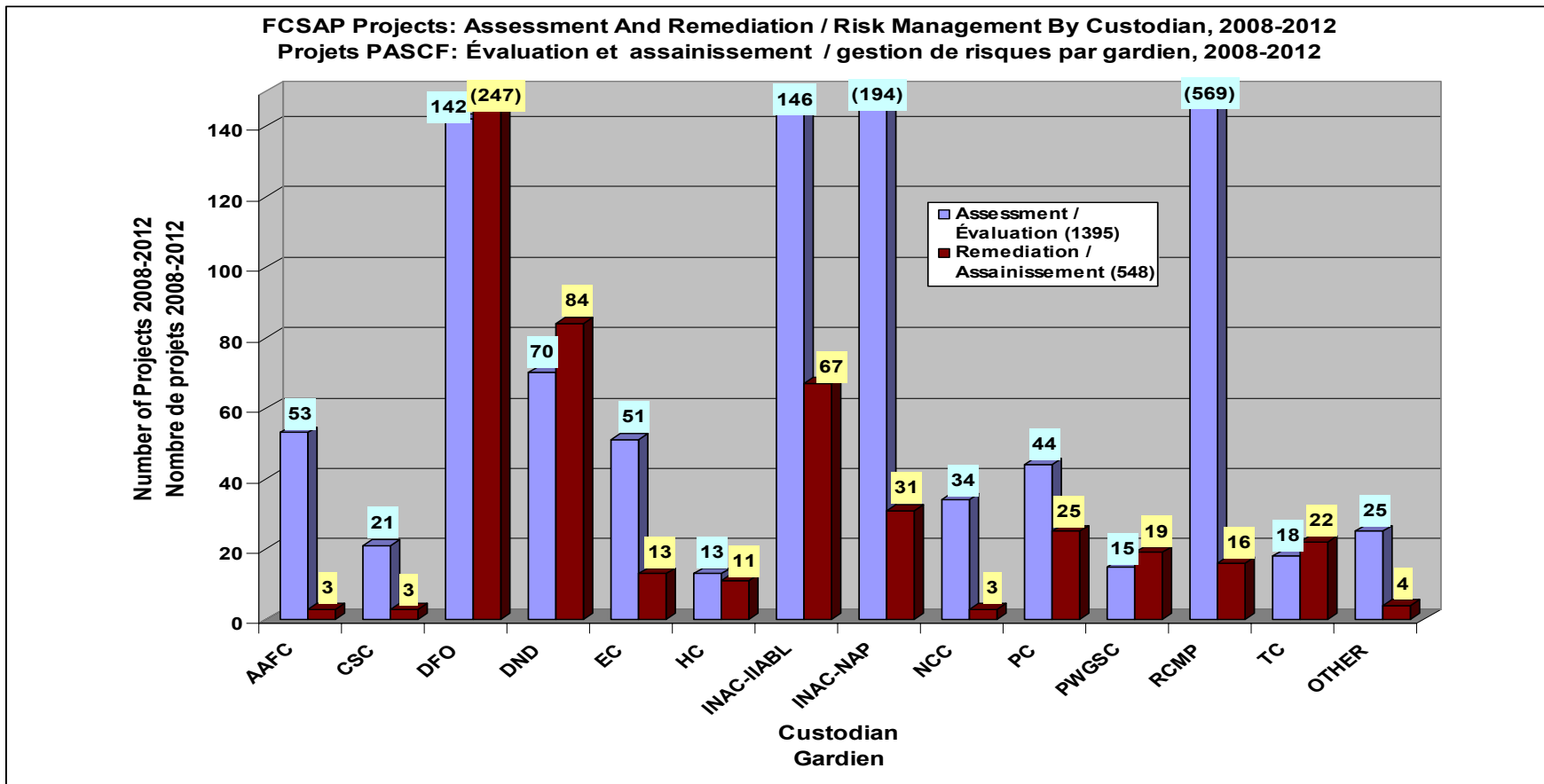
Distribution of Projects and Sites by Custodian



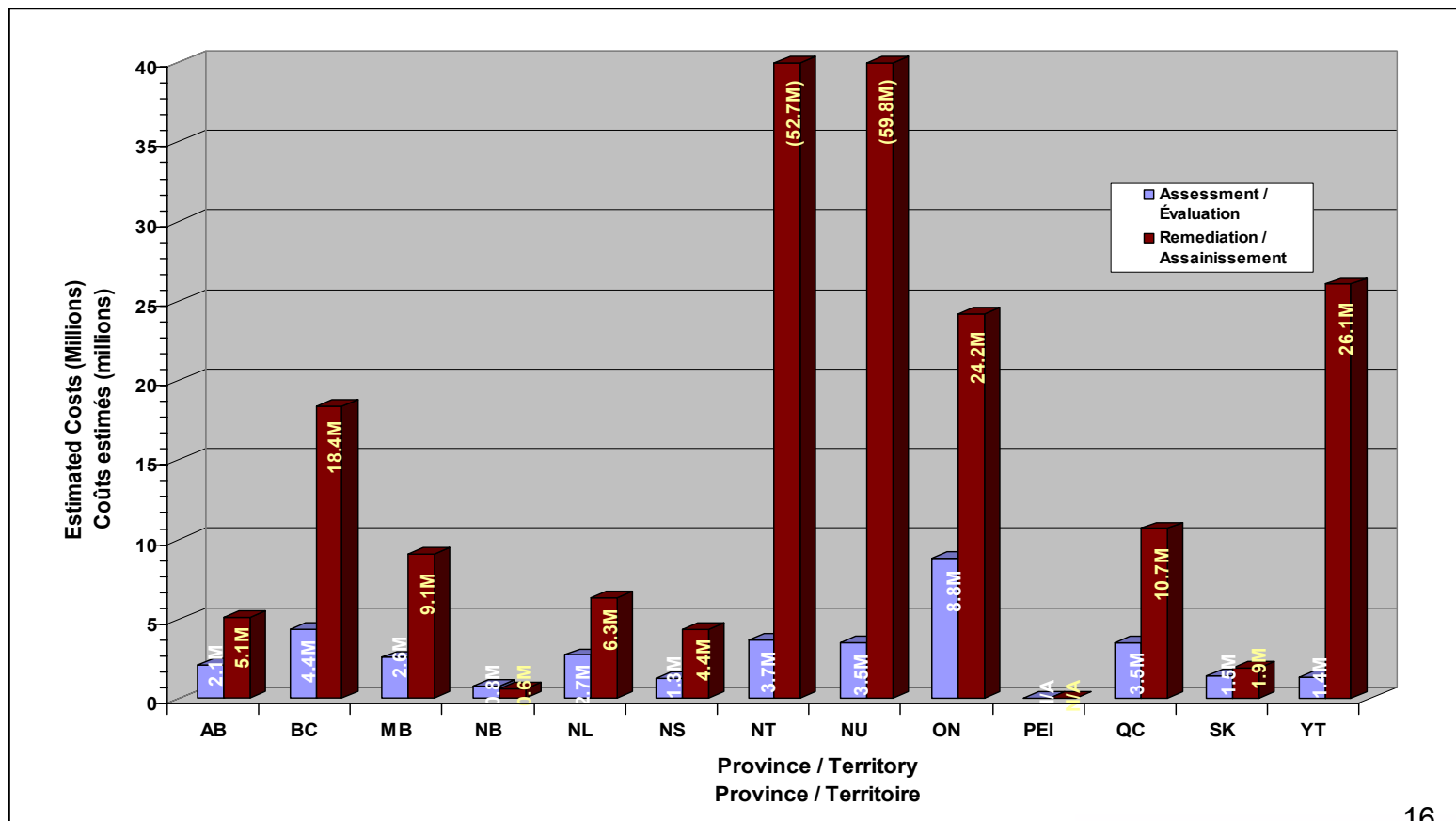
Geographic Distribution of Identified Assessment and R/RM Projects



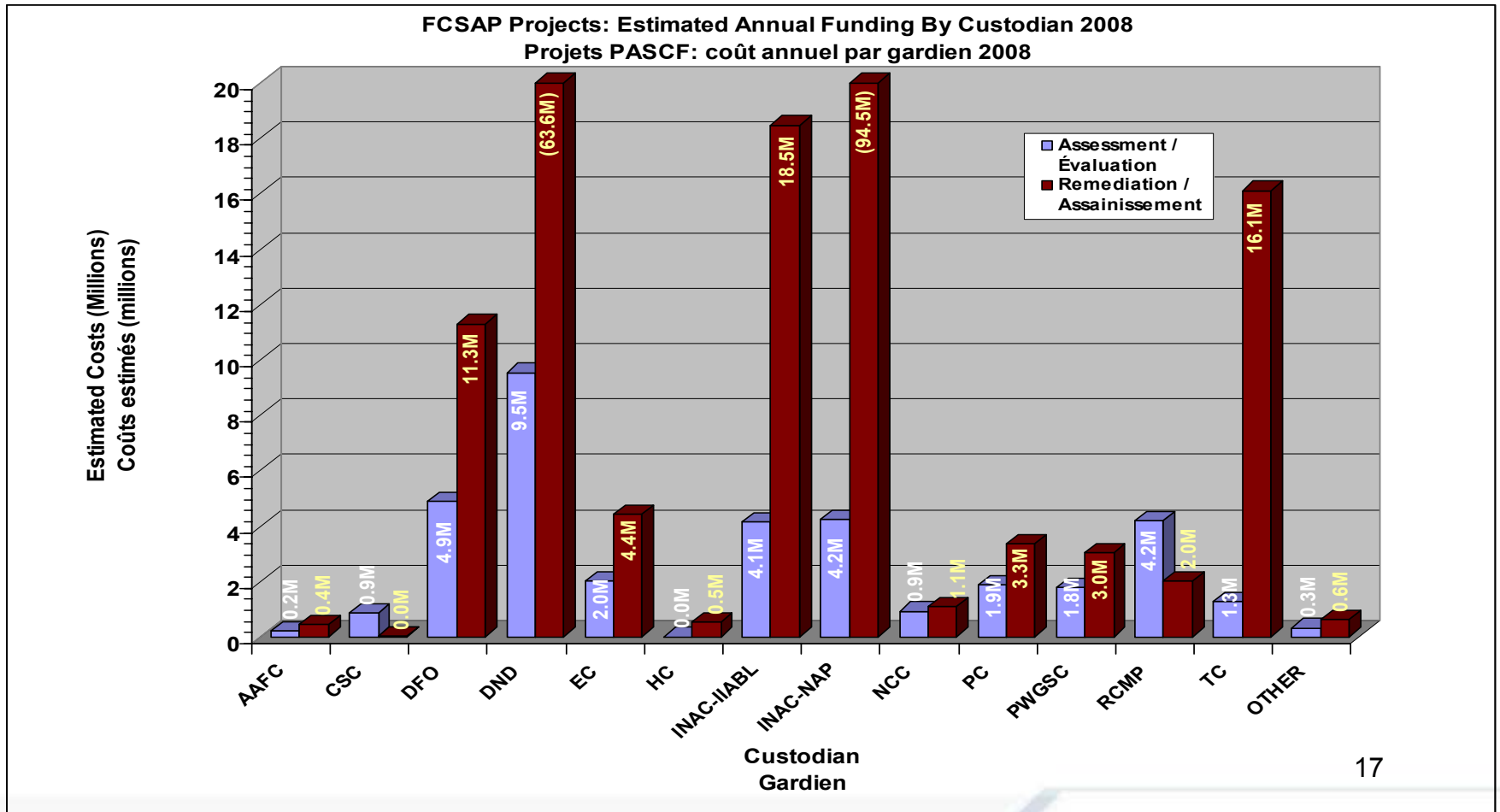
Distribution of Identified Assessment and R/RM Projects by Custodian



Geographic Distribution of Total Planned Project Values for FY2008-09



FCSAP Funding Request by Custodian for FY2008-09



Summary of Project Distribution

Fewest projects located in Territories but these projects will likely receive the majority of the funds:

Geographic Region	% of 1943 projects (assessment plus R/RM)	% of \$984M investment
Territories	18	59
BC and Prairies	38	18
Ontario & Quebec	21	12
Atlantic Provinces	23	11 18

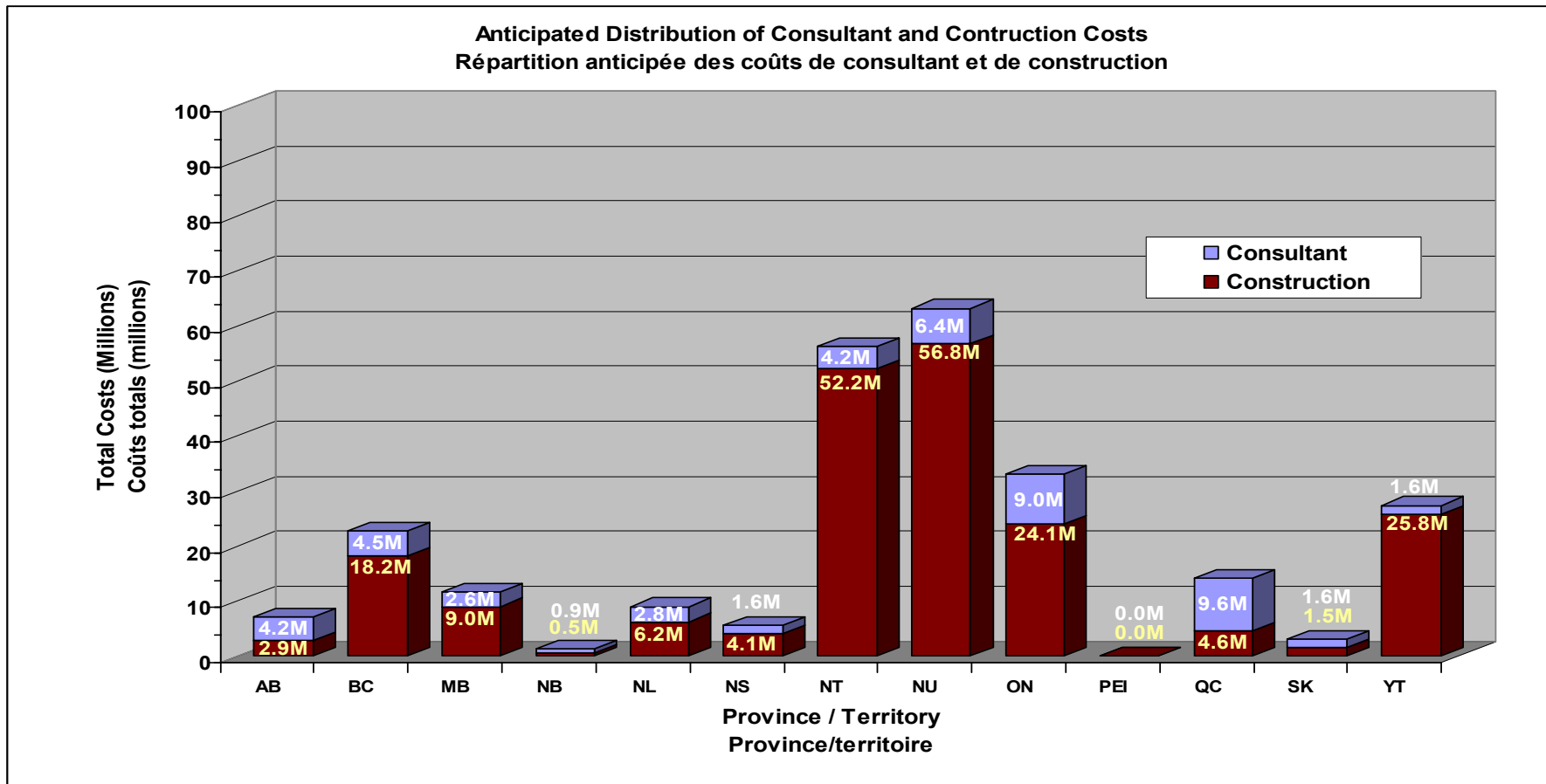


Project Type and Relative Value

- Assessment projects represent 72% of the 1943 projects but just 6% of the \$984M investment.
- Remediation/Risk Management project represent 28% of the 1943 projects but account for 94% of the \$984 M investment.
- The total planned value of projects for FY2008-09 is approximately \$222 M (approx \$193 M for priority projects plus \$29 M for assessment projects).
- Thus, as the assessment cycle progresses, the number of remediation/risk management projects will increase with an attendant rise in project values.
- For 2008-09, due to carry forward of funds, the total estimated value of assessment projects exceeds \$25M.



Estimated Construction vs. Consultant Costs FY2008-09

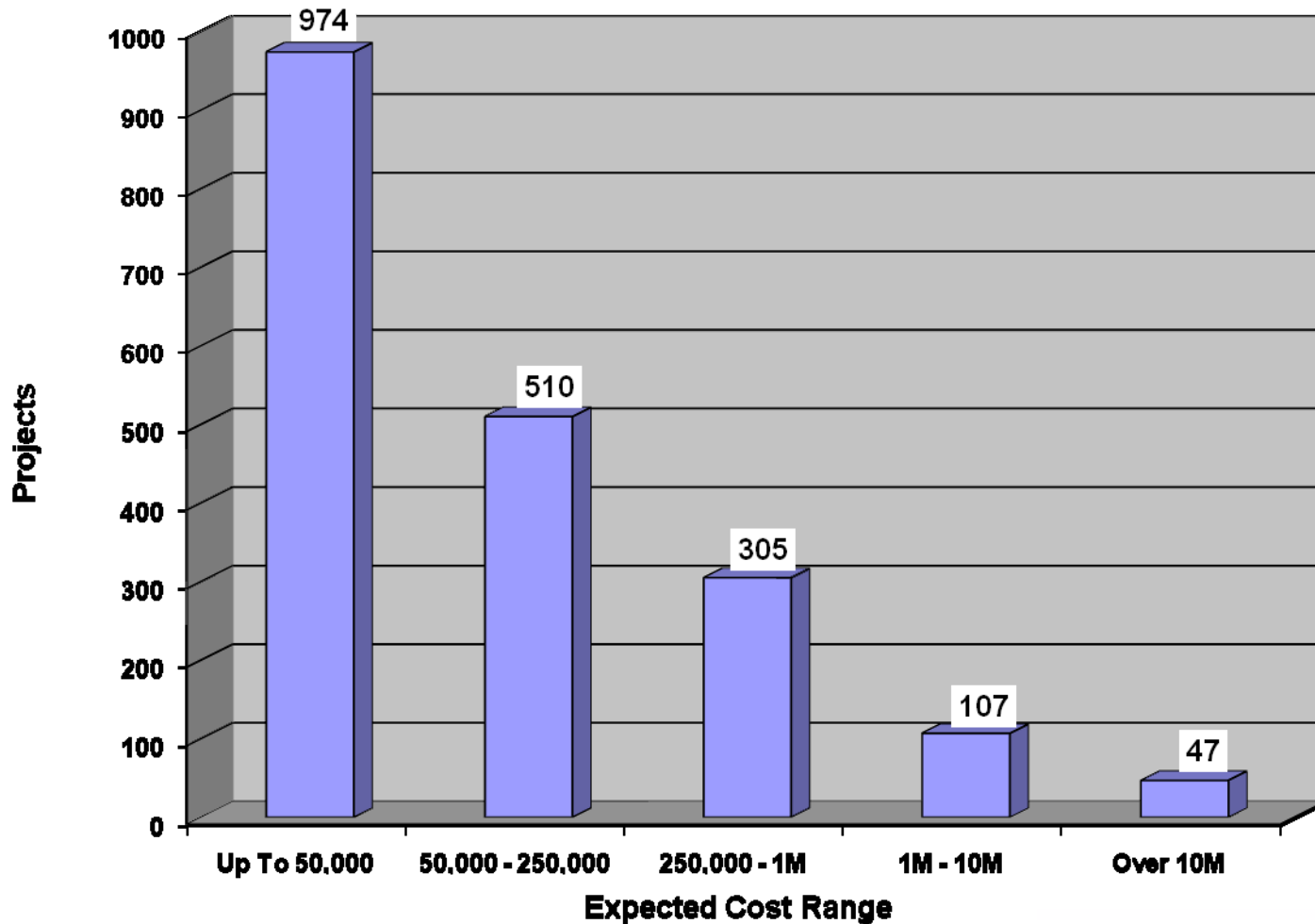


Assumptions

- Work associated with Steps 2-7, portions of Step 8, and 9-10 of 10-step federal process is primarily Consultant-based
- Work associated with Step 8 of 10-step federal process is primarily Construction-based with some portion attributed to Consultant activities



FCSAP 2008: Expected Project Cost Ranges, All Projects



Total Planned Cost of Projects

- Vast majority of 1943 projects have a low total planned cost, with 50% <\$50K and 76% <250K; only 8% of planned project values exceed \$1 M
- DND and INAC-NAP responsible for majority of projects with planned values > \$10M and relates to work in the Territories
- RCMP, DFO, and INAC-IIABL responsible for majority of lower planned project values <50K, <250K

Project Durations

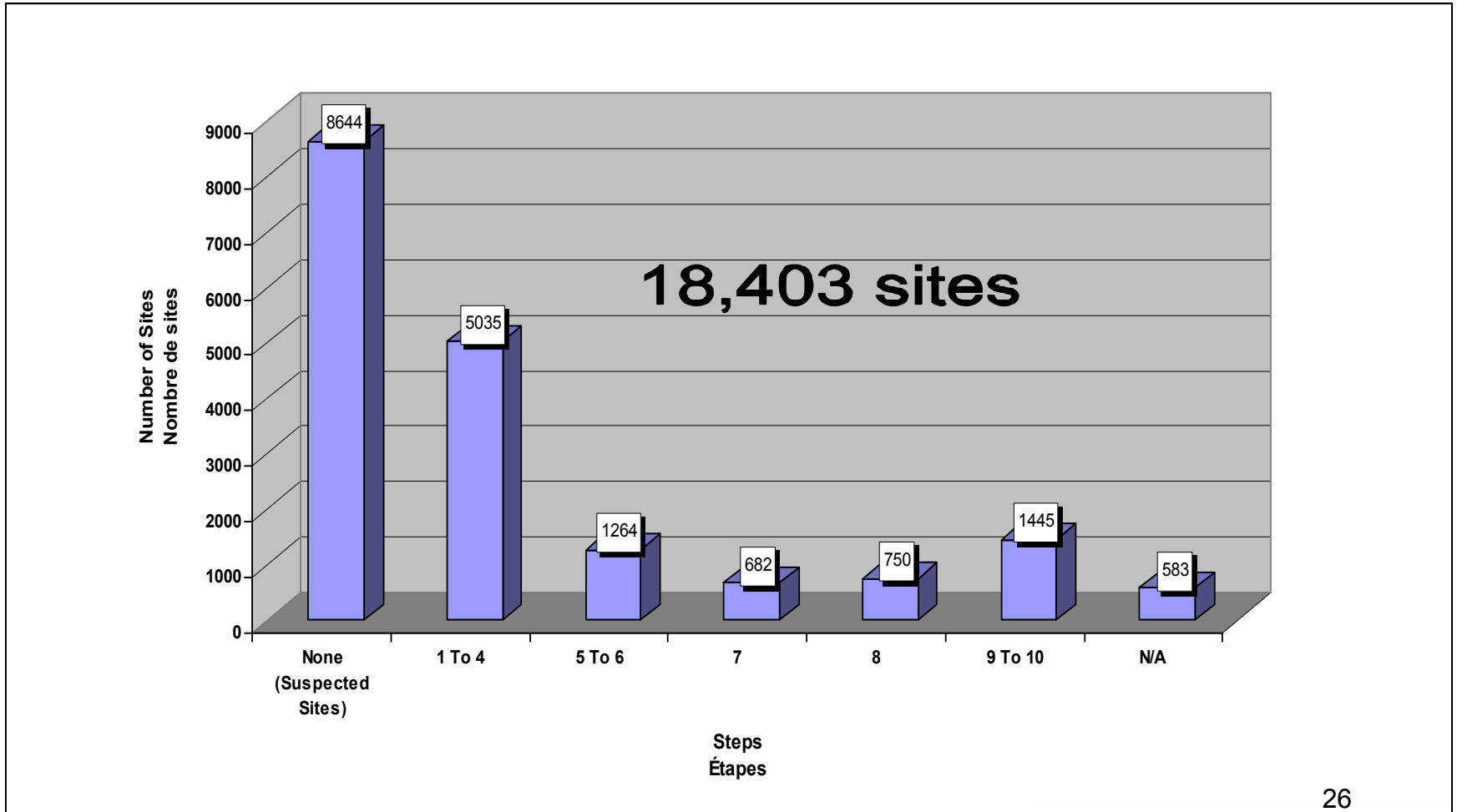
- Majority of projects expected to require 1 year (66% of Assessment and 34% of Remediation/Risk Management projects)
- Consistent with distribution of planned project values
- Distribution of expected project durations evenly spread for remaining anticipated Remediation/Risk Management projects



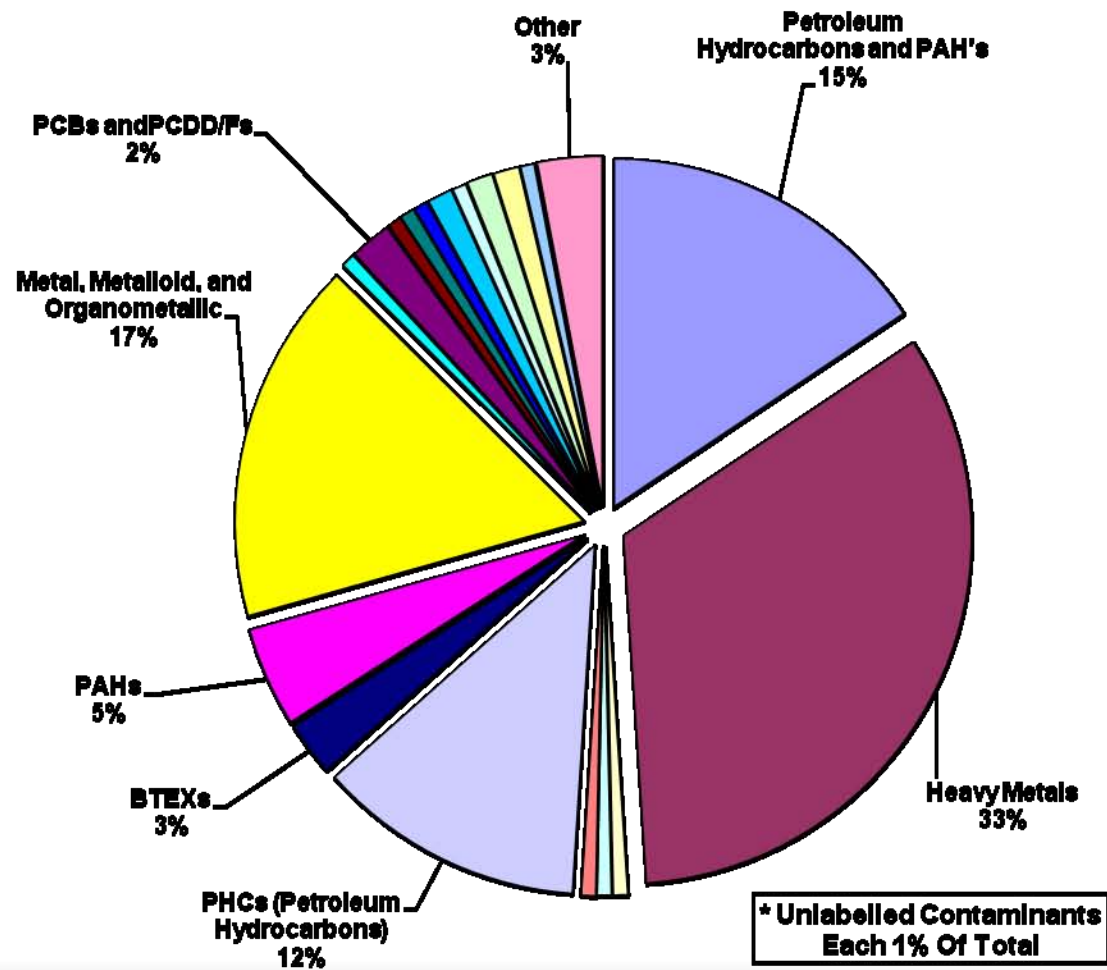
STATUS OF FEDERAL CONTAMINATED SITE INVENTORY AND POSSIBLE FUTURE DEMAND



FCSI as of April 23, 2008



Contaminant Type



- Petroleum Hydrocarbons and PAH's
- Heavy Metals
- Oxygen Depleting Substances
- Toxic Organics
- Radioactives
- Nuisance substances
- Explosives
- PHCs (Petroleum Hydrocarbons)
- BTEXs (Benzene, Toluene, Ethylbenzene, and Xylene)
- PAHs (Polycyclic Aromatic Hydrocarbon)
- Metal, Metalloid, and Organometallic
- Microorganism
- PCBs (Polychlorinated Biphenyl) and PCDD/Fs (Polychlorinated Dibenzo-p-Dioxin/Dibenzofuran)
- Pesticides
- Halogenated Hydrocarbon
- Isotopes
- Energetics
- Biological/Chemical Warfare Agents
- Other Inorganics
- Other Organics
- Other Physical/Chemical (pH, Temperature, Dissolved Solids, Turbidity, etc.)
- Other



Looking into the Crystal Ball

- Significant number of environmental site assessments to be completed
- Uncertain as to the number of remediation/risk management projects that will result from this work
- Anticipate that the most significant contaminated site liabilities have been identified

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Learn and Improve for Demand Forecast Analysis:

- PWGSC will continue to publish annual Demand Forecast analysis (currently in Draft)
- Efforts underway to solicit private sector feedback to improve utility of analysis
- Communications plan for PWGSC Expert Support is being updated to ensure stakeholders informed of anticipated federal needs for contaminated sites services
- Annual demand forecast will also be used to inform associated labour demand analysis

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