



**Environment, Social, Health and Safety
Management System (ESHS MS)**

Environmental and Social Compliance Assurance Plan

**Document Number:
02/ES/PJ/PN/008/A01**

TABLE OF CONTENTS

1.0	INTRODUCTION.....	3
1.1	PURPOSE.....	3
1.2	SCOPE.....	3
2.0	ACRONYMS	5
3.0	DEFINITIONS	5
4.0	RESPONSIBILITIES	5
5.0	PIPELINE PRE-CONSTRUCTION ACTIVITIES.....	7
5.1	CONTRACTOR PRE-CONSTRUCTION SURVEYS	7
6.0	ASSURANCE METHODS.....	8
6.1	DAILY ASSURANCE MONITORING	8
6.2	PERIODIC INSPECTIONS	9
6.3	INTERNAL AUDITS	10
6.3.1	INTERNAL AUDIT PROCEDURE.....	11
6.3.2	INTERNAL AUDIT COMPLIANCE.....	11
6.3.3	INTERNAL AUDIT PROTOCOLS	11
6.3.4	INTERNAL AUDIT REPORTS	12
6.4	ACTIVITY MONITORING.....	12
7.0	REPORTING NON-COMPLIANCES	12
8.0	KEY PERFORMANCE INDICATORS.....	13
	APPENDIX 1: E&CA INSPECTION CHECKLIST (EXAMPLE)	14
	APPENDIX 2: PROJECT E&S INTERNAL AND EXTERNAL AUDIT SCHEDULE	16
	APPENDIX 3: E&S AUDIT PROTOCOL (EXAMPLE)	17
	APPENDIX 4: DAILY ENVIRONMENTAL ASSURANCE MONITORING REPORT (EXAMPLE)	18

1.0 INTRODUCTION

1.1 PURPOSE

The purpose of the COMPANY Environmental and Social Assurance Plan is to detail the means by which COMPANY ensures assurance that COMPANY, CONTRACTOR and subcontractors are implementing the environmental and social commitments of the Peru LNG Project through the development of respective management systems. The Plan describes the methods that will be utilized during the construction phase to verify compliance and provides a schedule for the implementation of these methods.

During the construction phase, one of COMPANY Environmental and Social (E&S) Department's main functions is to ensure CONTRACTOR compliance with project requirements and commitments. The project commitments are formalized within a number of documents which are described in the COMPANY ESHS MS Manual which include but are not limited to:

- COMPANY Source Documents (i.e. ESIA's and Amendments, Supplementary Lenders Information Packages, Major Contracts, ESAP, Environmental Standards, Commitment Register Document, etc.)
- COMPANY E&S Management Documents (i.e. Ecological Management Plan, Land Acquisition and Compensation Plan, E&S Investment Programs, etc.)
- COMPANY E&S Contractor Management Plans (CMPs)
- CONTRACTOR's E&S Implementation Plans (ESIPs).

Figure 1 shows all of the individual Project E&S documents that form the Project ESHS Management System. This Plan establishes the processes by which E&S performance is monitored, evaluated, recorded and improved.

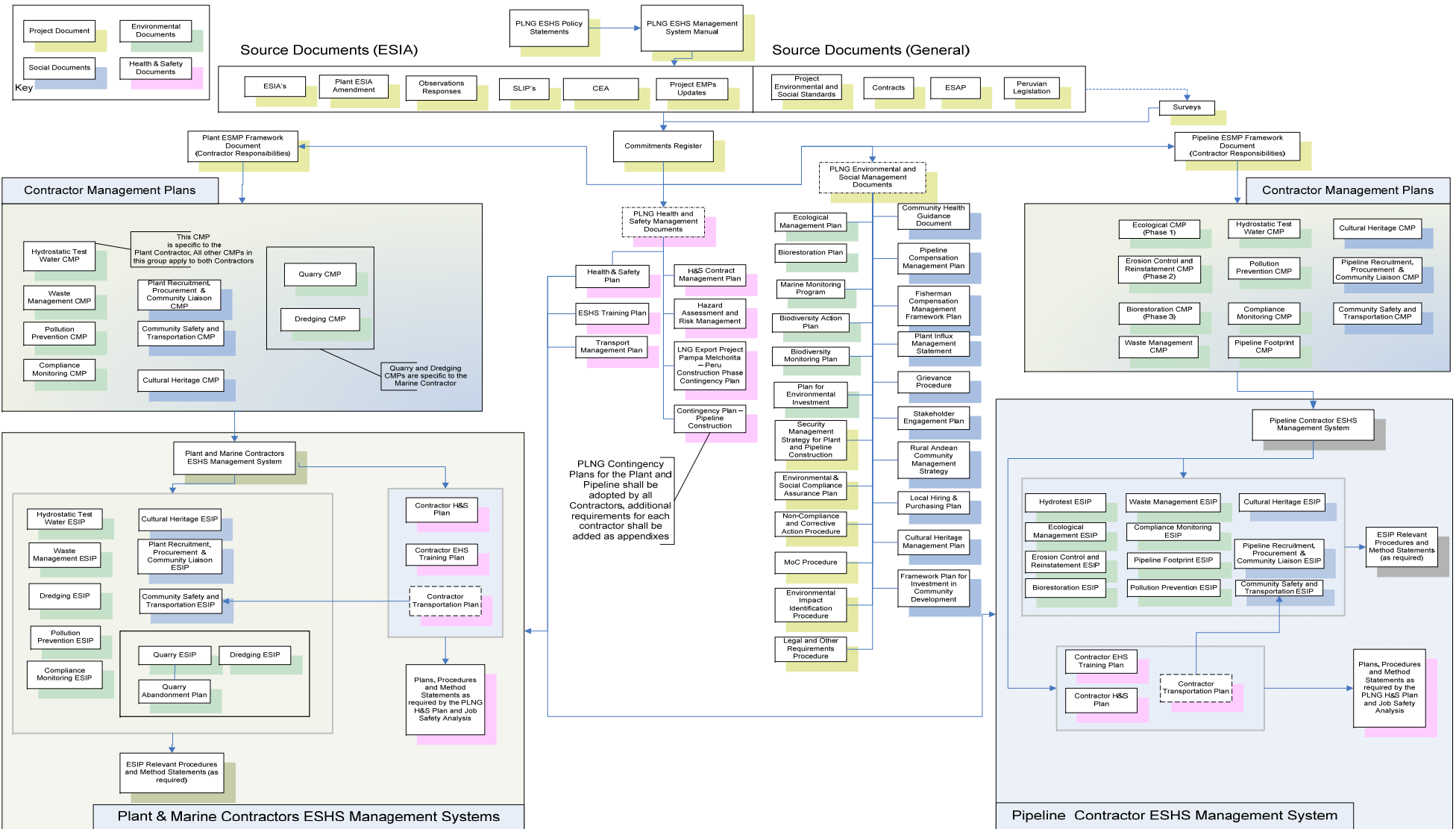
1.2 SCOPE

The Plan shall be utilized to assess the performance of all E&S (including Cultural Heritage) activities throughout the construction phase of the Project. A separate plan will be prepared for the operations phase of the Project.

Links with Other Plans

The Plan is linked to all other Project documents as it is the means by which COMPANY ensures that these documents are properly developed, implemented, periodically assessed and revised as needed. The main tool by which the Plan records its findings is through the EHS Non-conformance and Corrective Action Procedure (02/GP/PJ/PR/003) and associated Action Tracking Registers.

Figure 1: Project Document Map PLNG Environmental Social Health and Safety Construction Phase Management System



24 October 2007

2.0 ACRONYMS

BMP	Best Management Practice
CAR:	Corrective Action Request
CMP:	Contractor Management Plan
E&S:	Environmental and Social
ESIA:	Environmental and Social Impact Assessment
ESIP	Environmental and Social Implementation Plan
ESHS MS:	Environmental, Social, Health and Safety Management System
H&S:	Health and Safety
ITB:	Invitation to Bid
NCR	Non-compliance Report
PCDP:	Public Consultation and Disclosure Plan (see Stakeholder Engagement Plan)
SLIP:	Supplementary Lender Information Package
SWN or TWSR	Stop Work Notice or Temporary Work Suspension Report
WIN:	Work Improvement Notice

3.0 DEFINITIONS

Audit (internal):	Periodic detailed investigation of elements of management and performance. Includes consideration of underlying causes of non-compliance and focuses attention on opportunities for improvements and recommends corrective actions
E&S periodical Inspections:	COMPANY intermittent assessment of work fronts activities to observe a CONTRACTOR's compliance with E&S Management System requirements. Often closely coupled with process control to provide automatic corrective action. Has no integral means of identifying underlying causes of non-compliance
E&S Monitoring:	Continuous examination of work and management practices or process integrity at a work site and requiring of corrective actions. Investigation of non-compliance may indicate underlying cause that must be addressed by CONTRACTOR's Construction and E&S Managers to the appropriate departments and levels of their organization.

4.0 RESPONSIBILITIES

RESPONSIBILITIES OF THE COMPANY PROJECT TEAM	
Position	Typical Man Activities Performed
COLP General Manager	<ul style="list-style-type: none"> Establishes Project policies, and allocates human and financial resources to meet Project E&S objectives Provides guidance on COMPANY objectives to Project staff. Interacts with CONTRACTOR to ensure the highest E&S industry standards are adopted and met; Approves budgets regarding E&S matters; Reviews and edits all final E&S reports to International Financial Institutions.
Environmental, Community Affairs and Cultural Heritage Manager	<ul style="list-style-type: none"> Ensures CONTRACTOR compliance with Project Environmental, Social, and Cultural Heritage requirements as specified in the Source Documents; Oversees all E&S inspection activities and makes periodic field visits

RESPONSIBILITIES OF THE COMPANY PROJECT TEAM	
Position	Typical Man Activities Performed
	<p>to monitor and support all inspection activities;</p> <ul style="list-style-type: none"> • Identifies regulatory and institutional contacts, reporting requirements, reporting protocols, notifying team members of compliance requirements; • Ensures that COMPANY representatives responsible for compliance are updated on current strategies and specifications via consistent communication; • Prepares periodic E&S Management Reports; • Presents and Reports to the Senior Project Management Committee; • Manages the work of Environmental and Social Managers; • Reviews, edits, and distributes all final E&S reports to Senior Construction Management Team; • Oversees the activities of the Community and Environmental Investment Programs Coordinators.
<ul style="list-style-type: none"> • Project Environmental Manager (also responsible for Cultural Heritage Issues) • Project Social (Community Affairs) Manager 	<ul style="list-style-type: none"> • Oversees the activities of the E&S Field Coordinators, Inspectors and Monitors; • Develop technical specifications and authors technical memorandums and manuals to clarify and enhance CMP recommendations or requirements to CONTRACTOR; • Review Method Statements, including technical drawings and specifications for performance of special crossings works generated by CONTRACTOR. • Coordinates with CONTRACTOR on proposed protection, stabilization, restoration, or revegetation efforts (e.g., erosion-control structures, water-body crossings, slope stabilization, seeding plans, etc.); • Prepare E&S components for the periodic reports; • Regularly conduct meetings with E&S staff to discuss Project status, significant issues, strategies and lessons learned to improve E&S performance; • Prepare instructional materials and conducts training of E&S staff; • Meet with local authorities to find cause and resolution of risks and/or damages to communities.
<ul style="list-style-type: none"> • Environmental Field Supervisors • Community Affairs Field Supervisors • Cultural Heritage Field Supervisors 	<ul style="list-style-type: none"> • Provide logistical support to and manages the work of the E&S Field Technicians; • Review daily environmental reports generated by the E&S Technicians for accuracy, completeness, and conformity to accepted Project format and standards, and provide feed-back to them on items requiring clarification, supporting data, follow-up and/or closure; • Ensure that the E&S Field Technicians are implementing Project procedures by performing independent assessments of the construction activities and coordinating spread inspection runs • Prepare the Weekly E&S Inspection Report; • Serve as a liaison between the CONTRACTOR's E&S representatives and COMPANY through regularly scheduled field environmental coordination meetings; • Helps to identify areas requiring special construction and

RESPONSIBILITIES OF THE COMPANY PROJECT TEAM	
Position	Typical Man Activities Performed
	stabilization during preconstruction surveys; <ul style="list-style-type: none"> Reviews Construction Method Statements for specific locations or types of work (river crossings, steep slopes, borrow pits, etc.) recommends and/or approves Best Management Practices (BMPs) prior to activities taking place.
<ul style="list-style-type: none"> Environmental Field Technicians Community Relations Officers Cultural Heritage Coordinators and Monitors 	<ul style="list-style-type: none"> Coordinate with the CONTRACTOR on a daily basis to confirm planned work activities and locations of work fronts; Perform daily monitoring of E&S matters along segments of Pipeline RoW, access roads, work camps, storage and maintenance yards, third-party facilities, Project facilities, etc.; Provide suggestions to the Spread or Facility Construction Management on specific BMPs before non compliances occur; Document construction activities (trenching, pipe lowering, and backfilling) across rivers and streams, wetlands, or other sensitive environmental areas; Notify the CONTRACTOR's Environmental Representative or Spread Construction Manager of conditions that might lead to non-compliances; Report on pending and confirmed resolutions to E&S observations, significant deficiencies and ensures their close-out; Report observations on locations of inadequate installation or maintenance of erosion and sediment control devices; Report on construction activities or transport performed beyond authorized areas and access roads; Report on the CONTRACTOR's waste disposal practices ; Document via annotated photographs the conditions of selected sensitive areas before, during, and after construction activities; Report on worker adherence to the Project Code of Conduct; Coordinate sources of water and discharge locations, sample collection and analysis, and BMPs for hydro test; Verify that hydrostatic test operations are performed according to the CMP, government permits and spread-specific requirements; Inspect restored and revegetated areas for compliance with the Erosion Control and Reinstatement Plan; Direct inquiries from agencies, institutions, or public, to the E&S Field Supervisor and/or Spread Manager. Document construction practice modifications instituted by CONTRACTOR to comply with agency licenses and approvals.

5.0 PIPELINE PRE-CONSTRUCTION ACTIVITIES

5.1 CONTRACTOR PRE-CONSTRUCTION SURVEYS

The objective of the Pre-construction Survey (PCS) will be to corroborate and/or refine original survey documentation that has been performed by COMPANY. The PCS will focus on specific work fronts of the Pipeline RoW and describe and document their existing conditions prior to the commencement of the Pipeline construction activities.

Information collected during the PCS will also be compared to the Project ESIA and other survey documents (e.g., Environmental Field Survey, Wetlands Survey, Geotechnical

Reports) to ensure that any potential environmental or social impacts arising from Pipeline construction are reasonably identified ahead of construction.

The PCS will also confirm or identify new areas where site specific method statements are required, such as but not limited to:

- Site Specific River Crossing MS
- Site Specific Major Stream Crossing MS
- Site Specific Bofedal (Wetland) Crossing MS (as required)
- Site Specific Quarry and Borrow Pit MS
- Site Specific Geotechnical Area MS

CONTRACTOR shall perform the PCS with members of COMPANY in attendance, ensuring the above objectives are achieved. The PCS will be carried out by a multidisciplinary team of specialists from CONTRACTOR such as:

- Senior environmentalist,
- Engineer/surveyor
- Geotechnical expert;
- Geologist;
- Botanist;
- Zoologist;
- Construction supervisor (advising on methodologies planned to be used during the construction phase); etc.

6.0 ASSURANCE METHODS

ICOMPANY has committed to perform the following four levels of internal assessments to assure CONTRACTOR compliance with Project ESHS requirements::

1. Daily Assurance Monitoring
2. Periodic Assurance Inspections
3. Internal Audits
4. Specific Activity Monitoring

Each of the four levels would require differing amounts of effort and time for their preparation and implementation. The methods used depends upon the scope of the assurance activity from management review down to checking individual activities, which may be short lived or continuous during construction. Daily Monitoring is considered to be an ongoing activity, whereas periodic inspections are more structured and frequent. Audits are carried out less frequently than inspections but are more formal and also aim to identify the adequacy of management systems. The time and frequency of Activity Monitoring is specific to the activity, such as effluent sampling, noise monitoring etc.

6.1 DAILY ASSURANCE MONITORING

Daily assurance monitoring is an important element of the overall EHS MS to verify implementation of the agreed ESHS mitigation measures and providing information on their effectiveness. Where mitigation measures are not effective or appropriate to a given situation, they will be reviewed and alternative strategies suggested by the COMPANY E&S Personnel.

Daily assurance monitoring will generate tangible evidence to demonstrate whether Project commitments are being met effectively, i.e. are avoiding and minimizing environmental and

social impacts as intended, or where work practices require revision. Specific objectives of the Daily Monitoring can be summarized as follows:

- Ensure timely completion and review of the CONTRACTORs Environmental and Social Implementation Plans and Procedures, and Contractor Method Statements, as required.
- Verify COMPANY and CONTRACTOR's performance in implementing commitments for effective avoidance or mitigation of impacts.
- Determine whether mitigation measures or avoidance controls are adequate.
- Identify effective corrective actions should mitigation measures or avoidance controls do not deliver the anticipated level of performance.
- Identify whether additional mitigation measures or avoidance controls are required to manage unexpected impacts.

E&CA assurance personnel will provide descriptions of field conditions and processes, at work fronts, associated camps, pipeyards, waste management areas, and their construction support sites and access roads. Additionally, they will provide a useful method of checking housekeeping practices and basic standards of compliance. The COMPANY E&CA Field Personnel shall complete daily reports to record findings, see section 7, Reporting Non-Compliances. The reports provide a formal link between the field and Project Management (Lima) E&CA team.

6.2 PERIODIC INSPECTIONS

The periodic Inspections will be performed in the form of a site walk-around, observing conditions and identifying non-compliances utilizing a standard pro-forma (inspection sheet) for each area inspected. COMPANY personnel, such as Field Environmental Technicians, shall lead the inspections and shall be accompanied by CONTRACTOR personnel to obtain the benefits of a "One Team Approach". An example of an E&S Inspection Checklist is attached in Appendix 1.

Non-compliances will be itemized on the inspection sheet. CONTRACTOR E&S Personnel will identify appropriate corrective actions for agreement with COMPANY's E&S Personnel. Topics to be covered by the inspections will include but not limited to:

- Erosion Control
- Waste management (hazardous and non-hazardous);
- Wastewater treatment and discharge;
- Chemical storage;
- Oil and lubricant storage;
- Fuel supply;
- Spill response equipment;
- Vehicle maintenance;
- Housekeeping;
- Ecology – flora and Fauna protection
- Noise and dust; etc.

Before performing an inspection at a particular facility or site, the previous inspection report for that area will be reviewed for any outstanding items or actions. In addition, the CONTRACTOR's Action Tracking System will be reviewed to ensure action items have been closed out, this shall be confirmed during the inspection.

6.3 INTERNAL AUDITS

COMPANY shall perform quarterly internal audits to ensure that the COMPANY and CONTRACTOR's ESHS practices conform to Project requirements, and the ESHS Management System is properly implemented and maintained. A schedule for planned audits is attached in Appendix 2. (External parties such as IFIs and regulatory agencies will perform their independent external audits according to their own protocols.)

COMPANY will perform audits on each ESHS MS component,, including, but not limited to, the ESHS requirements and commitments as established in the following documents and plans and revisions thereto:

Level 1 Components – COMPANY

- ESHS Management System Manual

Level 2 Components - COMPANY

- Commitment Register Document
- ESHS Training Programs and Training Tracker
- H&S Plan
- Framework Documents and Contractor Management Plans
 - Erosion Control
 - Waste Management
 - Culture Heritage
 - Pollution Prevention and Spill Control
 - Compliance Monitoring
 - Hydrotesting
 - Community Liaison and Consultation
 - Community Safety and Transportation
 - Dredging
 - Ecological
 - All others,
- Framework Plan:
 - Project Personnel Recruitment and Purchasing Mngm Plan
 - Cultural Heritage Framework Document
 - Cultural Heritage Chance Protocol
 - Hydro biological Monitoring Plan
 - Ecological Management Plan
 - Compensation Management Plan
 - Grievance Procedure
 - Public Consultation and Disclosure Plan
 - Assurance Plan
 - NCR / CAR Procedure
 - Biorestitution Management Plan
 - Biodiversity Action Plan
 - Transportation Management Plan
 - Management of Change Procedure
 - Action Tracking System

Level 3 Components - CONTRACTOR

- CONTRACTOR's E&S Management System, including organization and other resources
- H&S Plan
- Construction Procedures and Method Statements, including drawings
- Environmental and Social Implementation Plans:

- Footprint
- Hydrotesting
- Waste Management
- Cultural Heritage
- Dredging
- Pollution Prevention
- Community Liaison and Consultation
- Community Safety and Transportation
- Compliance Monitoring
- Erosion Control and Reinstatement

6.3.1 Internal Audit Procedure

COMPANY E&S Manager shall appoint the audit team and team leader to conduct the audit and ensure the following activities as a minimum are completed:

- Development of an audit protocol
- Convene the audit opening meeting
- Instruct audit team members on their areas of responsibility during the audit
- Review all audit findings
- Hold the closing meeting
- Raise appropriate non compliance reports
- Issue the audit report
- Follow up to close out of all findings

COMPANY shall, to the extent feasible, provide CONTRACTOR with a 14-day written notice of all upcoming internal audits to ensure that all appropriate staff available for the process and all associated documentation and monitoring records are readily available.

6.3.2 Internal Audit Compliance

If non-compliances are identified during the audits, they must be closed out by performing the following actions:

1. Documented evidence closing out the non-compliance
2. Follow-up audit confirming non-compliances are closed out

COMPANY's audit leader will specify the method for non-compliance close out at the closing meeting. If after receiving the documentary evidence of the close out, the audit leader is not satisfied a follow-up audit should be scheduled.

As a result of the audit findings, the audit leader can reschedule the next periodic audit by increasing or decreasing its frequency, dependant on the findings. The audit schedule will be updated as required.

6.3.3 Internal Audit Protocols

COMPANY will develop an audit protocol to cover the topics identified in the audit notice schedule. This protocol will be used as an 'aide memoir' for the auditor. All audit notes and respective protocols will be forwarded to COMPANY E&CA Department and retained for the length of the construction phase. See Appendix 3 for a Audit Protocol Example.

6.3.4 Internal Audit Reports

Each audit carried out will be documented in the form of a written report. This will include all identified non-compliances and observations. Where good practices are observed these will also be recorded. All audit reports will be retained by COMPANY E&CA Department for the length of the construction phase. All non-compliances shall be entered on to the Action Tracking Register and tracked to close out.

6.4 ACTIVITY MONITORING

The Compliance Monitoring CMPs for both the Pipeline and Plant contain specific monitoring requirements for all CONTRACTORS. COMPANY shall conduct periodical check monitoring against the project requirements.

In addition to COMPANY's monitoring of CONTRACTOR's E&S performance, COMPANY will also monitor specific actions that pertain to COMPANY itself. These include:

- Groundwater monitoring (Topora Valley)
- Biological/Biodiversity monitoring (Pipeline ROW)
- Land acquisition monitoring
- Community compensation and investment monitoring
- Grievance management monitoring

COMPANY is committed to developing a monitoring program for each of these topics before the start of the Pipeline construction, and this will be performed in accordance with the Peruvian regulatory requirements.

7.0 REPORTING NON-COMPLIANCES

COMPANY ESHS field personnel shall utilize the Non-Conformance and Corrective Action (NCR/CAR) Procedure for recording and daily reporting of all non-compliant situations in the COMPANY's computerized Action Tracking System. Assurance monitoring personnel will characterize deficiencies in the computerized Action Tracking System according to their hierarchical degree of severity:

Level 1 Action Tracking Register

Corrective Action Requests (CAR)
Non-Conformance Reports (NCR)
Temporary Work Suspension Reports (TWSR)

Level 2 Action Tracking Register

Work Improvement Notices (WIN)
Field Observations

All non-compliances identified and classified as CAR, NCR, or TWSR (sometimes referred to as Stop Work Notices (Stop work for Cause) (SWN)) shall be recorded in the Level 1 Action Tracking Register. All non-compliances identified and classified as either WIN or Field Observations shall be recorded in the Level 2 Action Tracking Register. The computerized Action Tracking program will record action number, description, location, date identified, originator, source, responsible person, target completion date, status, lessons learnt and priority. All new and outstanding non-compliances will be discussed during the regularly scheduled construction progress meetings.

The two methods for reporting non-compliances which are outside the NCR / CAR Procedure are the E&CA Personnel Daily and Weekly reports, described below:

- *Daily Environmental Reports* –Field Environmental Technicians shall submit their daily reports (Appendix 2) via the computerized Action Tracking System to their Field Environmental Supervisor. The Field Environmental Supervisor shall review all daily reports for quality assurance and submit to the E&S Management Department in Lima.
- *Weekly Reports* – Based on the Daily Report data, the Field Environmental Supervisors assigned to plant and each of the pipeline construction spread shall summarize the most severe non-compliance matters and other ESHS concerns for each worksite. This shall be submitted to COMPANY Environmental Project Team in Lima and COMPANY Construction Project Management at the end of each week.

CONTRACTOR shall also record non-compliant situations within their own ESHS Management Systems and databases. If CONTRACTOR does not want to or is unwilling to raise the non-conformance within their own systems, the COMPANY NCR / CAR Procedure described methods shall be utilized to document and ensure resolution of the deficiency at Project level and beyond.

8.0 KEY PERFORMANCE INDICATORS

Key Performance indicators (KPIs) will be established for the most significant E&CA aspects of the Project construction. These KPIs which will be presented in separate documents are integral to COMPANY monitoring of CONTRACTOR's performance. The KPIs will be periodically reviewed to ensure they continue to be Specific, Measurable, Achievable, Realistic and Time bound (SMART).

APPENDIX 1: E&CA Inspection Checklist (Example)

No.	<i>Fuel Storage and Refueling</i> Item	Assign as follows:		
		0 Needs Immediate Attention	1 Needs Attention	2 OK or N/A
1.1	Are the fuel storage areas securely fenced and locked against unauthorized access?			
1.2	Do all refueling activities take place at a distance greater than 50m from water bodies, wetlands, wells, dry riverbeds, etc.?			
1.3	Are the storage and refueling areas located on flat ground?			
1.4	Are storage tanks made from metal and drums only used for generator sets in remote areas?			
1.5	Are only road tankers used for fuel storage along the ROW?			
1.6	Do all storage tanks have accessible level indicators and are all stationary tanks earthed?			
1.7	Are all tanks clearly labeled and the MSDS clearly displayed in the vicinity of days tanks and larger fuelling tanks?			
1.8	Is the bund volume at least 110% of the largest tank within the bund?			
1.9	Is the bund impervious to water and fuel?			
1.10	Is the bund located and designed to withstand flooding and erosion?			
1.11	Are there any visible signs (oil stains) of equipment leaking?			
1.12	Are refueling facilities within the construction camps and pipeyards constructed with hard standing with drains to a collection tank?			
1.13	Are drip trays and absorbent pads utilized for any refueling operation?			

0 = Needs Immediate Attention

Total Score (1's)		
Total Score (2's)	+	
Final Score	=	
Highest Possible Score	÷	26
	=	10.
	x	100
% Compliance	=	%

APPENDIX 2: Project E&S Internal and External Audit Schedule

AUDIT	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Project E&S Compliance By Lenders Group (see note 1)												
Project E&S Compliance By GoP (OSINERG, etc.)												
COMPANY EHS MS By external consultant												
Contractor EHS MS By COMPANY												
Contractor ESIP's By COMPANY (see note 2)												

Notes:

- 1. Frequency of audits to be determined jointly between PLNG and Lenders Group
 - 2. Audits to be plan specific
- MS = Management System
IP = Implementation Plans

APPENDIX 3: E&S Audit Protocol (Example)

Environmental and Social Audit Protocol

Dust Management

Auditors Name:.....
Area:.....

Date:.....

Facility /

Sec.	Question	Response / Evidence	Required Action
Procedure			
6.2	Is or has dust been generated as a result construction activities (including vehicle movements)?		
6.2.1	If yes, has spraying of the running track or access roads been carried out?		
6.2.2	Speed limits of 30km/h on dirt roads?		
6.2.3	Has access to the ROW been restricted?		
6.2.4	Have approved access roads been identified and are drivers aware of them?		
6.2.5	Have any storage or handling procedures been implemented to reduce the generation of dust?		

APPENDIX 4: Daily Environmental Assurance Monitoring Report (Example)

 No.: Spread_01_001	<p align="center">DAILY ENVIRONMENTAL MONITORING REPORT PERU LNG PROJECT</p> <p>Week Day: Friday</p>	 Date: 02/27/2008
--	--	--

1. GENERAL PROJECT DATA			
Project Phase:	PLNG Pipeline Construction		
Project No.:	Hunt-2007-01		
Client:	PLNG		
Project Manager	David Chapman		dchapman@colp.com.pe
E & S Dept. Manager:	Juan Lince		jlince@colp.com.pe
Environmental Mgr.:	Raymi Beltran	Email Address:	rbeltran@colp.com.pe
Field Supervisor:	Nigel Easton	Email Address:	neaston@colp.com.pe
Field Monitor	Anonimo Martinez	Email Address:	amartinez@colp.com.pe
CONTRACTOR:	SELECTED CONSTRUCTION COMPANY	General Manager:	To Be Announced (TBA)
Environmental Mgr.:	Anonimo Segundo	Email Address:	asegundo@contractor.com.pe
Spread No.:	1-A (KP 0 – KP 102)		

2. DAILY SUMMARY
A Work Improvement Notice was issued today regarding the lack of an OSINERG permit for the borrow pit near KP 45 (See SP_1_066.02 in daily notes below)

3. ASSURANCE MONITOR'S NOTES							
Record Code	Construction Activity	Km	GPS Coordinates		Site Description	Comments	Photo No.
			LAT	LONG			
SP_1_001.01	Water-body crossing	37			Urubamba River (directional drilling site)	Currently, HDD Contractor is assembling drilling equipment. Works likely to start in next two days. Equipments leaking hydraulic fluids have been repaired.	SP_1_001.AM.01.01, SP_1_001.AM.01.02
SP_1_066.02	Inspeccion General	45			Borrow Pit Area	Visited proposed material borrow area to backfill the trench from KM 405 to KM 409. We discovered that the landowner has not signed agreement nor has permit been issued by OSINERG. We will need to receive a written statement prior to allowing excavation in borrow pit area. Contractor's supervisor (Mr. John Doe) has been notified.	SP_1_001.AM.02.03
SP_1_066.03	Waste Management	50				Lunch containers and other disposable materials found throughout this section.	SP_1_001.AM.04.01
SP_1_066.04	Trench Excavation	52			Residential Area	Open trench in area with nearby homes. No security fencing installed to date.	SP_1_001.AM.05.01, SP_1_001.AM.0

Record Code	Construction Activity	Km	GPS Coordinates		Site Description	Comments	Photo No.
			LAT	LONG			
						Require that Contractor install fencing and that Community Relations staff notify community dwellers of our activities and dangers to children playing near open trenches.	5.02

4. HOURS WORKED					
Activity	From	To	Hrs.	Observations	
Travel	07:00	09:00	01:00	Traveled from Ayacucho Work Camp to KP 408 to 409 work-front segment	
Coordination Activities	09:00	12:00		Met with OSINERG representative to discuss borrow pit area permit	
General assurance & compliance monitoring	13:00	15:00	05:00	Contractor in work front between KP 408-409	
Travel	15:00	17:00	03:00	Returned to Ayacucho Work Camp from KP 408 to 409 work-front segment	
Desk-top Activities	17:00	18:00	01:00	Daily Report preparation	
Total Hours Worked			10:00		