

City of Winnipeg

Administrative Report

Chief Construction Officer (CCO)

REPORT TYPE: Information Only

DATE: April 13, 2026

SUBMITTED BY: Chief Construction Officer

Subject

NEWPCC Upgrade (Project 1): Power Supply and Headworks Facilities – Assurance Update Recommendation

That this report be received for information.

Discussion

1. Project Overview

Project Details	Status
Approved Budget	\$565.36 million
Forecast at Ready-for-Takeover	\$565.36 million
Approved Ready-for-Takeover Date	Q3 2026 (August 2026 target under approved extension)
Forecast Ready-for-Takeover Date	Q3 2026 (August 2026 forecast; subject to schedule pressure)
Delivery / Procurement Model	Design Build
Current Phase	Late Construction / Early Commissioning

Project Classification:

☒ MegaProject (>\$500.0M)

☐ Major Capital Project (\$25.0M–\$500.0M)

Current Phase:

☐ Project Definition ☐ Procurement ☐ Design ☒ Construction ☒ Commissioning ☐ Operations

CCO Assurance Commentary:

The project is in late construction and is moving into commissioning. Cost performance remains within the approved budget. Schedule performance is under pressure due to prior delays and an aggressive updated schedule.

Electrical and automation systems, tie-ins, and testing are the main delivery risks in the near term. Overall delivery confidence is moderate.

2. Scope, Schedule & Financial Assurance

CCO Assurance Commentary:

Scope remains aligned with Council approval. Recent approved changes include feeder main repair design and contract admin. These are within approved limits but require monitoring.

The schedule has been re-baselined and accepted in March 2026. The schedule remains aggressive and sensitive to delays. There is limited time buffer remaining.

Cost performance remains stable. As of February 2026, \$439.7 million has been spent, or about 78% of the \$565.36 million budget. Costs are tracking close to plan.

Contingency remains available at about \$21.3 million. This is sufficient under current assumptions but has limited capacity for additional pressures.

There is ongoing exposure to claims related to tariffs, contaminated soils, and final construction performance. These are being managed and are not yet realized as confirmed claims.

3. Risk, Governance & Procurement Assurance

CCO Assurance Commentary:

Risk levels remain stable.

Key risks include:

- Electrical and automation testing and system integration
- Tie-ins to existing infrastructure
- Weather impacts during testing and commissioning
- Contaminated soil quantities

A feeder main break in December 2025 caused flooding and remains under investigation. Mitigation measures are in place and additional crossings are required.

Governance has improved under the Mega Project framework. Decision-making is clearer and reporting is more frequent. Some approval processes remain under pressure due to complexity.

Procurement is largely complete. Major contracts are in place and long-lead equipment has been delivered and installed.

4. Readiness

CCO Assurance Commentary:

Safety systems are in place and performing as expected.

Quality systems are in place. There are no significant quality issues reported.

Commissioning and readiness to operate present the main risks.

These include:

- Live tie-ins to the existing plant
- Electrical and automation system testing
- Coordination across multiple projects

These risks are typical at this stage but require close monitoring.

5. CCO Forward Look (Next 90 Days) and Confidence Statement

Forward Look (Next 90 Days)

The Chief Construction Officer will continue to monitor:

- Electrical distribution and system testing
- Tie-in work during high-flow periods
- Commissioning progress and defect resolution
- Contingency use and cost pressures
- Schedule stability and critical path changes

Confidence Statement

Based on the information reviewed during this reporting period, the Chief Construction Officer's independent assessment of the project's ability to achieve Council-approved objectives is:

☐ High Confidence

☒ Moderate Confidence

☐ Low Confidence

Consultation

This report was prepared independently by the Chief Construction Officer using departmental materials and briefings as required for assurance purposes.

Council Considerations

This report is submitted for information only. No approvals, decisions, or direction are requested.

Attachments

- Appendix A – Standard Language and Background
- Appendix B – Early Warning Indicators Metrics

Appendix A – Standard Language and Background

Standard Standing Language

This report is provided for information only. The Chief Construction Officer's role is to provide independent assurance to Council regarding project readiness, risk exposure, and delivery confidence. Predictive indicators are included for early warning and assurance purposes only and do not constitute recommendations or requests for direction. No approvals or direction are requested unless explicitly stated.

Background

Council previously approved the project's scope, budget, and schedule through prior Council decisions, including the September 25, 2025 budget amendment and subsequent Mega Project governance approval on December 18, 2025. This report provides a periodic, independent assurance update in accordance with the Chief Construction Officer mandate. The Chief Construction Officer identifies, assesses, and communicates material risks and delivery confidence but does not manage or direct project execution.

Appendix B – Early Warning Indicators Metrics

1. Scope, Schedule & Financial Assurance

Scope & Authority

- Alignment to Council-approved scope: ☒ Confirmed ☐ At Risk
- Material changes since last report: ☒ No ☐ Yes

Schedule & Delivery Confidence

- Council-approved schedule in place: ☒ Yes ☐ No
- Work plan stability: ☐ Stable ☒ Under pressure
- Time buffer remaining: ☐ Adequate ☒ Limited

Key Schedule Indicators:

- Chance of finishing on time - Schedule Confidence Index (SCI)
 - Moderate.
 - The schedule remains achievable but is sensitive to tie-ins, electrical and automation testing, and commissioning integration.
- How often the main work plan is changing - Critical Path Volatility Trend
 - Elevated.
 - The re-baselined schedule was recently accepted and remains subject to adjustment.

Financial & Commercial Position

Indicator	Status
Cost certainty	☐ High ☒ Moderate ☐ Low
Contingency sufficiency	☐ Adequate ☒ Marginal
Claims exposure	☐ None ☒ Potential

Forward-Looking Financial Indicators:

- Is there enough backup money left - Projected Contingency Sufficiency Index (PCSI)
 - Moderate–Constrained.
 - Remaining contingency is sufficient under current assumptions but has limited tolerance for additional pressures.
- Expected total cost compared to the approved budget - Cost Exposure vs. Authorized Budget
 - Forecast remains within the Council-approved budget.
 - Risk is tied to tariffs, contaminated soils, and commissioning impacts.
- Chance of future claims or disputes - Claim Probability Trend
 - Elevated but stabilizing.
 - Active commercial discussions remain but have not yet materialized into confirmed claims.

2. Risk, Governance & Procurement Assurance

Risk Profile

Overall risk trajectory:

☐ Improving ☒ Stable ☐ Deteriorating

Risk Indicators:

- Are risks growing or shrinking - Risk Momentum Score
 - Stable with localized pressure in commissioning and tie-in activities.
- How many risks keep showing up again and again - Persistent Risk Count
 - Moderate.
 - Recurring risks include tariffs, contaminated soils, and schedule compression.
- How quickly problems are getting worse - Risk Escalation Velocity
 - Controlled.
 - Recent issues have been contained without broader project impact.

Governance & Controls

- Decision-making clarity: ☒ Clear ☐ Requires monitoring
- Timeliness of approvals: ☐ Adequate ☒ Under pressure
- Reporting reliability: ☒ Sufficient ☐ Emerging gaps
- How long decisions are taking - Decision Latency Trend
 - Improved under the Mega Project governance framework, though complex matters still require escalation.
- How often approvals are slowing things down - Approval Bottleneck Frequency
 - Reduced compared to prior periods but remains sensitive during high-volume decision phases.

Procurement & Market Exposure

- Procurement plan aligned to schedule: ☒ Yes ☐ Under review
- Contracting strategy appropriate to risk: ☒ Yes ☐ Needs watching

Procurement Indicators:

- Is the project ready to buy what it needs - Procurement Readiness Score
 - High.
 - Major contracts are in place and long-lead equipment has been delivered and installed.
- Are prices and supply stable or changing - Market Volatility Indicator
 - Moderate.
 - Tariff exposure and select supply chain issues remain but are being actively managed.

3. Readiness**Safety, Quality & Readiness**

- Safety systems: ☒ Adequate ☐ At risk
- Quality systems: ☒ Established ☐ Partial
- Commissioning / turnover readiness: ☐ On track ☒ Early risk
- Readiness to operate: ☐ On track ☒ Early risk

Stakeholder & External Dependencies

- External approvals: ☒ On track ☐ Need watching
- Inter-agency / Third-party dependencies: ☐ Managed ☒ Under pressure