

18 KEY ISSUES

18.1 INTRODUCTION

The identification of project Key Issues is governed by prudent business and project processes. A Key Issue is defined as a project technical or execution issue that:

- Warrants special attention from senior management, or
- Falls in higher-risk category, or
- Has the potential for significant positive or negative impact to project economics.

Key Issues are a sub-set of the total project Issues. If left unresolved, Key Issues have the potential to have significant cost, schedule or other impact on achieving the objectives of the project. Key Issues must be addressed in a timely fashion to successfully execute the Project. As such, their resolution requires specific focused attention and continuing oversight by management. Progress on the resolution of these issues is reviewed and reported in monthly reports. The Project Manager will endorse the resolution and closeout of Key Issues.

18.2 UKRAINE KEY ISSUES

The PMT will hold a Gate 1 workshop to review and update the project key issues. Key Technical Issues will be reviewed and a resolution plan developed for each. The following is an initial list of Key Issues:

1. LNG Tankers passing through Bosphorus Straits
2. Expectation of High Ukraine Content.
3. LNG security of supply
4. Establishing Land Use Rights, including Timely Acquisition of ROW's.
5. Securing Regulatory Approvals for Project in a Timely Manner.
6. Emergency Offshore Evacuation in Winter
7. Offshore Spill Response Procedures for Winter Conditions
8. Environmental Damage Assessment Methodology
9. Environmental Mitigation
10. Waste Management Strategy

18.3 KEY ISSUES RESOLUTION PLANS

A resolution plan has been developed for each of the Key Issues. Each Key Issue is assigned to a member of the PMT. This PMT member is responsible for coordinating the resolution, reporting progress, and initiating the close-out of the issue. Other project team members are assigned the responsibility to carryout individual actions identified to resolve the issue. Key Issue resolution plans are included as Appendix _.