



MICHAEL F. ALLEN & ASSOCIATES

THE CONSTRUCTION MANAGEMENT PROFESSIONALS



EST. 2000



601 FRONT STREET • LISLE, ILLINOIS • 60532 • (630) 515-0883 • www.MFA-A.com

Customer: Operating Unit of a multi-billion dollar S&P 500 Company

This customer is a global market leader specializing in electrical and instrumentation construction and maintenance.

Project Location: Wisconsin, Michigan, and Minnesota

Customer's Challenge

The customer signed a three year Alliance Program Contract in excess of \$100 million with a major power utility to upgrade the 8,900 miles of transmission lines and 450 substations that serve the electric needs of approximately 5 million people across three (3) states in the Upper Midwest. The program scope included new greenfield substations, upgrades to existing substations, as well as new 115kV & 345kV transmission lines. The customer needed assistance in developing and staffing an organization to execute the program from cradle to grave including planning, estimating, procurement, and construction activities.

Customer's Solution

The Customer engaged **Michael F. Allen & Associates (MFA&A)** to assist in developing, staffing, and training the new organization to execute the alliance program contract. MFA&A developed a program control system that included: establishing and communicating project and program budgets, a fully-integrated resource-loaded program schedule, a fully visible and transparent Risk Matrix management system, Key Performance Indicator Curves to establish project performance baselines to manage field performance, and a nested project/program physical progress & financial reporting system. The organization was staffed and trained in parallel with the development effort and upon completion of the MFA&A engagement the program staff was able to consistently establish project baselines, track & report weekly progress, and forecast the cost-to-complete & schedule completion dates to within an accuracy of 5% at both the project and program levels.

Customer Value Created

Upon completion of the MFA&A engagement, the Customer was able to achieve both the financial and schedule incentive goals in their contract increasing their achieved margin at both the project and program levels. Because of the level of financial accuracy and transparency generated, more system upgrade projects were able to be constructed within the existing program budget which substantially increased the value provided to the utility. The unprecedented success of this alliance program contract enabled the Customer to leverage this relationship into similar contract engagements with other utility companies across the country, each well in excess of \$100 million.