

Ontario Power Generation Achieves Project Excellence Through the Establishment of an Enterprise Project Management Office



Industry: Energy Sector

Services Provided: Project Management Maturity Assessment; Project, Program, and Portfolio Management, Governance & Standards; Project Management & Project Controls Training; Continuous Improvement

Company: Ontario Power Generation (OPG) is the province's largest clean power generator and a clean technology leader with a large diverse fleet of over 160 energy-generating plants in Canada and across the United States. The company comprises approximately 10,000 highly skilled employees and accounts for over \$62 billion in assets including hydro, nuclear, gas, solar, and biomass generating stations. The organization aims to become a net-zero company by 2040 and enable a net-zero economy by 2050.

Challenge: The Darlington Nuclear Refurbishment is a megaproject comprised of over 500 individual projects totaling \$12.8 billion that commenced execution in 2016. By the end of 2026, the megaproject will have replaced critical components, First-of-a-Kind or First-in-a-While modifications on four units, thus allowing the station to continue operations safely and reliably for another 30 years.

The undertaking of this megaproject presented unique challenges for OPG. At the time, OPG infrequently planned and executed large and complex megaprojects, which challenged the organization to innovate to meet the needs of the project. Each business unit created their individual project management governance to the best of their knowledge, which led to varying levels of maturity and consistency in planning, executing, and reporting on projects. These challenges drove the need for OPG to innovate and develop project controls and project management capabilities to effectively manage this megaproject.

Solution: OPG recognized the need to leverage expertise from an external source and engaged PM Solutions to conduct a project management maturity assessment across all business units over a fourteen-week period. While the organization was found to be performing above industry average in most areas, key recommendations were made to establish a center-led Project Management Office (PMO) to strengthen project teams, improve portfolio and program management processes, and develop common portfolio and project management tools with input from stakeholders. The recommendations of this assessment were instrumental in developing OPG's road map to project excellence.

A short time later, the center-led Enterprise Project Management Office (EPMO) reporting to the Chief Projects Officer was established. Enterprise project management processes and tools were developed from industry best practices, such as those suggested by Project Management Institute's *PMBOK® Guide*, for tailoring optimal delivery of projects and programs.

ONTARIO POWER GENERATION



VALUE DELIVERED

Acting on recommendations from maturity assessments, OPG established an EPMO, improved processes, and developed a roadmap to Project Excellence. As a result, in 2022, OPG was named a finalist for Project Management Institute's "PMO of the Year" Award.



Following the success of the first assessment, OPG enlisted PM Solutions once again to conduct a follow-up assessment in 2021 to measure OPG's progress. OPG was still in the midst of working on implementation of the prior recommendations. Overall, the assessment showed great improvements and results, with all project management processes in place and established as organizational standards. Delivery had been standardized and become repeatable. Formal documentation existed on all processes and standards, and processes, typically automated, are now tailorable to the characteristics of each project.



“We have really changed public perception, and as a result, increased our credibility in OPG’s ability to execute projects.”

- Mike Martelli, Chief Projects Officer, OPG

results

Since the establishment of the EPMO, business units and projects are no longer siloed and a tailored approach to project management is scaled to the needs of the individual project delivery teams. Project management and project control proficiency programs have been meticulously developed in-house to ensure that projects continue to be executed with a high degree of effectiveness despite resource turnover. Standardized PMO processes across OPG allow increased organizational agility as business needs evolve.

By taking an enterprise approach to project management, the organization yielded the following benefits:

- Enterprise-level portfolio reporting made possible
- Enhanced ability to share lessons learned between business units
- Increased flexibility to cross-train and deploy resources between business units

As a result, OPG’s Enterprise Project Management Office is considered world-class, as evidenced by their receipt of the 2021 “Best Practice

Award” for Excellence in Project Management from the Electric Utility Cost Group for their strong performance on the Darlington Nuclear Refurbishment megaproject. OPG was also recognized by the Project Management Institute in 2022 as one of three finalists for their global PMO of the Year Award and has submitted their nomination to represent Canada in the 2023 PMO Global Awards presented by PMO Global Alliance. These recognitions increase OPG’s visibility on a global scale and strengthen shareholder confidence enabling the organization to secure future megaprojects, share best practices through benchmarking efforts with countries around the world, and solidify OPG’s commitment to a net-zero carbon future.

Although proud of their accolades to date, OPG remains committed to further strengthening their world-class EPMO. They recently joined PMI’s Global Executive Council to build relationships with other elite international organizations across diverse industries and facilitate meaningful opportunities that will contribute to shaping the future in the project management field.