TOUGH
BID MANAGEMENT Plan

Approved:
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1. General

1.1 Scope

TOUGH is a consortium of oil industry companies who have are involved in North Sea oil operations. The consortium is currently preparing a Request For Proposal for telecom services on the Dutch part of the continental shelf.

This document describes our plan to respond to the RFP from its release until formal submission is made. The plan is meant to give a overview of all the activities necessary to fulfil the expected requirements, and defines the tasks and the responsibilities of the people involved. It provides a complete description of the contents of the project and the solution proposed for implementation.

The document is for PTT-Telecom use only and is to be used solely for the internal communication and activities concerning the TOUGH project.

1.2 Introduction

The TOUGH User Group comprises customers who use PTT-Telecom services in the oil industry. The group engaged a third party to investigate their communication needs and actual costs in 1996. The major points from the research report presented to TOUGH are:

- costs are too expensive mainly due to PTT-Telecom’s tariff structure
- the PTT-Telecom service provision is considered inadequate because of poor performance in reporting, invoicing / accounting and project management activities.

TOUGH then released a RFI on basis of this report, to put pressure on PTT-Telecom, and also to investigate the market place to see if other overall solutions may be available.

PTT-Telecom offered in response to this RFI, the Offshore Net solution, plus an alternative VSAT solution ( see the response to RFI for description of these alternatives).

The market reaction to the RFI has resulted in a selection of 8 firms who will be invited to respond to the RFP, which is due to be issued in mid August 1997.

1.3 Present situation

PTT-Telecom offers a broad spectrum of leased circuits for transmission of voice and data on the Dutch Continental Shelf
For the delivery of these services to support customer infrastructures, the Standard Framework Agreement Continental Shelf is currently being used.
2. Program Results

2.1 Project goal

*Make a one stop shopping solution that reduces the processing cost of PTT Telecom costs to customers of the Tough User Group*

Note: this goal meets the SMART criteria (Specific, Measurable, Achievable, Realistic and Traceable) From this goal, it is apparent that it is necessary to establish what are the customer costs actually are, and the means by which it might be possible to achieve significant reductions.

2.2 Preconditions

Reuse of the current infrastructure on the Dutch CP is seen as highly desirable.

2.2.1 Market retention

Based on the liberalisation of the market, it is expected that all micro wave frequencies will be re-assigned for satellite use by the year 2005. This makes it necessary for PTT-Telecom to plan to migrate the current microwave links used for offshore services to other technologies, before this deadline.

2.2.2 Commercial point of departure

The existing service agreements need to be reviewed to ensure PTT-Telecom can offer a market responsive pricing for TOUGH members. Analysis of current volumes and close examination of SLA provisions will provide the basis for pricing and customer cost/benefit comparisons in our response to the RFP.

2.2.3 Consistent Policy

PTT-Telecom needs to demonstrate to this customer group, that we can solve their communication needs in this area in a consistent, professional manner. This means that service provision is top priority, and needs to be significantly improved to ensure PTT-Telecom is more favourably regarded than it is at present.
3. Tasks to be Performed

Activities in this bid project can be grouped into four Task Areas:

- Policy Development
- Relationship Management
- End To End Services
- Contract Preparation

The work to be done is specified in the following Work Breakdown Structure (WBS), in which the Task Areas are subdivided in Task Clusters as shown below. Each Task Cluster comprises separate identifiable tasks, for which the responsibility for execution will be uniquely allocated. An initial breakdown of the Task Clusters is provided in the following paragraphs.

3.1 Relationship Management

This Task Area consists of two areas of activity:

- Customer Relationship Management
Document all contact persons in TOUGH companies, who have been involved in matters relating to telecom services and the PTT-Telecom contracts. All known events which have had impact on matters in this RFP need to be found, documented and evaluated.

The deliverable will be a document with all available customer issues documented and analysed, and a listing of customer contacts with a summary of their involvement, attitudes and experience with PTT-Telecom services.

This activity is not strictly within the scope of the plan, but it is considered necessary to ensure that information about TOUGH customer contacts are available in a structured and consistent manner.

- Understanding of the Customer and their Needs

To fully understand the current requirements of the TOUGH User Group customers, it will be necessary to undertake further structured, in depth discussions based on the RFI/RFP specifications.

The deliverable will be a document that systematically defines more detailed requirements and assumptions from the RFP, and formally records customer responses and more detailed explanations.

### 3.2 Policy Development

A number of strategic choices must be made to ensure the development of a consistent policy:

- **User Requirements Analyses**

  Analysing all the written as well as informal functional requirements found necessary to satisfy customer requirements.

  Evaluation of the functional requirements, plus analysis of the generated traffic based on these requirements.

  The deliverable will be a document with all unique requirements identified, and the implications for each of these for PTT-Telecom known and understood.

- **Possible Solutions**

  Defining possible solutions and alternatives for the customer requirements. This may require network architecture consultants or professionals with specific experience in the provision of services to off-shore locations.

  The deliverable will be a document with draft outline solutions and a comparative summary.

- **Business Case**
There are two approaches for consideration in developing the business case: a defensive view based on the current concession (internal cost based) and a more aggressive view based on the market (external priced based).

The RFI business case has the purpose of supporting the current Offshore Net offer, and remains within the scope of the governmental regulations.

The Traffic based business case is based on analysing the volumes of kbits/s needed presently by the customer network, and then providing future estimates in order to support a market based pricing policy.

- Analysis of the RFP

The RFP will be compared in detail against the current situation (the current contract provisions, plus the requirements and solution described in the RFI). The deliverable will be a document specifying differences, additions, and subtractions plus any changes in implementation conditions.

- Policy baseline

Develop a strategy for management of the bid including answering the RFP itself. This strategy becomes a blueprint for the focus of the bid document and the way in which the project is to be implemented and supported.

Key Success Issues:
A list of quality issues and responses needed to make the PTT-Telecom bid more comprehensive and attractive to TOUGH than other competitive bids.

Solution Choices:
A process to choose from the possible solutions, and definition of the interfaces of the components from each product house, supplier or service provider. The key success factors may influence the solution chosen or the manner of implementation.

### 3.3 End To End Services

- Infrastructure Development

Description of the infrastructure solutions, with description of each component and the interfaces.

- Service Definition

Defining the number of service levels needed to support the customer

- Service Development

Development of the service level agreements within PTT-Telecom and the product houses and service providers involved.
3.4 Contract Preparation

- **Deliverables**
  
  Definition of the “shopping list” for the customer based on the requirements of this contract and RFP.

- **Pricing**
  
  Definition of a pricing policy for the shopping list.

- **RFP Answer**
  
  Preparation of the bid document.

4. Organisation

4.1 Program Management

A PTT Telecom core team, “Bid Team TOUGH”, is responsible for the timely execution of this Master Plan. The task of this work group includes the day to day management of the Program. The members will initiate actions, monitor progress and quality, detect problems and devise solutions. The team consists of:

- Bid Manager, Tammo van den Berg
- Account Manager CP, Lianne de Mooij
- Senior consultant, Adri Rabbering
- Business consultant Business Case, Peter Westerhuijs

4.2 Sub-work Groups

The sub work groups have been organised to suit the definition of the components and interface definition of the proposed system solution.

Currently, the following sub groups are foreseen:

- **Current infrastructure**
  - Leo Helgers- NWD Special Services Joost
  - Hilders - idem

- **Customer Service**
  - Mariette Harenberg- BSD

- **Satellite solution**
  - Carel Begeer- Station 12 Kees Jan Mink- idem

Business Support Desk

Development of a support organisation for the customer based on the internal service level agreements.
• Service Protocols          Henk Wekking - Unisource Fred Krop- idem
• ATM backbone               Ronald Tam - NWD
• Business Case              Carel Cames van Batenburg- Advies BC dir.
• Quality                    ??
• Regulations                Rien Jansen, Silvia Assies
• Implementation            ??- BCPM
• Document production        Janet Holmes

There are possible additional areas of interest:
• Internet / extranet
• Video
• Outsourcing
• Telemetry

4.3 “Tough Back up” Team
A team is to be established to ensure the development and execution of a consistent commercial and solution policy. This will consist of a number of peer experts, generally Business Consultants. This team will meet on special demand of the Bid Manager to:

• discuss developments in the Bid response
• provide information to CAG management and other CAT teams if appropriate
• discuss feasibility of the proposed solution

4.4 Steering Committee
A “Stuurgroep TOUGH” will monitor progress, provide guidance on policy matters and ensure that appropriate decisions are taken at executive level. The Steering Committee will consist of:

• Daniella Gidaly : General Manager TCR Alkmaar
• Frits Hoekstra : CAG, Corporate Accountmanager
• Leo Quist : NWD
• Charles van Megen : CAG, Branch Manager
5. Information management

5.1 Progress Reports

Each week, every project member is to produce a progress report to the Bid Manager summarising progress on their Task Group. The report will include monitoring and tracking information of assigned tasks, as well as the status of risks or issues.

The Bid Manager will provide a weekly progress report. The report will include under the organisation, quality, information and planning matters such as:

- progress achieved against the project plan
- deviations from the plan and corrective action taken
- status and progress of the current ongoing activities
- issues presently open, current activities to resolve issues, and expected closure date
- difficulties and foreseen problems, status and mitigation changes
- deliverables due in near future windows, other measures required
- organisational aspects and information

5.2 Meetings

5.2.1 Project meetings

The Bid Team will have a regular progress meeting on every Friday 8.30 -10.00 am.

- review of Bid Manager and Team Members progress reports
- activities in the coming week
- issues and action items relating to issues
- activities and other action points

The Stuurgroep TOUGH will meet once each two weeks on Thursday 18.00- 19.00 to discuss:

- monitor progress
- provide guidance on matters of policy
- inform Tough team of relevant developments at the executive level

5.3 Project documentation

A Project file will be maintained. This will contain at least:

- Administrative information concerning contact information for team members, customer contacts, Product House or Service Provider consultants and management, other consultant or suppliers, appropriate CAG management.
• The current project plan, timetable, work breakdown structure and the status reports.
• An Issue Log or Impact log which records issues as they arrive, status, activity, and resolution. Include information which affects the project plan or resources if the issue has any impact effect.
• Project Status Reports from weekly meetings including action item summaries
• Copies of all correspondence to and from the TOUGH customers
• Copies of all correspondence to and from Product Houses and Service Providers
• Copies of memos or email containing management directives for the project, including approvals, policies, or commercial restrictions which are applicable.
• Copies of meeting minutes from regular Project, Steering Committee or special meetings. These minutes must record any policy or selection decisions and conditions made at these meetings.
• Copies of the latest draft or final version of agreements or contracts with Product Houses, Service Providers or other suppliers. Include delivery dates, or SLA provisions, and other contractual agreements or expectations.
• Copies of deliverables generated by the project as part of the RFP, or working papers and designs necessary to complete the RFP.
6. Time schedule

See Attachment 1 for:

• a preliminary Program plan showing tasks, planned duration, and milestones
• the logical relationships between the tasks as applicable (dependencies)
• resource planning and forecast timetable
7. **Quality Control**

7.1 **Quality**

Quality is reflected in the satisfactory fulfilment of the RFP requirements.

Quality of the bid response is the responsibility of the Bid Manager.

The use of the walk through and review mechanisms (e.g. final “Red Team”) is necessary to ensure that the final document has the required level of quality and consistency.

CAG Bid Consultants may have the availability of a Document Checking system with a specialist external consultant, to improve the consistency and cross references within the bid document.

The Product Houses provide building blocks for the RFP document. Product Houses must use their own quality assurance mechanisms to ensure that requirements are met.

The baseline for the development of each new services and or product should include a Quality Control Plan which will be used to assess quality during bid development.