

## **CHANGES IN WORK/DEVIATIONS FROM JOB SPECIFICATION**

### 1.0 Scope

This section sets forth Esso's minimum requirements for processing requests for changes in the Work or deviations from the Job Specification.

### 2.0 Contractor's Duties

Contractor's principal duties with respect to initiating and processing change or deviation requests and implementing Change Orders or Job Specification deviations shall include:

2.1 Preparing, maintaining and implementing a Change Management Plan which includes procedures covering all aspects of processing change/deviation requests and change/deviation proposals and implementing Change Orders or Job Specification deviations for the Work.

2.2 Initiating a request for a revision to or deviation from the Job Specification on a timely basis. This would include requests that, if implemented, would benefit the overall execution of the Work.

2.3 Responding within seven (7) calendar days to a request from Esso for an estimate of the effect, if any, that the following will have upon the Contract Price and/or Scheduled Completion Date:

2.3.1 A proposed revision to or deviation from the Job Specification.

2.3.2 Other circumstances identified in Article 7 of the Principal Document for which a Change Order is allowable.

2.4 Implementing revisions to or deviations from the Job Specification when authorized by Esso.

### 3.0 Contractor's Change Management Plan

Contractor's Plan shall be issued within thirty (30) calendar days after date of Contract. The Plan shall include procedures for initiating and processing requests for Change Orders or deviations, as well as implementing authorized Change Orders or approved deviations, shall include a detailed description of:

3.1 How change/deviation requests will be initiated.

3.2 The preparation of change/deviation proposals by Contractor, and the schedule for their completion and submission to Esso.

- 3.3 The methodology for recording and tracking change/deviation requests, change/deviation proposals and Change Orders / deviation approvals.
- 3.4 How revisions to or deviations from the Job Specification will be implemented when authorized by Esso.
- 3.5 The forms that will be used in the entire process, including a sample of each.

#### 4.0 Procedural Requirements

Contractor's procedures for initiating and processing change/deviation requests and implementing Change Orders or approved deviations shall incorporate the following requirements of Esso, at a minimum:

- 4.1 Contractor (or Esso) may initiate a request for a revision to or deviation from the Job Specification. However, Contractor shall obtain Esso's approval to initiate a change/deviation request prior to expending any engineering, cost estimating, scheduling or other effort in support of it. If accepted, Esso shall issue a change/deviation request to Contractor. The change/deviation request shall include:
  - 4.1.1 A brief description of the proposed revision/deviation to the Job Specification including the safety and environmental implications and the required Contractor's services.
  - 4.1.2 An identification of who initiated the change/deviation request (e.g., Esso, Contractor) and the reason for the change/deviation request (e.g., safety, operability, Esso preference, investment return).

Contractor shall assign a Change Order number to each change request and enter it into the Change Order log (4.6 below) at the time that it is issued. Deviation requests shall similarly be assigned a number and entered in the deviation log (4.6 below).

- 4.2 Contractor shall respond to a change/deviation request by submitting a completed change/deviation proposal to Esso within seven (7) calendar days of the initial request. If Contractor determines that the change/deviation proposal cannot be completed within seven days, Contractor shall promptly advise Esso of that fact, the reason for the delay and the date that the change/deviation proposal will be available for Esso's review. The change/deviation proposal shall include:
  - 4.2.1 The effect, if any, on the Contract Price with subtotals in the components of the Contract Price specified in Exhibit A of the Principal Document. The estimated effects shall be supported by accompanying backup data which clearly define how the subtotals were developed.

- 4.2.2 The effect, if any, on the Scheduled Completion Date with appropriate accompanying backup data.
  - 4.2.3 A statement regarding the effect of the proposed change/deviation, if any, on Contractor's guarantees.
  - 4.2.4 The effect, if any, on process or utility requirements.
  - 4.2.5 The cost to process a Change Order shall be separately identified for each Change Order.
- 4.3 Contractor shall use unit and/or all inclusive rates from the Contract in preparing the change/deviation proposal in order to: (i) minimize the time required for estimating; and (ii) to facilitate Esso's review of the proposal. Where rates do not exist, Contractor shall propose a new rate based on rates for similar activities already included in the Contract, when applicable.
- 4.4 If Esso authorization to proceed with the revision to or deviation from the Job Specification has not accompanied the change/deviation request, the change proposal shall include the latest date such authorization can be given without further affecting the Scheduled Completion Date.
- 4.5 Esso will issue the Change Order or deviation if it agrees to implement the requested change/deviation.
- 4.6 Contractor shall maintain separate Change Order and deviation logs of approved and pending changes/deviations that shall include: the Change Order or deviation number, a brief description of the change/deviation, the date that the change/deviation request was received by Contractor, the date that the change/deviation proposal was submitted to Esso, the date that it was approved or rejected, the action taken by Esso (approval or rejection), the effect upon the Contract Price and Scheduled Completion Date, and any remarks. The logs should be maintained in a comprehensive database for easy sorting and retrieval. Contractor shall keep the logs current and include a summary of them in its monthly progress report as defined in the Change Management Plan agreed with Esso.
- 4.7 Esso's authorization for Contractor to perform Work associated with a change/deviation will normally accompany the approved deviation or Change Order. However, Esso may authorize Contractor to perform part or all of the Work associated with the change/deviation at the time that it issues the change/deviation request.