



COMMISSION OF INQUIRY  
RESPECTING THE MUSKRAT FALLS PROJECT

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Transcript | Phase 2

Volume 33

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*Commissioner: Honourable Justice Richard LeBlanc*

Friday

10 May 2019

**CLERK (Mulrooney):** All rise.

This Commission of Inquiry is now open.

The Honourable Justice Richard LeBlanc presiding as Commissioner.

Please be seated.

**THE COMMISSIONER:** Good Morning.

I've just been advised that our feed within government circles is not working this morning. There was some sort of an update done last night on the system and for some reason it's not being picked up this morning. However, the external feed is working, so if there are people in the government areas who are looking to try to see the Inquiry they can go to their mobile phones or mobile devices and they should be able to get it. But they won't get it on the government network, as I understand it, until it's fixed later this morning.

All right, Ms. Ding.

**MS. DING:** Good Morning, Mr. Commissioner.

Today we have Darren DeBourke, and Mr. DeBourke would like to affirm.

**THE COMMISSIONER:** Okay.

If you'd stand, Sir, please.

**CLERK:** Do you solemnly affirm that the evidence you shall give to this Inquiry shall be the truth, the whole truth and nothing but the truth?

**MR. DEBOURKE:** I affirm.

**CLERK:** Could you state your name, please?

**MR. DEBOURKE:** Darren DeBourke.

**CLERK:** Thank you.

**THE COMMISSIONER:** (Inaudible), Sir.

All right, Ms. Ding.

**MS. DING:** Thank you.

Commissioner, we would like to enter Exhibits P-03273, P-03464, P-03465 and P-03508 to P-03533.

**THE COMMISSIONER:** Thirty-five?

**MS. DING:** Thirty-three.

**THE COMMISSIONER:** All right, those exhibits will be entered as numbered.

**MS. DING:** Thank you.

Mr. DeBourke, I'll just start you off this morning. Can you give us a brief overview of your education and your work history, please?

**MR. DEBOURKE:** Yeah. Sure.

So, again, Darren DeBourke, I'm from St. John's, Newfoundland.

I'm a professional engineer and I have 25 years' experience in the energy sector. Twenty of those years have been associated with large-scale and mega projects in varying levels of – and increasing levels of responsibility and capacity. So I've been working on all of the major developments on the East Coast of Canada – Sable Island, Terra Nova, Hibernia, Terra Nova FPSO – I guess in varying – as I said, in various levels of responsibility from project engineering, senior project engineering, commissioning, project management, et cetera.

**MS. DING:** Okay. Thank you.

And how did you get involved with the Muskrat Falls Project?

**MR. DEBOURKE:** I was basically asked from an agency if I'd be interested in applying for a role of area manager back in 2011. And so I applied for that and got interviewed and offered the position.

**MS. DING:** Okay, and what was –

**THE COMMISSIONER:** What – just before you move on, what type of engineer are you, Sir?

**MR. DEBOURKE:** I'm a mechanical engineer.

**THE COMMISSIONER:** Mechanical.

**MR. DEBOURKE:** Yes.

**THE COMMISSIONER:** Thank you.

**MS. DING:** And what was your position on the project?

**MR. DEBOURKE:** So, as stated, I was originally hired as an area manager and later promoted to project manager for the HVDC specialty scope.

**MS. DING:** Okay.

And from what dates were you employed by Nalcor?

**MR. DEBOURKE:** From September 2011 to November 2016.

**MS. DING:** Okay.

And you were the most senior person on Component 3. Is that correct?

**MR. DEBOURKE:** Component 3, yes.

**MS. DING:** Okay.

Did you know anyone on the Muskrat Falls Project management team prior to applying for the position?

**MR. DEBOURKE:** I knew of Paul Harrington; we met back in Terra Nova days in the 2000 time frame. And Pat Hussey from Sable, so Pat was working with the contractor on the procurement side; I was representing the owner. So we had some interaction during the Sable project in 2002 to 2006, that period.

**MS. DING:** Okay.

And your job title transitioned from area manager to project manager after the switch to the integrated management team. Is that correct?

**MR. DEBOURKE:** That's correct.

**MS. DING:** Okay.

And when you came to Nalcor, who did you report to?

**MR. DEBOURKE:** Ron Power.

**MS. DING:** And you said that your discipline was mechanical engineering?

**MR. DEBOURKE:** That's correct.

**MS. DING:** Prior to coming to Nalcor, what was your experience with power supply and electrical power?

**MR. DEBOURKE:** I guess through the course of my experience in my career, I've had exposure to power, you know, through power generators, transformers, you know, circuit breakers and switch gear as part of – as it relates to oil and gas. We have those aspects in our facilities, so certainly involved in that. And during commissioning of those things you are exposed, obviously, and, you know, from energization aspects you are involved in those components, so –

**MS. DING:** Okay, were you ever in charge of power supply?

**MR. DEBOURKE:** So can you elaborate on that? What you mean by power supply?

**MS. DING:** Did you have a management position with power distribution or transmission?

**MR. DEBOURKE:** No, I did not. No.

**MS. DING:** Okay.

So did you have any direct technical experience for HVDC specialties in switchyards?

**MR. DEBOURKE:** Technical? I'll say no.

**MS. DING:** Okay.

What did you do to bring yourself up to speed on the technical experience needed for that position?

**MR. DEBOURKE:** So, for me, when I was hired – I mean, I was hired, again, I guess based on my experience in the project management

field and the ability to deliver large-scale and complex projects.

When I came in, obviously, the technical side is something that I really wanted to get my arms around. So I went away and did some substation design courses. I travelled and got to see facilities being constructed throughout all of Nalcor's facilities, visited all those sites throughout Newfoundland – or most of those sites, I would say – throughout Newfoundland and Labrador, engaging with our technical experts that we had on the job, both from SNC, our System Planning folks from Nalcor and our third party consultants that we had hired to cover the HVDC scope of work. So, you know, it was to immerse myself in that, as much as I could, to bring myself up to speed on the technical aspects of the project.

**MS. DING:** Okay. Can you give us a little more detail on the training courses you took?

**MR. DEBOURKE:** So Sargent & Lundy in Chicago, I attended a week-long training session down there. And they cover everything from design, construction, contracting strategies, all those aspects.

**MS. DING:** Okay. Thank you.

We understand that you had Trina Troke as your deputy project manager. Is that correct?

**MR. DEBOURKE:** That's correct, yes. Yeah.

**MS. DING:** Okay. And Ms. Troke has engineering and project management experience.

**MR. DEBOURKE:** Yes, she does. Yeah. She's a mechanical engineer –

**MS. DING:** Okay.

**MR. DEBOURKE:** – with utility experience. She spent a number of years with Newfoundland Power. That side – so, obviously, a skill set that added a lot of value to the team.

**MS. DING:** Okay. Thank you.

And Ms. Troke is married to Jason Kean, who we heard testimony from earlier this week. Is that correct?

**MR. DEBOURKE:** That is correct.

**MS. DING:** Okay. Thank you.

Where are you working now, Mr. DeBourke?

**MR. DEBOURKE:** I work for Husky Energy as a consultant on the West White Rose Project, so it's a new wellhead platform that's being done for the offshore of Newfoundland.

**MS. DING:** Okay. And sorry, what was your position there?

**MR. DEBOURKE:** I'm senior risk manager and interface manager.

**THE COMMISSIONER:** Sorry, you're senior risk manager and what?

**MR. DEBOURKE:** And interface.

**MS. DING:** Can you briefly walk us through the scope of work for the three packages you had – you were overseeing at the time, CD-0501, 0502 and 0534?

**MR. DEBOURKE:** Yes, sure.

Okay, so the 0501 package was the DC converters, and that was – basically, there was a DC converter station in Muskrat Falls and one at Soldiers Pond. And as part of that scope of work, there were the transition compounds on each side of the Strait of Belle Isle. The 0502 package was the – for the AC substations, and there was one at Churchill Falls, one at Muskrat Falls and one at Soldiers Pond. And 0534 was the synchronous condenser package. That was located at Soldiers Pond.

**MS. DING:** And that would've been with GE Power. Is that correct?

**MR. DEBOURKE:** That's with GE Power, correct.

**MS. DING:** And the other two were with Alstom, GE Grid Solutions?

**MR. DEBOURKE:** That is correct, yes.

**MS. DING:** Okay. Okay.

I want to go back to the contract awards and some of the decisions that you and Nalcor had made early in the process for choosing Alstom for 0501 and 0502. From the documents in –

**UNIDENTIFIED FEMALE SPEAKER:**  
(Inaudible.)

**MS. DING:** – from the documents in 2012 and 2013, we see that Nalcor decided to change the 0502 package to a lump sum, EPC contract strategy for the switchyards and – instead of doing EPCM with SNC. Is that correct?

**MR. DEBOURKE:** That is correct.

**MS. DING:** Okay. Can you first tell us the difference between an EPCM and an EPC?

**MR. DEBOURKE:** Yeah, Sure. On the EPCM, that is where we have consultants, such as SNC, acting on company's behalf to perform the engineering, procurement and construction management aspects associated with that scope – you know, acting on company's behalf. The EPC is essentially a contract – a lump-sum contract with a contractor to perform and be wholly responsible for the engineering, procurement, construction aspects of that scope of work.

**MS. DING:** Okay. Thank you.

So, SNC's approach that they would do all the engineering and the procurement of the materials and, then, just have a general contractor do the rest?

**MR. DEBOURKE:** They would deal with the construction, and yes – but – and then, SNC would do the construction management, as well. So, overseeing the construction and supporting the construction through – with follow-on engineering, et cetera.

**MS. DING:** Thank you.

**MR. DEBOURKE:** And managing interfaces with that – you know, between the civil works contractor and themselves from the engineering side.

**MS. DING:** Thank you.

Madam Clerk, can you please take us to P-03464? And, Mr. DeBourke, that's binder 3, tab 82.

So, this is a report from the PowerAdvocate. This report is dated September 7, 2012, and it's titled AC Substations – Optimal Contract Approach. I believe this report goes through some of the – some case studies, key lessons learned and ultimately concludes that a fixed EPC contract approach would be best for the 0502. Is that correct?

**MR. DEBOURKE:** That is correct.

**MS. DING:** Okay.

And why did you engage PowerAdvocate to do this report?

**MR. DEBOURKE:** I guess we were getting, I guess, some feedback from SNC that they felt the EPCM arrangement was best suited for the project. However, there's – we were, I guess, experiencing some difficulty with SNC on a – from a performance standpoint. And in my particular area, we were doing a tap station on the north side of the river to feed construction power to the site, and that's where SNC were – they were responsible under an EPCM arrangement to manage that scope of work, which ended up being 30 per cent over budget at the end of the day.

So, we had some leading indicators that made us question whether we were on the right course here, so we engaged a third party – PowerAdvocate, fully independent and unbiased – and they came back – they evaluated our situation, the status of our engineering, the status of all of our sites with respect to the developments – you know, so the clearing – the earthworks portion to have the sites ready, the geotechnical aspects done in advance, and they felt, based on that – as well as the risk around interface management – that the – they felt that the EPC arrangement was best suited for the project. So, that's how we ended up getting there.

But again, we solicited that to – so that we could, you know, get that – you know, they have a lot of benchmark data that they can provide to us for our evaluation – and, again, unbiased –

but at the end of the day, we selected the EPC to move forward. And it was the right choice in my view.

**MS. DING:** Okay. And just so I understand correctly, you felt that SNC couldn't necessarily manage the job because of the experience you had with the tap station?

**MR. DEBOURKE:** Yeah, and it was one of the leading indicators on top of the already – the challenges that we were already facing globally with SNC on the project in other areas, so, yes. But again, I think we looked at the scope of work; we looked at the complications on the interface management and the risk associated with that, and – so weighing that – you know, taking that into consideration, then the EPC approach was the best approach for the project from a risk mitigation standpoint.

**MS. DING:** Okay. Thank you.

Madam Clerk, please take us to P-02985, please. And, Mr. DeBourke, that's binder 1, tab 1.

And so I'll just take you to page 4 of that document. So, this is a document from SNC, and you're cc'd on an email that this report is sent to. And the email attached to this document called the EPC Implementation Plan for ac Substations, and it's dated May 10, 2013.

The report seems to go through the changes in capital cost of the AC switchyards and – because of the change in approach that you were looking to do. And SNC concludes in its conclusion in this document that the overall net cost impact would be \$33 million or a 15.2 per cent premium if you made that switch to the EPC.

Is it fair to say that you didn't believe that SNC's assessment of that premium was accurate?

**MR. DEBOURKE:** I wouldn't say the premium. I mean, we knew we would pay a premium because of that transfer of risk. And so I don't think that was a – you know, I don't think that was a deciding factor, you know, from going back to an EPCM, for instance. I don't know if that makes sense but ...

**MS. DING:** Did you think the \$33 million was too high of an assessment?

**MR. DEBOURKE:** I thought it was a little excessive, yes. Yes.

**MS. DING:** Okay.

And you didn't agree with it. You thought the premium would have been less and it was worth the, I guess, the added premium for all the benefits that you spoke of earlier?

**MR. DEBOURKE:** Correct.

**MS. DING:** Thank you.

I want to turn to one of the things that was – ended up being a cost savings to Nalcor on the 0502 contract. And we understand in the bid process that Alstom proposed a GIS – or a gas-insulated switchgear – as an alternative to an AIS system at the Muskrat Falls and Churchill Falls sites. Is that correct?

**MR. DEBOURKE:** That is correct.

**MS. DING:** Okay.

And would this have rendered cost savings because of the smaller footprint?

**MR. DEBOURKE:** Yes, it did. It – I think the savings were in the order of \$6.8 million, I believe is what – from a civil works savings because of the condensed building and whatnot associated with that work, yes.

**MS. DING:** Okay, thank you.

And, Mr. Commissioner, for your reference, that would be P-03232 that sets out the pricings of about \$6.8 million.

**THE COMMISSIONER:** Okay.

I'm having a problem here with the sound up here. I'm getting feedback here. So I'm gonna take a minute 'cause I got to go and speak to the technical people here 'cause I think there's something going on up here that I'm getting all kinds of echo up here, and I'm having a hard time hearing Mr. DeBourke; I'm having a hard time hearing your questions. So if you can just

give me a minute, I'm just gonna go in and just talk to the technical people and see if I can get it figured out. Just take a quick break.

**CLERK:** All rise.

**Recess**

**CLERK:** All rise.

Please be seated.

**THE COMMISSIONER:** Okay, it's a little bit better on this end. All righty.

Ms. Ding.

**MS. DING:** Okay, thank you.

We were just discussing the cost savings that the GIS provided to Nalcor – or doing the GIS would have provided to Nalcor.

Mr. DeBourke, was there any schedule savings or schedule advantage to going with GIS?

**MR. DEBOURKE:** It was considered in the evaluation, obviously. And in terms of the overall program, there was – I think there was an opportunity there to save on schedule and, you know, I think it was just part of the consideration in the overall scheme. And, again, time wise, I can't recall what it was exactly, but certainly in line or even better than it would for an AIS, for an air-insulated switchgear set-up. So yeah, so ...

**MS. DING:** Okay and what advantages would there be for maintenance?

**MR. DEBOURKE:** You know, the GIS building, it's fully enclosed, environmentally sealed. So all the equipment is indoors, so that obviously helps from a maintenance standpoint, you know, even from a construction – where it allows for, you know, increase throughout the winter months during construction phase.

From a maintenance standpoint, it – because it's indoors, the equipment is not exposed to the environmental conditions so it should help reliability as well. So those things are considered.

**MS. DING:** What was the reason you didn't do GIS at Soldiers Pond?

**MR. DEBOURKE:** There were a number of factors there. And from a cost-savings evaluation, when evaluated against the AIS, it didn't prove to be value-added. There were further complexities at Soldiers Pond due to the number of circuits. The switchgear, as well, and the circuit breakers are different – of a different type, and I understand the cost associated with that equipment was a premium, versus what was at Muskrat Falls and Churchill Falls. So the overall cost, for instance, when that was evaluated was not – didn't lend to pursuing GIS at Soldiers Pond.

**MS. DING:** And given that you were now considering the GIS at Muskrat Falls and Churchill Falls, was there any consideration given to reissuing the RFP?

**MR. DEBOURKE:** No, no.

And part of that was just the delta between the two – the shortlisted bidders, and we were looking at the savings of, as I said, \$6.8 million. And the delta between the last two bidders were – was far more excessive than that to try to close the gap. The GIS would not have done that.

**MS. DING:** Okay, and did you have any time considerations with not having to issue the RFP?

**MR. DEBOURKE:** It was all considered. And, you know, it wouldn't have been a reissuance of RFP; it probably would've been a bid clarification, for instance, that we would've –

**MS. DING:** Pulled out –

**MR. DEBOURKE:** – we would've done.

**MS. DING:** – for an alternative.

**MR. DEBOURKE:** Correct.

**MS. DING:** Okay.

**MR. DEBOURKE:** Yeah.

**MS. DING:** And how much time would that have added if you had done a bid clarification or reissue an RFP?

**MR. DEBOURKE:** They're quite different in terms of the time. A bid clarification; you know, that's a – it could be done in a week, but an RFP issuance, development issuance and response could take months, if you were going to do a full RFP and evaluate and award it, so ...

**MS. DING:** I'd like to turn to your decision to essentially carve off the civil works scope from packages 0501, 0502. And I understand that Exhibit 17 of the contract – contracts for 0501 and 0502 is where that arrangement was set out; is that correct?

**MR. DEBOURKE:** That's correct.

**MS. DING:** Okay.

Madam Clerk, can you take us to Exhibit P-03215, please. And Mr. DeBourke that's binder 3, tab 61.

Mr. DeBourke, can you provide just a general overview of what's in Exhibit 17?

**MR. DEBOURKE:** Yeah, so this was a cost-savings initiative to really provide some transparency into the civil works costing that the bidders were, I guess the – I guess when the bidders came in with their bids and we evaluated them, we could see that the civil works component was drastically over our budget and we wanted to understand the makeup of that. And I guess through discussions and – with GE or Alstom at that time, we understood there was quite a bit of risk money that they added to the civil works just due to their, I guess, their experience or lack of experience, I guess, in working in Newfoundland and Labrador, unfamiliar with some of the local contractors, et cetera.

So what this initiative was really to do was that if Nalcor put the civil works contracts on their paper, then we could save the overhead in profit and not, you know, not having – have the contract in GE's name. So – and in terms of the joint cost savings, what happened there was that if there, you know, if we'd agree on the target price and if there was a savings, or if we came in under that target price, then the cost savings would be shared 50/50 between Nalcor and Alstom GE and if they went over that budget,

the target price, then GE was responsible for that.

And one thing I should point out, I guess, in the exhibit, which is quite clear in terms of obligations and – or roles and responsibilities of the parties. You know, the contractor is responsible fully for the execution of the work and all aspects of, you know, you look at the quality side of things; you look at schedule, cost, contract – construction management, project management. All of those functions, those responsibilities remained with GE.

Nalcor, our responsibilities were to pay the civil works contractor on approved payment milestones certificates by Alstom GE. That was our role.

**MS. DING:** Okay, just to – and I want to get into what you just said in a little more detail. But just, on a basic level, the arrangement was that the site management would be the responsibility of Alstom and that – but the contracts themselves would be executed directly with Nalcor and Nalcor would be responsible for payment. Is that –?

**MR. DEBOURKE:** That's correct, yes.

**MS. DING:** Okay.

And Alstom would also manage the site and retain, sort of, the risk or the contingency. Is that –

**MR. DEBOURKE:** That –

**MS. DING:** – correct?

**MR. DEBOURKE:** – is correct, yes.

**MS. DING:** Okay.

So I do want to go to Exhibit, Madam Clerk, P-03232 – and Mr. DeBourke, that's binder 3, tab 78 – and page 17, Madam Clerk, please.

Okay, so it says here – so this is the award recommendation for 0502 and it says here that Alstom proposed the idea for the alternate or alternative civil works contracting model. Do you recall whether this was an idea that was



brought up in discussions or was it entirely Alstom who approached Nalcor with the idea?

**MR. DEBOURKE:** So, you know, this was a, I guess, an iterative process in terms of working with Alstom to look for opportunities and reducing the overall cost of the civil works. And through that, you know, those discussions and those opportunities, the GS rolled out of that – the GIS, sorry – the GIS option rolled out of, you know, those discussions as an alternative to save costs.

And this is where the Exhibit 17 originated. And again, to – you know, from a cost-saving measure. There's minutes of meetings from those discussions and, in those minutes of meeting, it indicates that Alstom initiated the Exhibit 17 model. That's the way that's written.

**MS. DING:** Okay.

And do you know how much, approximately, were the cost savings that essentially you were carving off – and I believe it was 15 per cent that was taken off of Alstom's price –

**MR. DEBOURKE:** Correct.

**MS. DING:** – for that overhead and profit. Do you know how much that was approximately?

**MR. DEBOURKE:** I'm going to say it's in the order between \$25 and \$30 million, somewhere in that order of magnitude.

**MS. DING:** Okay.

Madam Clerk, please go to 03152, please. And, Mr. DeBourke, that's binder 2 for you, tab 43. And we'll go to page 2, please.

So, Mr. Commissioner, this is just a summary of the GE contracts and it indicates here that the DG3 budget amounts for the contracts 0501, 0502 and 0534 and we see here that the DG3 budget amount for the 0502 package was about \$236 million. As you mentioned, Mr. DeBourke, when the bids came in for package 0502, the prices came in above the DG3 estimate. Is that correct?

**MR. DEBOURKE:** Yes.

**MS. DING:** Okay.

And you were saying that because the bids came in higher, you were making efforts to find cost savings and that was the discussions you were having with Alstom.

**MR. DEBOURKE:** Yes, that's correct.

**MS. DING:** Thank you.

So, the structure of carving off the civil works, having Alstom manage the contractor but that the paper, ultimately, stayed with Nalcor. Are you aware of any other contract at Muskrat Fall, besides this 0504 package, that was managed this way?

**MR. DEBOURKE:** Being on Nalcor paper, you mean?

**MS. DING:** Yes.

**MR. DEBOURKE:** No.

**MS. DING:** And, at the time, what kinds of risks were you seeing with this type of arrangement?

**MR. DEBOURKE:** Again, per the agreement and the responsibilities that lie with GE and their overall responsibilities of execution of the work and our responsibilities with respect to paying the contractor, the risks really are no different if there were – if it was just an EPC because if there were, for instance, sub-surface conditions that were out with the specification or the geotechnical information that were shared, the company would have – would be kind of, you know, would be liable to participate in that. If we had imposed any changes to the contractor, then we would be liable for that.

So, in terms of risk I don't see this as being any other risk compared to a normal EPC approach, if it was all in one. So, if there were changes introduced by a company, we would pay regardless of the contracting model.

**MS. DING:** Madam Clerk, please go to Exhibit 02990, please? And, Mr. DeBourke, that's binder 1, tab 7 for you. And we'll go to page 15.

So this is a presentation, I believe – sorry, if we scroll back to page 1, please.

So it's a presentation for the construction of the AC substations, and it's a presentation about the bid evaluation and award recommendation, July 4, 2014.

And if we go back to slide 15, please.

So, this slide discusses the time it would take to finalize the civil engineering and award a contract to a civil works contractor. It says, on this slide: "To avoid schedule bust, civil works has to be completed during 2015 construction season."

"Alstom has told us it will take 6 months to finalize the civil engineering."

And then it goes on to say: "This only allows 3 months to issue RFP, evaluate, award, and mobilize the civil works contractor. This may set up LCP for potential claims if RFP process is delayed (or extra costs for winter work to meet schedule).

"Carving out of civil works scope. If contract is not clear on delineation, it may lead to further claims."

So it appears that Nalcor has identified this risk, that there may be additional time needed to find and mobilize another party, another contractor, and an RFP could take a few months.

Was that a concern for you?

**MR. DEBOURKE:** Yes.

**MS. DING:** And was that a risk that you did any work to mitigate?

**MR. DEBOURKE:** Absolutely.

**MS. DING:** Okay. And what were you doing in that – I guess, what were the discussions around that concern?

**MR. DEBOURKE:** It was just working, you know, jointly with the GE Alstom, at that time, to meet schedule and basically improve on process to make sure that we achieved the required deadlines. We had to issue an LNTP, so

a Limited Notice to Proceed, so the contractors could basically prepare, mobilize to the sites in time. So the last information that I've been able to read through in the information package showed, between June and July, that they mobilized the site, so.

**MS. DING:** But you acknowledged that there would've been an added risk for a possible delay because you had to now award another RFP, is that – or another contract. Is that correct?

**MR. DEBOURKE:** Can you repeat that? Sorry.

**MS. DING:** Sorry. There is a risk, a delay risk, because now instead of just awarding it to Alstom and Alstom having a subcontractor, you now have to award another –

**MR. DEBOURKE:** Yes.

**MS. DING:** – contract.

**MR. DEBOURKE:** Yes.

**MS. DING:** Okay.

**MR. DEBOURKE:** And, again, then the – you know, the engineering input from Alstom was necessary as well, and to have that completed to – you know, for the civil work contractor to mobilize the site and to be prepared to execute the work. So that was being worked in parallel with all that.

**MS. DING:** Okay, thank you.

Madam Clerk, please go to Exhibit 03215. And, Mr. DeBourke, that's binder 3, tab 61. And we'll go to page 7.

So this is, again, exhibit 17, which sets out the civil works – carving off the civil works and how that will work. In this document, there – it talks about a joint review of change requests. And we've heard from GE that the separate civil works contract caused some issues in that there was essentially two entities trying to manage one contractor, and that there was a duplicate layer of getting approvals for change orders and requests and any – working out any site issues. And they had – they testified that this would have caused, to their estimate, weeks of delays and confusion.

Do you have any response this issue?

**MR. DEBOURKE:** I would say that if the change orders were submitted in a timely manner and fully – you know, all of the necessary data to support that, then they would have been turned around promptly, by company. In most cases, the information – the change orders that came in were not substantiated enough for us to perform our analysis to approve or decline, and they would've been sent back for clarification. So if there were any delays, they could have been associated with that.

I also know, for instance, that civil work contractor change orders were – there was quite a backlog of those within the civil work contractor's files and they were not getting the attention necessary to proceed or to advance the job. So – yeah.

**MS. DING:** So it's your evidence that the holdup was on the Alstom end –

**MR. DEBOURKE:** (Inaudible.)

**MS. DING:** – and not the Nalcor end?

**MR. DEBOURKE:** The process – there's a process that outlines the change order process within – so between, you know, the civil work contractor GE and Nalcor, that's in the contract, and the time periods that are to be permitted for review and acceptance of those change orders.

So, again, this is – was – is fully documented in terms of what's to be expected there. I feel it was just not managed appropriately by GE.

**MS. DING:** Okay. Would you acknowledge that there is an added process or an added layer of approvals that needs to happen for any change orders to go through?

**MR. DEBOURKE:** I would agree with that, but I would also say that there are other contractual levers that exist that allow the – that allow Alstom, for instance, to issue field work orders to the civil work contractor to keep the work advancing. So those levers exist within the contract structure. Okay?

**MS. DING:** So, it seems to me that there is a possibility of negotiating with – before you

awarded the contract, there would have been a possibility to negotiate with Alstom to lower their price on the civil works portion without having to remove the scope entirely and put it under the Nalcor umbrella. And, was that option ever explored?

**MR. DEBOURKE:** Yes.

**MS. DING:** Okay, and why didn't you go with that option?

**MR. DEBOURKE:** Because there was still – we weren't getting to where we needed to get. And we also had a transparency – and they shared with us, they were very transparent in terms of the markup that they had on that civil work. So they had it at 24 or 25 per cent, and, again, we felt that was excessive.

So, again, working with them, understanding the risks associated with that, we educated them on the collective agreements that were in place, both with the IBEW and the trades, Building Trades at Muskrat. We brought those people in, actually, from the labour unions to educate them on all of that, to, again, give the reassurance on those collective agreements. We brought them to, with individual sites, again, to understand logistics associated with getting to those sites, laydown areas, et cetera.

So, again, to – you know, take the clout of risk that they had associated with this work, and, again, identifying some local contractors that were performing extremely well for us and making sure that those people were on the bid list, going forward, to help them succeed, 'cause we knew that – that's – that was a key element to their success was to have a solid, you know, civil work contractor performing the work.

**MS. DING:** Okay. Thank you.

I'd like to turn to issues with Pomerleau. So my understanding is that Pomerleau was the civil works contractor for Muskrat Falls and Churchill Falls substations and switchyards, and H. J. O'Connell was the contractor for Soldiers Pond. Is that correct?

**MR. DEBOURKE:** That's correct.

**MS. DING:** And were you involved at a high level in the bid evaluation?

**MR. DEBOURKE:** I had oversight on the bid evaluation. And there's a bid evaluation plan that was developed jointly by GE and Nalcor, and in that it identifies the individuals from each group that participated in that evaluation.

**MS. DING:** We've heard from Jason Kean's testimony earlier this week that before the award of package 0504 to H. J. O'Connell for Soldiers Pond, Mr. Kean had met with Len Knox from H. J. O'Connell. And Mr. Kean had asked Mr. Knox about the outstanding claims that H. J. O'Connell had in relation to this CH0006 package and he had asked Mr. Knox if there would be any similar issues if the 0504 package was awarded to H. J. O'Connell. Do you have any knowledge of whether this conversation took place?

**MR. DEBOURKE:** I have no knowledge.

**MS. DING:** And do you recall anything about whether H. J. O'Connell's outstanding claims was a factor in the bid evaluation process?

**MR. DEBOURKE:** Absolutely not. And I can say that H. J. O'Connell was one of the better performing contractors, at least in my area, that we've had on the project. They did work for us at Dowden's Point; they did work for us in clearing – doing the clearing work for Soldiers Pond and exceptional, so I just wanted to say that. So, yeah, the – what happened in Component 1 had no bearing on our evaluation or selection of those contractors.

**MS. DING:** Are you aware that H. J. O'Connell had an outstanding claim on Component 1?

**MR. DEBOURKE:** I was aware. Yes.

**MS. DING:** So we've seen from some of the documents that there are a number of issues with Pomerleau's performance and that we know there was some ongoing arbitration – there is some ongoing arbitration dealing with Pomerleau. From your perspective, what issues were you seeing with Pomerleau?

**MR. DEBOURKE:** The – initially, it was their delay in mobilizing to site. That was the first

thing. It was their plans as well, so safety management plans or construction management plans; the resources assigned, so the – you know, from a construction management standpoint, they were deficient and lacking, also from a quality control side. So that were the big things that stood out in their performance.

**MS. DING:** Okay.

And when you say construction management, that would – you're saying that Alstom's management of Pomerleau was deficient –

**MR. DEBOURKE:** I thought –

**MS. DING:** – or an issue?

**MR. DEBOURKE:** – you were talking about Pomerleau.

**MS. DING:** Yeah.

**MR. DEBOURKE:** So, Pomerleau's construction management –

**MS. DING:** Of their –

**MR. DEBOURKE:** – of their labour force, for instance, I would say was lacking.

**MS. DING:** Okay.

**MR. DEBOURKE:** Okay?

**MS. DING:** We've heard from GE Grid that this issue was mostly a craft labour issue and that there were inexperienced people on site. Do you have any comments on that?

**MR. DEBOURKE:** I don't agree with the comment. I think the root cause has to be attributed to the management of that scope of work. The craft labour, when given the tools and given the direction, have performed the work in accordance with the contract.

You're going to – we'll get into some discussions about some quality issue, I know, but we need to understand who's responsible and, you know, the processes that need to be in place, so ...

**MS. DING:** Okay, thank you.

In your interview, you mentioned that Pomerleau was extremely commercially focused. Is that still accurate?

**MR. DEBOURKE:** Yes.

**MS. DING:** Okay.

Can you elaborate on that?

**MR. DEBOURKE:** I just – in all aspects, it was extremely – they were claim focused from day one and always looking for an excuse to, you know, point fingers or claim delay and/or cost impacts on the project. So instead of focusing on solutions and overcoming those challenges, their focus was delay claim. That was it.

**MS. DING:** And how did Pomerleau compare to H. J. O’Connell?

**MR. DEBOURKE:** I think the big thing was on that aspect, on the claim focus – H. J. O’Connell’s focus – was to get in and get the job done, and that’s how these contractors make their money. That was their goal and I just know from my previous work experience with them that that’s how they perform.

It’s unfortunate that, again, when change orders arose, either due to late engineering by GE and they weren’t dealt with, then obviously, you know, towards the end of that contract, things got, I guess, a little tense just due to the number of change orders outstanding and the monies owed in accordance with the changes that occur in that contract.

**MS. DING:** Thank you.

I want to turn to package 0501 and we’ll take a look at the bid evaluation. Madam Clerk, that’s at P-03145, and that is binder 1, tab 4.

So in this bid evaluation there were three bidders, is that correct?

**MR. DEBOURKE:** Yes, that’s correct.

**MS. DING:** So, ABB, Alstom and Siemens.

**MR. DEBOURKE:** Correct.

**MS. DING:** Okay.

Were there any major differences between the bidders and their approach to customizing the software?

**MR. DEBOURKE:** That really didn’t come up.

**MS. DING:** Okay.

Well, something we’ve heard is that Alstom sort of had a more bespoke software that they sort of designed from scratch, whereas ABB and Siemens had a software that was more off the shelf, that they would do a little bit of customization too, but that there was a bigger foundational software to work from.

Is that true to your knowledge?

**MR. DEBOURKE:** I’m not aware of that. I am aware that each of these contractors have their own foundation to start from. They wouldn’t start from ground zero. Each of these have a different level of customization based on the client needs. So I can’t say whether one is better or worse than the other to be honest.

**MS. DING:** Okay, they seem to be all – a fairly high level of customization. Is that what you’re saying?

**MR. DEBOURKE:** They all require a level of customization. Yes.

**MS. DING:** Thank you.

In choosing Alstom, you had mentioned in your interview that you had gone to visit the sites of the various bidders before you awarded the contract to Alstom. Can you tell us about that and the purpose of those visits?

**MR. DEBOURKE:** So, yes, that’s correct. We visited the SouthWest Link project in Sweden prior to award and met with the client. And really was to understand some of the risks associated with the work so that when we awarded, we were prepared, or the contracts, for instance, that we were establishing were going to mitigate those risks, okay? So that was it.

Also, it was from a quality standpoint, understanding the quality of the kit that was being installed. All of those – all of those aspects we were, you know, from an evaluation

standpoint, so in our full consideration, again, prior to award. So there was a lot of value added from those visits and, from that, we took a lot of observations away and things that we had to – you know, that we implemented in our contracts and also in our execution plans.

**MS. DING:** Okay, so you said you visited SouthWest Link in Sweden. Is there another project that you visited?

**MR. DEBOURKE:** I visited a Siemens project in New Jersey. They were doing a converter station down there and it was a Siemens job that was run – they were a full – basically, a turnkey EPC, so we visited that. That was very early stages of construction, so they were just, like, doing (inaudible) foundation work when we arrived there. But it's really just understanding the model around the EPC and how that functioned and if it was successful. So getting some feedback there.

**MS. DING:** Okay, and in your interview you also indicated you went to the DolWin Project in Germany. Is that correct?

**MR. DEBOURKE:** That's correct.

So we didn't actually get to get on site there, but we just met with the clients.

**MS. DING:** Okay, so I understand that you spoke to those clients to get sort of the lessons learned on their projects. What were some of the observations you were making and some of the lessons you heard about?

**MR. DEBOURKE:** So the first thing were on the early deliverables for the project, so having sound project execution plans, safety management plans right out of the gate. These companies were, you know, struggling to get that information in a timely manner, so what we did, you know, on our side is that we put those in our contract and we had payment items associated with those so that they were focused efforts right out of the gate for Alstom GE to develop for us.

We looked at their construction management. We looked at the client's construction management in terms of how they dealt with that, and there were some gaps there in terms of

overall site presence, you know, and because of that, that was leading to some – either delay or, I would say, quality-type issues.

I'm gonna say there were – to incentivize, they didn't have anything in their contracts from an incentive standpoint, so there was – you know, we added our LDs and our performance requirements, so they were all added to the contract as well. So, some of these, this is just really at a high level in terms of some of the larger things that we took from that visit and incorporated.

**MS. DING:** Okay.

And despite your efforts to mitigate, were there any issues similar to – on these projects – that you saw that ended up – that you ended up experiencing on 0501 and 0502?

**MR. DEBOURKE:** I guess, you know, The SouthWest Link project is delayed because of their P&C issues. They use a different technology than we are using on the Lower Churchill Project, but – so those sorts of things that – it's just, you know, I've been away from this project for 2½ years now, but I understand that we're still having – or the project is still having challenges on the P&C side with GE, so those things, obviously, are similar, albeit the technology between the two are different.

**MS. DING:** Okay, but you wouldn't have necessarily seen those P&C issues at the time when you were visiting the sites. Is that correct?

**MR. DEBOURKE:** No, no.

**THE COMMISSIONER:** P&C?

**MS. DING:** Sorry, protection and controls. That's the software, Mr. Commissioner.

From Mr. von Lazar's evidence, we're told that the project in Sweden, as you mentioned, and also in Germany used VSC technology and Muskrat Falls was using LCC technology and that these projects weren't comparable. Were you aware of that at the time you were visiting the sites?

**MR. DEBOURKE:** Yes.

**MS. DING:** Okay.

And at a very high level, could you tell us the difference between VSC and LCC?

**MR. DEBOURKE:** So the LCC, which – you know, what we’re using on the Lower Churchill Project is line-commutated communication. It’s a current-sourced converter, and, you know, it – from an overall reliability standpoint, it is superior to the VSC, which is new technology, less proven. The LCC is more cost effective; however, it does take up a larger, I guess, real estate in terms of its size because of the equipment.

The VSC, which is a voltage-sourced converter, it is much more compact. You know, it’s a new design for GE, in a sense. And from our standpoint, we were looking for, obviously, the most reliable and proven design in our review. Before I arrived on the project, those decisions were made with – in conjunction with our system planning folks. SNC-Lavalin were involved; we’ve had third party experts as well who contributed to that decision to proceed with the LCC. Yeah.

So – and the LCC it – although it’s a more compact facility, it is more expensive as well so – and less reliable than the LCC.

**MS. DING:** Okay.

And did you visit any Alstom sites using the LCC technology?

**MR. DEBOURKE:** No, I did not.

**MS. DING:** And why didn’t you do that?

**MR. DEBOURKE:** Really, there is – you know, from a facilities standpoint, most of the equipment is all the same; the valve halls are all the same. You know, the transformers, the layouts, there’s not a big difference physically when you go and, you know, go through the sites. The big thing are in the valve modules and the – you know, on the thyristors and those – and the transistors. Those were – really, the difference are between the LCC and the VSC. So in actual – so from a physical standpoint, visiting one versus the other is not a big difference.

**MS. DING:** Okay.

So we know that there have been some challenges with the P&C software for SouthWest Link. Did that come up in your visit in Sweden? Or did those issues arise after you visited?

**MR. DEBOURKE:** Yeah. So, we became aware of those after – you know, I don’t know exactly when, but throughout the course of our project. We maintained communication with the client and – you know, we actually visited there post-award, and they were further along on their construction; they had completed all their outfitting of their buildings. So, we did visit and kept communication lines open, and we understood they were having challenges again with their P&C development and implementation and commissioning of those systems. So, yes.

**MS. DING:** Okay. But, that would have been after you had already awarded the –

**MR. DEBOURKE:** Correct.

**MS. DING:** – contract?

**MR. DEBOURKE:** Yes.

**MS. DING:** Okay.

So, prior to awarding the contract, did you visit any Alstom sites that were at the software commissioning stage?

**MR. DEBOURKE:** No.

**MS. DING:** Did you visit any sites that were completed?

**MR. DEBOURKE:** I’m trying to recall. Not that I recall.

**MS. DING:** In your interview, you mentioned you had stayed in contact. So, what were the kinds of things you were hearing about in terms of challenges with commissioning?

**MR. DEBOURKE:** It was really around the whole software development for the P&C, and that’s really it. And that’s where it lies today, as far as I understand, with SouthWest Link.

**MS. DING:** Okay. Were there any specific –

**MR. DEBOURKE:** We're still having challenges.

**MS. DING:** – concerns that they were having with GE that you felt you could mitigate?

**MR. DEBOURKE:** Not that I recall, only that we knew that we had to get out in front of this. When we challenged GE on it, it was always the response that it's a different technology, it's a newer technology, we're not gonna have those same issues with the LCC. That was their response. And, it wasn't until – you know, as the job progressed and we got into, you know, the FATs, for instance – the factory acceptance testing – associated with that work that we became – you know, I guess concerned in terms of their ability to deliver. So, those risk – that risk profile, obviously, increased, and we increased our surveillance and pressure on GE to bring that forward.

**MS. DING:** Did you stay in contact with the client for DolWin?

**MR. DEBOURKE:** We had some correspondence, but it wasn't as frequent as it was with SouthWest Link.

**MS. DING:** And before you left Nalcor, what issues were you experiencing with the FAT testing of the software?

**MR. DEBOURKE:** The big thing was just the continued delay without the transparency of why it was getting delayed. So, that was obviously raising concerns, but – you know, and we had to put people on the ground over there to really get our – you know, make sure our – that they were doing what they say they were doing, and to really understand what issues they were dealing with.

But for me, at my level, you know, my oversight, it was just transparency on the issues and why the things were continuing to push to the right. That was it.

**MS. DING:** Okay.

I'd like to talk about the availability of the camp facilities for Alstom and Pomerleau. We've seen

from some documents and heard testimony that in May of 2016 Nalcor sent a notification that there were not enough beds at the camp and that Alstom and Pomerleau had to find alternative arrangements and send workers home. The cost of the alternate accommodations, according to GE, was significant, in the millions of dollars, and I'm going to bring up some letters here just for your reference.

Madam Clerk, P-03012, please. And, Mr. DeBourke, that's binder 1, tab 29. And we'll go – so this is a letter from Mr. Martin to you on May 18, 2016, and it – there's also a letter from Pomerleau attached on page 3. And in this letter Pomerleau says: "Despite the fact that we raised our concerns consistently since the notice was received, no contingency action plan, nor instruction was provided in order to address the situation."

And I believe you provided us with a letter in response to that, and I'll take you to that for your reference.

Madam Clerk, it's page – P-03521, please. And that's binder 4, tab 97. And this is a letter from you to Mr. Stephen Hall. Can you provide a context to the issue and a response?

**MR. DEBOURKE:** Yes, so during this period, the Muskrat Falls accommodation complex was at capacity. And this letter was to inform them of the alternatives that were available for accommodation, so either on site or off site. But also in terms of the forecasting of manpower requirements, for instance, that they failed to provide in accordance with the, you know, process that was outlaid to them.

So, this is notification of that. And, as far as I understand and what I recall, that – and contrary to what was said by GE that none of the craft labour, for instance, were rejected or not permitted on site because of this. Management teams from Pomerleau and GE were the ones who were really off-site. For instance they had to get accommodation off-site for instance; that's how that proceeded.

**MS. DING:** Okay.



So they had testified that there were buses that came up and all of those people would have gotten accommodations?

**MR. DEBOURKE:** That's not what I recall.

So again, it was the management teams, and this was the same for all of the contractors that were on site at that time. So, like ANDRITZ and others, in addition to Pomerleau and GE, received the same notification in terms of their PMT, their project management personnel. The craft labour were to be housed on site and there were options there between the main camp. There was, I'd say, an overflow camp that was available to support this peak in manpower.

**MS. DING:** Okay.

And GE Grid has testified that they provided Nalcor with monthly forecasts that would have notified Nalcor of how many people were coming. Is that accurate, in your view?

**MR. DEBOURKE:** It's not accurate. They – if you've seen a letter here, they provided information. It was either late or it was – what it ended up being at the time, was a lot less – or sorry, a lot different than what they had originally anticipated from a – I guess they didn't align. So if recent forecasts were given, they didn't align with the previous forecast for that period of time. So ...

**MS. DING:** Can you recall what the costs incurred would have been for the capacity issues in 2016?

**MR. DEBOURKE:** I can't recall what the cost impacts were.

**MS. DING:** Were they significant?

**MR. DEBOURKE:** Not that I recall.

**MS. DING:** Okay.

Madam Clerk, please go to Exhibit 03016, please. And, Mr. DeBourke, that is binder 1, tab 33

And this is a letter dated October 20, 2016 and it's to do with the protests in 2016. And it's

from you to Scott Bianchi regarding the recurrent protests at the worksite. In the letter, Mr. Bianchi writes – “For matter of clarity, Contractor disagrees that blocked access to the Site is a Force Majeure event. Indeed, as previously highlighted by Contractor, the local population's resentment against Company has been increasing for some time, has not been appropriately managed by Company and is adversely impacting Contractor's execution of the Work as per the Agreement.”

And now we've heard evidence that Nalcor knew about the growing resentment from the local population through news and social media and, because Nalcor knew, appropriate steps should have been taken to manage it. Do you have a response to that?

**MR. DEBOURKE:** So, I provided a letter in response to this, so I don't know if you can bring that up.

**MS. DING:** Yes, we can bring that up. Exhibit 03530, please. And that's binder 4, tab 106 for you.

This is a letter from Nalcor to Scott Bianchi on October 26. Can you explain your response?

**MR. DEBOURKE:** The response is to explain the force majeure, how it's, I guess, defined within the contract and the force majeure event and the blockade. You know, the blockade is what is defined as a force majeure event and, from that, it explains what the company's obligations are. And we, basically, provide, you know, I guess, schedule relief associated with those type of events. They just need to provide us with a schedule impact analysis that demonstrates how the force majeure has impacted their schedule.

So, that's really it, yeah.

**MS. DING:** And it was Nalcor's position that it was, in fact, a force majeure event.

**MR. DEBOURKE:** Yes.

**MS. DING:** Okay.

One of the things that the Inquiry has heard from GE is that there weren't regular monthly steering committee meetings until after the change in Nalcor management. GE felt that the – regular steering committees was needed to improve the relationship between Nalcor and GE.

Do you have any response to that?

**MR. DEBOURKE:** So it's not – that's not accurate.

When the contracts were awarded I initiated the – basically put together a steering meeting agenda and they commenced not long after contract award. And throughout the – you know, my duration on the project there's been several of these. Obviously, I think, Laszlo attended one, because he was just brought into the project. Thierry Martin may – he may have attended three or four. But there were several that occurred at higher levels than that that neither of those gentlemen would've attended. So the exact number, but – I can't say, but they were frequent and required, you know, as needed. So –

**MS. DING:** Did they occur every month?

**MR. DEBOURKE:** No, they wouldn't occur every month.

So the – it was initially onset for every quarter, at least once a quarter, and again, it's on an as-needed basis. So if we needed to meet monthly we would meet, or if we could delay because things were – everything was understood, then we could delay, or based on personnel availability, those sorts of things. But the basis was at minimum quarterly – is what we would do to meet and really, you know, put together the, you know, the agenda in terms of what the objectives were for the steering committee to ensure that the – both parties were ensuring the success of the project, so.

**MS. DING:** Were there more frequent meetings after there was a change in Nalcor management?

**MR. DEBOURKE:** I believe the meeting – the last meeting we had was on – it was in November. That included myself, Trina Troke, and John MacIsaac from Nalcor, and Thierry

Martin – no, sorry – Scott Bianchi, Laszlo and Patrick Plas, I believe, from GE.

**THE COMMISSIONER:** So the question is: Did the visits – did those meetings increase in number after the change in Nalcor management, to your knowledge?

**MR. DEBOURKE:** I don't know what happened after I left, so I can't comment on that.

**MS. DING:** You would've been on the team after – the Nalcor management for several months. Is that correct?

**MR. DEBOURKE:** Yes, so they – we would've followed our regular course of meetings at that time.

**MS. DING:** Okay.

**MR. DEBOURKE:** But I don't know, again, after – when I departed in November I don't know – you know, that change in management, I don't know what happened beyond that.

**MS. DING:** Okay.

But from the time that, say, John MacIsaac became VP, was there any change after that in terms of frequency?

**MR. DEBOURKE:** No.

**MS. DING:** So we've seen from the documents there are a number of presentations for the joint steering committee meetings that – where you would've discussed issues that you were having with GE Grid's performance. We've entered some of these performances in as exhibits. But my question is: What was the response you were getting from these meetings?

**MR. DEBOURKE:** I guess the response was they acknowledged the fact they were not performing in accordance with the agreement, so we outlined, I guess, the gaps that we were seeing. They were acknowledged and actions to be taken to have those remedied. That was – yes, that was the purpose.

**MS. DING:** So they acknowledged the issues and they took steps to mitigate it – or fix the issues?

**MR. DEBOURKE:** So I think in a lot of cases there were some action taken. The issue we had was: Is that being sustained throughout the course of the project? So that's really where things lie. And also the urgency around the implementation of those actions where there were delays, et cetera.

**MS. DING:** So something that you had raised in your interview with us was that there was a revolving door of people from the CEO level down – just people coming and going. And you say that GE's team, that they brought, was – I think you said disappointing. Can you elaborate on that?

**MR. DEBOURKE:** Well, I think the – this is – there are several letters that highlight the contract, you know, the performance issues that we were seeing, and holistically across all phases and all areas of the work. There was a large turnover of people, especially on the site teams, you know, site managers – those things. But also, as I mentioned in my interview, on the CEO – or I would say at the senior exec level, there were – the steering committees, there always seemed to be a new face at the table of someone either, you know, either getting promoted or newly added to the organization. So those things were changing.

**MS. DING:** Okay.

And from what we've heard from GE Grid that the turnover on their execution team was largely because Nalcor had requested that GE remove those managers and, in particular, they had named Cyrille Boussuge, Denis Jazé, and I think you also mentioned Martin Racine and then, of course, later Thierry Martin.

Do you have a response to that?

**MR. DEBOURKE:** My response is that, you know, these would've been carefully evaluated. I understand the importance of continuity and having people, you know, deliver the work. However, if people are not performing their duties and not performing what they've been hired to do, then we need to look at alternatives, right. So that's really what we did.

And these were done in collaboration with GE. So we would talk through the performance

issues and come up with a game plan so that we weren't – so, you know, that we could be successful moving forward. So that if we were going to put someone new into that position, then obviously that right person would set those people up for success. So these things happened. And these were joint discussions and best-for-project decisions made.

I will, you know, just kind of leverage on the GE Grid interview that happened with Laszlo, who indicated that once Scott Bianchi came into the picture and Thierry Martin stepped aside that things improved quite a bit on site, or actually overall. So I support the decisions made around those people either being, you know, removed or reallocated to other areas of the project, or not.

**MS. DING:** Okay. And when you say joint discussions, you're saying that GE – you're saying to GE that there are performance issues and that you want replacements, and GE just said yes?

**MR. DEBOURKE:** So again they – I had, you know – Stephen Hall, for instance, who came in and helped through the transition with Thierry Martin, completely agreed that that role was not being performed and wasn't going to be enough to get us across the line. So that was – we had full alignment on that and they came back with their execution plan of how they were going to satisfy that gap, which included reaching out to Bechtel to bring in people who had the necessary skill sets to deliver that work. And that's where Scott Bianchi came into the picture initially. And again, as I said, things improved, you know, for a period of time.

**MS. DING:** And who is Stephen Hall?

**MR. DEBOURKE:** He was – he came into the picture – he's a GE person. What his position was or title, I can't recall. But he was either a project sponsor – he was a senior level person. Would've been at a steering committee, for instance, steering committee meeting. He was a senior person within GE.

**MS. DING:** Okay, thank you.

Madam Clerk, please go to Exhibit 03533, please. And, Mr. DeBourke, that's binder 4, tab 109 for you.

So this is an email from you to Mr. Stephen Hall, and you're talking about some of the issues you're experiencing with GE. And in your letter you say, among other things: "The situation at MF is the worst I've seen in my career and there are no signs of improvement."

These are some fairly strong words. Can you provide some context here as to the situation you're describing?

**MR. DEBOURKE:** Yeah, the situation, I guess, is this is just a culmination of all aspects of the work just not progressing as planned. So that whole sense of urgency, that planning of the work, having all the resources on site, having the engineering done to feed the contractor, they were deficient and it was causing us concern, great concern in terms of us meeting our milestones.

There are several letters – I'm going to say there's several letters on contractor performance – that I've provided a number of those, I guess, as exhibits as well – that elaborate on each of these aspects that I've just talked about. Everything from, you know, schedule, planning, change management, you know, the construction management, the quality: all of these things have been highlighted in those letters and presented to the steering committee at the highest level to get action.

**MS. DING:** You go on to say that in the second-last paragraph here: "Finally, my comments regarding Thierry Martin remain as stated yesterday. Therefore I would like to understand what other suitable candidates are available within GE or other?"

You spoke a little bit about this, but why did you want to have Mr. Martin replaced?

**MR. DEBOURKE:** As I just indicated, the – he was not performing in the manner that that role was necessary. So things were slipping, the sense of urgency wasn't there. You know, I'm repeating myself but I'm – you know, he wasn't doing his job. That's what it came down to.

**MS. DING:** Okay.

I want to get your response on the issue of the relationship between you and Mr. Thierry

Martin, who was the project director for GE for a time. And it was indicated that there was some disrespectful and threatening communications with Mr. Martin. Can you speak to that?

**MR. DEBOURKE:** I don't recall ever having such a conversation with Thierry Martin.

**MS. DING:** Okay. You can't think of any examples in which you would've had conflictual correspondence?

**MR. DEBOURKE:** Not really, no.

**MS. DING:** Okay.

Would you say that the relationship was maybe not as productive as it could've been, if it had been better?

**MR. DEBOURKE:** I think we – you know, we've had some tense moments throughout the course of the project, and that's understandable considering the situation, but we've always maintained that professional and the best interests of the project was at the forefront. And that's – so, again, nothing personal against Thierry Martin, this is about getting this job done and that's it.

**MS. DING:** Did your relationship have any impact on the execution of packages 0501, 0502 and 0504?

**MR. DEBOURKE:** Absolutely not.

**MS. DING:** So when Stan Marshall became CEO in 2016 we understand that he split the project into transmission and generation. Is that correct?

**MR. DEBOURKE:** Yes.

**MS. DING:** Okay and what changes did that mean for you?

**MR. DEBOURKE:** It meant a change in reporting lines. So, initially, I was reporting – so I was reporting essentially to Ron Power and Paul Harrington and when the split came, the bifurcation came, I was reporting to John MacIsaac.

**MS. DING:** Okay and then later Greg Fleming?

**MR. DEBOURKE:** And sometime later Greg Fleming was brought into the mix, yes, as the director for transmission, I believe.

**MS. DING:** And Greg Fleming had previously worked on the SOBI, is that correct?

**MR. DEBOURKE:** Correct.

**MS. DING:** Okay.

From your perspective, did bifurcating the management team present any difficulties or risks to the project as a whole?

**MR. DEBOURKE:** Yes, it did.

**MS. DING:** Can you elaborate?

**MR. DEBOURKE:** So I think prior to the bifurcation, this project management team that was in place under Paul Harrington's direction was probably one of the best project management teams that I have been a part of in my career. So in my 25 years of doing this, it was one of the best, in terms of performance. We had a very high-performing team who would never back down from any challenges that we faced. It was based on trust and based on full support and guidance that came from Paul Harrington.

So what came after that was the complete opposite and we had a – you know, the project was divided and there was just chaos and there was – just the morale was shot. We just didn't get that same leadership that we were accustomed to and it's very unfortunate.

**MS. DING:** Okay.

And what we've heard in your interview is that there was a change in Nalcor's approach to contracts. Is that correct?

**MR. DEBOURKE:** That's what it appears from the information that I've been presented, post-my leaving. So I had a chance to glean through some of that stuff but that's what it appears.

**MS. DING:** Okay and did that change in approach to contractors cause any difficulties for you?

**MR. DEBOURKE:** Yes, I mean, you know, I was the company representative on these contracts and, you know, my authority was undermined. There was meetings, discussions going on, decisions being made without my knowledge, so, yeah, not a good situation.

**MS. DING:** Is that what led you to leave Nalcor in December of 2016?

**MR. DEBOURKE:** I left in November of 2016 and there were a multitude of issues that caused that decision, but –

**MS. DING:** Can you elaborate on those –

**MR. DEBOURKE:** – that being a leading one.

**MS. DING:** Okay, can you elaborate on those issues?

**MR. DEBOURKE:** I think it's just there were – the fact is that there were a number of issues that were raised that didn't get the attention that was necessary from the senior management, from Fleming or MacIsaac. I highlighted the importance to get out in front of the P&C issues and it was a major risk for the project.

I needed to get over to Montpellier where this was being done to gain some transparency into why we were seeing delays. I needed to meet with GE's leadership and, you know – for instance, my travel was denied to do that, for what reason I do not know. And they instead wanted to put a junior engineer or an inspector in there to do the role of a project manager.

So that's one of – an occurrence that led to that.

**MS. DING:** Maybe we'll just go to that exhibit to provide a little context here.

Madam Clerk, please go to P-03509, please. And that's binder 3, tab 85 for you, Mr. DeBourke.

So this is the disagreement you were discussing on how to – I think the issue was that you wanted to go to Montpellier with Ms. Troke to interface with GE about the software issues. Is that correct?

**MR. DEBOURKE:** Yes, that's correct.

**MS. DING:** And you saw that as a key risk exposure?

**MR. DEBOURKE:** Yes.

**MS. DING:** Okay.

And so you requested to go to Montpellier and Stafford to visit the testing facility?

**MR. DEBOURKE:** It was to visit the testing facility but, more importantly, it was to meet with the leadership team from GE to understand how they were – or what they were planning to do to mitigate this risk, to ensure that someone was made accountable for delivery of this work and that all necessary resources were assigned to this work.

So this was critical path, high risk, and I wasn't – you know, I didn't have what I needed to have, the surety that this work was being managed appropriately by GE. And I outlined that to Greg, who, you know, filtered that up to John, and the response I got back was someone else will handle it.

**MS. DING:** Okay. It seems Mr. Fleming is writing back and says that, essentially, he wants only Ms. Troke to go with some other engineers and that you and Ms. Troke shouldn't be away from the office at the same time. Is that what it says here?

**MR. DEBOURKE:** That's what that says there, yeah.

**MS. DING:** And you thought it was not that reason? Or you thought it was something –

**MR. DEBOURKE:** Absolutely not that reason. Trina and I had been out of the office, you know, multiple times. You know, we used to travel to Muskrat Falls on a weekly basis. We've been, you know, over in meeting with SouthWest Link. We would always either have a delegate taking my place for that period of time. I'm always available by phone, by email, constantly in communication with the home office. So, this is, you know, discouraging. So the response from this was just, you know, writing on the wall.

**MS. DING:** Okay.

Did you feel that Mr. Fleming and Mr. MacIsaac weren't supporting your management decisions?

**MR. DEBOURKE:** None whatsoever.

**MS. DING:** Madam Clerk, please go to Exhibit P-03508, please, and, Mr. DeBourke, that's binder 3, tab 84.

So this is an email from November 20, 2016, from Mark Ellis to you. Mark Ellis was the area manager for the AC substation. Is that correct?

**MR. DEBOURKE:** That's correct.

**MS. DING:** Okay. And you provided this email in your interview. Can you give us some context around this?

**MR. DEBOURKE:** Yeah, so this was a meeting that was established, and I guess it was the project team going to Churchill Falls to understand the – from a commissioning standpoint, how the system was going to integrate with the Churchill Falls switchyard. And so throughout that meeting, I guess there's some – if you read through the correspondence there, you'll see some of the – I guess, the points that were raised by John MacIsaac and – anyway, this is – I can go through some of these if you want –

**MS. DING:** Yes, if you can read those points for the record, please.

**MR. DEBOURKE:** Okay.

So, you know, the first one is that John MacIsaac gave a speech, I believe, that CF(L)Co – "... stating that no-one will be allowed to take the commissioning/completions process hostage ... if anyone does, they will be removed." Okay. And there was John MacIsaac also – on the fourth bullet there "... also informed the group that we need to be mentally prepared to remove GE from the commissioning, and lead it ourselves." So these sorts of things – when I received this, these were honestly a shock, I'm gonna say. You know, these scopes of work are within GE, yet – you know, anyway, it's – these are the sorts of things that I've been dealing with –

**MS. DING:** So, this would have been the first time you heard of the idea of removing GE from commissioning. Is that correct?

**MR. DEBOURKE:** That's correct.

**MS. DING:** And what was your reaction to that?

**MR. DEBOURKE:** I didn't agree with it, you know. We were having some challenges with GE in terms of mobilizing the – or getting the skill sets and all the people around there, but, ultimately, that responsibility lay with them, and it was up to them to provide the plan and the people to perform that work.

**MS. DING:** Okay. And if you could keep reading, please.

**MR. DEBOURKE:** Yeah, and I guess the other one that is there is John's reference to engaging Rising Edge Technologies.

**MS. DING:** Were you ever consulted on that?

**MR. DEBOURKE:** Never.

**MS. DING:** So you had no part in discussing with Rising Edge or meeting with Rising Edge?

**MR. DEBOURKE:** No. And I never knew of Rising Edge Technologies before this came up.

**MS. DING:** Okay. Thank you.

What we've heard in your interview is that Mr. MacIsaac had asked you to be on site more. You had said five days a week. Can you elaborate on that request and how you felt about it?

**MR. DEBOURKE:** Yeah, you know, I guess the thing is that John and I met the week prior to that. We understood we were having challenges at Muskrat Falls; we were also having challenges on all of the other sites to varying degrees. But the Muskrat Falls site, in particular, I brought in resources, senior resources, to manage that risk from a construction management standpoint and do that oversight, and John fully agreed with that in terms of who that resource was and what – you know, what their roles and responsibilities were.

I was performing regular, you know, surveillance in terms of attending site either on a weekly or biweekly basis to ensure that the program was being maintained, the schedule was being maintained, understanding what the issues were to help basically sort those issues for the team so they could move forward on the job, all right? So, that wasn't enough.

So, the following week, I received a phone call from John basically instructing me to move to Muskrat to sort these issues out and I declined. And it really was – it wasn't so much as an ask as in a threat, and if you don't go, you're fired. That was the phone call that was had.

So, I tried to explain to him what my role was 'cause I really don't think he had any appreciation for my role and the complexity and the number of sites, for instance, that I deal with. I deal with seven construction sites, but I also have a home office. Then we have deal with all the, you know, contract management aspects. We deal with change management aspects, you know, engineering. All that stuff is occurring, and he'd thought that I could go to a remote construction site and manage that piece of work.

So, I really don't feel he had a comprehension on the magnitude or complexity of this – of my role, or the scope of work that we were involved with. So, at a 50,000-foot level, it all looks great.

**MS. DING:** And before Mr. MacIsaac came onboard, how often were going out to site?

**MR. DEBOURKE:** As I said, either on a weekly or a biweekly basis. So, myself and/or Trina would attend the – and we basically had to instruct GE and Pomerleau to meet and have meeting minutes developed and documented, action plans assigned and all those things.

So, we facilitated a lot of those discussions to make sure that people were held accountable for doing what needed to be done.

**MS. DING:** Okay.

And did Mr. MacIsaac provide you with reasons as to why you should be on site more or behind his philosophy that people should be on site more?

**MR. DEBOURKE:** So, I don't know why. You know, another example of this is through the course of a project, there's an optimal time to transition your engineers from the home office to the construction site, right? So, when engineering has reached a level of maturity, and the construction has matured in terms of, you know, its progress, there's an optimal time to do that.

So, you know, we had a plan developed – a transition plan of how that was going to be implemented, but John said, I want everybody at site regardless of what the plan said.

So, what that ended up doing is I was – you know, engineers were going to site, and in particular, Soldiers Pond. Engineering was still, you know, a far cry from being completed, yet these people had to go and do their work from a construction site. And what that did is it just caused a lot of anguish because I had my construction management people asking me: What are they doing here? Why are they here? So, it put me in a very awkward position, and, you know, again, it's undermining of my role. It didn't allow me to function and perform my duties as necessary. So these decisions and they were – there was no maybe or an alternate decision, it was John's decision and that was it, regardless of the consequences. And without, you know, understanding the implications or ramifications that it could have either on the project from a cost perspective or how it could affect the contracts and all those things.

**MS. DING:** I also want to talk about the change in approach to contractors from a commercial perspective. You had said in your interview that you didn't agree with Nalcor throwing money at the problem. Can you elaborate on that?

**MR. DEBOURKE:** Yeah, so again, what I have been able to observe from the information that's been provided in the exhibits is that there's a definite change in approach on the change management and cost control that occurred after I left the project. In terms of the rigour that was established under my watch – and again, these processes and procedures that were established around change management, you know, cost control, you know, Jason Kean developed all these processes and did a magnificent job. And again, from my standpoint and my experience,

this was from a – from that aspect, it was probably one of the best-run jobs that I've ever been a part of.

We had some fantastic people and basically, you know, the rigour that was established in terms of having contractors provide and substantiate change or approving of change and, you know, those aspects were the best I've seen. But what I have seen through the correspondence is that there's things that have been paid for that were already in the contract. There's been a number of those sorts of things that are – you know, raise questions as to why or those things.

So, that's just an observation from me that I've seen through a quick glance of some of the change orders that have traded hands between Nalcor and GE on the amount of information that was necessary to substantiate the change and the costs.

**MS. DING:** Okay, so –

**MR. DEBOURKE:** So there's an obvious gap between when I left and what happened after.

**MS. DING:** So if you had stayed on the project, you wouldn't have necessarily agreed with those change orders that had come after you left?

**MR. DEBOURKE:** No.

**MS. DING:** Okay.

In your interview, you also indicated that you didn't agree with the decision to do monopole. Is that correct?

**MR. DEBOURKE:** That is 100 per cent correct.

**MS. DING:** Okay.

And what were your reasons for that?

**MR. DEBOURKE:** So I had provided an exhibit for you as well that we can –

**MS. DING:** Okay.

**MR. DEBOURKE:** – bring up on the screen, if you like.



**MS. DING:** I don't have that reference. Maybe you could just talk about it at a high level.

**MR. DEBOURKE:** Okay, so this – the first time this was raised was by GE, and we had a steering meeting established in November of '16, and this included myself, John and Trina, along with Laszlo, Scott Bianchi and Patrick Plas.

So prior to this meeting, you know, again, the struggles were continuing with GE, but the comments from GE were, don't worry, we got a fix or we got a solution to all these problems and we're gonna share it with you at the steering committee meeting. So, lo and behold at the steering committee meeting they come forward with a solution that basically says we're only gonna deliver half of the work, right?

So, we have a bipole in our agreement, and yet they feel success is delivering a monopole, you know, later than planned, which doesn't give the province or the project a redundancy that's necessary to reliably transmit power from Churchill Falls to the Avalon Peninsula.

So I was dead against it, and obviously that was something that John and I were completely misaligned on. And, anyway, as I understand it today, these challenges exist. There is no clear solution and path forward to having that resolved. And through my review of the documentation that's been provided, there's been additional monies paid to support the change in software configuration from bipole back to monopole. Again, you know, not would've – that would not have happened under my watch.

**MS. DING:** Okay, what about recall power? Were you aware that there might be benefits in getting the monopole going earlier in order to take advantage of recall power coming from Churchill Falls?

**MR. DEBOURKE:** Absolutely. That has always been our base case, that we were gonna bring power down early from Churchill Falls, and the commissioning of the station, you would bring one pole up and then bring the other pole up, right, to support that. So you would – that's – that was the whole sequence of that program.

**MS. DING:** Okay, but when bipole didn't seem to be possible in an earlier time frame, did you not see the reason for getting monopole up and going?

**MR. DEBOURKE:** Monopole was fine. The problem was that they couldn't commit on the bipole date. And even in the meeting minutes, you know, they just said it'd be a later date. That was the problem. I didn't mind if it was gonna be – 'cause we knew there'd be a lag between the monopole, you know, energization and the – bringing the bipole on, but that was not portrayed, nor did they have any idea when that was gonna occur, so that was the risk.

**MS. DING:** Okay.

Mr. DeBourke, do you have anything further you'd like to add?

**MR. DEBOURKE:** Not at this time.

**MS. DING:** Okay, thank you.

Those are my questions.

**THE COMMISSIONER:** Okay, thank you.

I guess it's quarter after 11 now, so we'll take our break and we'll come back from cross-examinations in 10 minutes.

**CLERK:** All rise.

### Recess

**CLERK:** All rise.

Please be seated.

**THE COMMISSIONER:** All right.

Province of Newfoundland and Labrador?

**MR. RALPH:** I don't have any questions.

**THE COMMISSIONER:** Okay.

Concerned Citizens Coalition?

**MR. BUDDEN:** Good morning, Mr. DeBourke.

**MR. DEBOURKE:** Good morning, Mr. Budden.

**MR. BUDDEN:** My name, as you know, is Geoff Budden. I'm the lawyer for the Concerned Citizens Coalition. And the Coalition consists of a number of individuals who, for many years, have been observers and critics of the project.

So I've got about 15 questions for you today, shouldn't be too long.

Just a couple to start with by way of background, and I understand – it's obvious from your interview and from your evidence that you've had significant megaproject experience. But, if I understand correctly, prior to joining Nalcor, you had no such experience with relation to power generation or transmission. Am I correct on that?

**MR. DEBOURKE:** Yes, you're correct on that.

**MR. BUDDEN:** Sure.

**MR. DEBOURKE:** Just from a technical standpoint. I will elaborate in terms of the management of these projects, now, you know, the LCP –

**MR. BUDDEN:** Yes.

**MR. DEBOURKE:** – project versus the oil and gas projects are done in the same manner. So it's only the technical component. And, again, as when I came on board, my first priority was to get immersed and get up to speed on all of those aspects.

I also want to say that in addition to myself and the team that I had in place – if you look through the organization structure that was developed for my component, we had expertise brought in to cover all areas of the scope of work.

We mobilized folks from Manitoba Hydro who had synchronous condenser experience, for instance, as an area manager. We had HVDC experts from SNC, from TransGrid, who were, you know, on the program supporting the efforts in terms – from a design – design and construction, and commissioning –

**MR. BUDDEN:** Sure.

**MR. DEBOURKE:** – aspect, so.

Construction management as well, site teams – I had very competent people in all of those roles, leading construction management with vast experience, and applicable experience to the work we were doing.

**MR. BUDDEN:** Sure.

**MR. DEBOURKE:** So –

**MR. BUDDEN:** So your expertise was on the management side –

**MR. DEBOURKE:** Correct.

**MR. BUDDEN:** – not on the technical side.

**MR. DEBOURKE:** Correct.

**MR. BUDDEN:** Sure.

**MR. DEBOURKE:** And often in my career, I have, you know, progressing from one job to the next, have been faced with new technology challenges that I've always been able to embrace and overcome as part of the execution or evolution of that job.

So, you know, I'll take one example, and that was when I used to work – when I went and did a job for Hibernia on their OLS, their offshore loading system, which was a subsea project. I had limited exposure to subsea prior to that; however, that job – I surrounded myself with great people, the same way I did with LCP, to deliver that work, and we delivered it on time, on budget, with zero safety incidents.

So that's my mantra. No one person can deliver a scope of work of this magnitude and know every aspect, technically, commercially, et cetera. It takes a team of people, dedicated people, to do this.

**MR. BUDDEN:** Okay. So, I assume it would've been more in your wheelhouse dealing with contractors such as Alstom, as you did in this instance. Am I correct on that?

**MR. DEBOURKE:** Yes.

**MR. BUDDEN:** Okay, so you did have prior experience of that nature.

**MR. DEBOURKE:** Yes.

**MR. BUDDEN:** Okay, can you tell me just a little bit about that? What prior liaising with contractors experience you would've had?

**MR. DEBOURKE:** I think throughout the course of my – through my career, representing the owner in most of these projects, I've always had that interface with the contractor and either – you know, both commercially and/or technically, throughout my career. So that would be through development of contracts, contract negotiation, change orders, claim – you know, claim avoidance, claim negotiation, claims management – all of those aspects, I have done throughout my career.

**MR. BUDDEN:** Sure, and –

**MR. DEBOURKE:** And – yeah.

**MR. BUDDEN:** – I'm sorry. Were you finished?

**MR. DEBOURKE:** No – okay, yes.

**MR. BUDDEN:** Sure. And would the role you have played have been similar and the scale of the contract similar as to what you were doing with Nalcor?

**MR. DEBOURKE:** Yes.

**MR. BUDDEN:** Okay. Who actually hired you? You spoke of applying and so forth. Who, as you understood, was the individual who extended the offer to you? Who hired you?

**MR. DEBOURKE:** I interviewed – Ron Power interviewed me –

**MR. BUDDEN:** Mm-hmm.

**MR. DEBOURKE:** – and the offer came through the agency, for me, after I went through that process, the interview process, and was offered the position.

**MR. BUDDEN:** Sure, okay.

A couple of questions about the bid. The – from your interview, if I understand correctly, the original Alstom bid wasn't technically compliant. Am I under – am I correct on that?

**MR. DEBOURKE:** I wouldn't say they weren't technically compliant. They offer a solution – how they interpret it to specification, and that was what they provided as their base bid.

**MR. BUDDEN:** The gas insulating or –

**MR. DEBOURKE:** No.

**MR. BUDDEN:** – the air –

**MR. DEBOURKE:** No.

**MR. BUDDEN:** – insulating?

**MR. DEBOURKE:** No. The original – their original proposal was – it was still in the AIS solution; however, it didn't fall in line with the requirements as outlined in the specification, precisely.

**MR. BUDDEN:** Sure.

**MR. DEBOURKE:** So it was, I would say, an optimized approach to our specifications; however, it didn't meet the technical requirements of the team, so we had to go back through clarification to bring them in line with what the RFP requested –

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** – on a technical aspect.

**MR. BUDDEN:** Sure.

And, do I understand correctly that by the end of the bidding process – since there were two bidders left standing – that would be Valard and Alstom? Am I correct on that?

**MR. DEBOURKE:** That's for the substation package CD0502, yes.

**MR. BUDDEN:** Yes, okay.

And, is that the package where there's a – I guess the – what I would call the lack of technical compliance but which you described

certainly differently, which – I'll accept your explanation. That's the same bid package, right?

**MR. DEBOURKE:** That's correct, yes.

**MR. BUDDEN:** Okay.

Was there any litigation or threat of litigation from Valard at the fact that a non-compliant bidder had won the bid? Anything that you're aware of?

**MR. DEBOURKE:** Not that I'm aware of, because they – we didn't consider it non-compliant.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** There was some technical deficiencies that we basically clarified through the bid clarification process – that was it. So through that RFP, again, that's how things evolved and – to bring them in line with the request.

**MR. BUDDEN:** Okay.

So – and the key, again, is – I understand the way you guys viewed it. Perhaps they may have – Valard may conceivably have viewed it separately, but, to your knowledge, there's no litigation or threat of litigation?

**MR. DEBOURKE:** No.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** And again, it's not that they were out of compliance. It was – they offered something that they believed we were requesting. So we went back and got clarification on that.

**MR. BUDDEN:** Sure. Okay.

I'm gonna be at a couple of points through the remainder of my questions referring to some quotes from your interview, and that – of course, the interview you did with Commission counsel, Ms. Ding and Ms. O'Brien, which was back on the – back in March, about two months ago today, actually.

So on page 57, there's a quote here, and I'm gonna read it to you and then ask you a particular question to follow up. And your quote is as follows: So the awarding of CD0502-534, being able to negotiate holistically, and we're able to leverage some of our, I guess, contract negotiations and, again, try to get best value for the three of these contracts – and then you go on a bit. But my interest there, I – the phrase you used, negotiate holistically, what do you mean by that?

**MR. DEBOURKE:** So, to put things in perspective, the 0501 contract with Alstom GE was already let.

**MR. BUDDEN:** Mm-hmm.

**MR. DEBOURKE:** That was in place.

**MR. BUDDEN:** Sure.

**MR. DEBOURKE:** They were bidding on the 0534 package, was the synchronized condenser and the 502, the substation, right?

**MR. BUDDEN:** Yeah.

**MR. DEBOURKE:** So we were – those two packages were essentially progressing in parallel, I would say, in terms of, you know, their evaluation and where we were from a – you know, I would say of awarding of those contracts. So, through the negotiation with Alstom we basically looked at those holistically to see, under the Alstom umbrella, what we could gain in value for the project.

**MR. BUDDEN:** Help you out.

**MR. DEBOURKE:** Because that did offer a tremendous amount of risk reduction for us when it came to interface management, number one, right? So that was really the prize there, and also the ability for one owner or one entity, taking responsibility for the integration of the system.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** Okay?

**MR. BUDDEN:** So the term itself – we've heard the term, say, open-book negotiation,

which is a term of art; it means a certain thing. Does the term, negotiate holistically – is this just a sort of your own phrasing or is that a – has a larger meaning? Like, is it a type of negotiation that would be referred to that way?

**MR. DEBOURKE:** No, it's my – it's how I viewed the negotiation because we were collectively looking at the 0501 that we already had awarded, we were looking at the 0534, 0502, and through that discussion and with the senior executives at Alstom, we were able to get a tremendous amount of value by packaging those things together, ultimately.

**MR. BUDDEN:** Sure.

**MR. DEBOURKE:** So we had – we got volume discounts, for instance, on equipment. These things came with a lot of, as I said, synergies. You know, when you dig down deep, in terms of life cycle costs, so from a sparing perspective all these things have to be considered. And when you look at that, there's – sometimes it's hard to quantify what this means and put it on paper and put a dollar amount to it.

**MR. BUDDEN:** Sure.

**MR. DEBOURKE:** But a tremendous amount of value, you know, to get that. And as part of that overall agreement at the end we had a signed agreement that was developed with Alstom that, again, from a holistic approach, that they would take the ownership of the integration of the converters, the switchyards and the synchronized condensers, and be responsible for that full integration into our grid.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** Okay?

**MR. BUDDEN:** Yeah, thanks. You've answered my question.

**MR. DEBOURKE:** Okay.

**MR. BUDDEN:** Thank you.

On page 69 into 70 you've said the following – and, actually, it's a response to a question from Ms. Ding so I'll read her question and I'll read your answer. And she refers to – quote: At tab

25 there's an email and then an attachment to a PowerPoint for February 10, 2016. The presentation is titled: GE Alstom Grid performance issues and it looks like this was a presentation of the issues that was eventually escalated to Ed and Gilbert – meaning, of course, Ed Martin and Gilbert Bennett.

**MR. DEBOURKE:** Correct.

**MR. BUDDEN:** So, at this point in time, you hadn't escalated – and this is the part I'm interested in. You say: No, I had. She said: Issues? And you say: Always. And she said: You had. Okay. And you said: Continuously every week, every month. They're always escalated. Ms. Ding: So, there was more presentations like this? Answer by you: Yeah.

And so I guess what I'm – what I get from that is what you're saying, that with respect to the – quote – GE Alstom Grid performance issues, which, obviously, consumed a lot of your interview and it's an important issue to this Commission, the very senior levels of Nalcor – specifically Mr. Martin and Mr. Bennett – were always in the loop as to those problems.

**MR. DEBOURKE:** Yes.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** And in this particular instance I was taking advantage of Ed being available over – I think it was – he was in – I think it was a meeting with Astaldi –

**MR. BUDDEN:** Yeah.

**MR. DEBOURKE:** – over in Europe and at the same time. So it was a great opportunity for ourselves to meet with the most senior people at GE.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** Which we did.

**MR. BUDDEN:** Right.

**MR. DEBOURKE:** So, from that meeting, again, I talked about there was action taken. The concern that was always shown was that being sustained.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** And their inability to sustain that throughout the course of the project.

**MR. BUDDEN:** So those – the key – my key takeaway is that those gentlemen would never have been unaware of these issues.

**MR. DEBOURKE:** No.

**MR. BUDDEN:** Okay. Thank you.

**MR. DEBOURKE:** Always aware.

**MR. BUDDEN:** Yeah.

**MR. DEBOURKE:** Reported weekly through our – you know, we had weekly meetings, management meetings within the project. Any of these key issues have always been – the transparency was always there in terms of how things were progressing on the project.

**MR. BUDDEN:** Sure.

I'm going to ask you some questions now about your – I guess, the ending of your relationship with Nalcor. And, again, there's some quotes here I'm going to put to you from page 56 – rather, 76 of your interview.

And you say – I'm not going to read the whole thing, just certain key parts. You say: The last six months while on this job was probably the worst six months that I've had in my career dealing with that – the behaviours that came with that – those individuals. And then, later, you say – you refer to: When people basically threaten you to do things or you're fired.

So I guess my question is now: When you say those individuals, could you please name names for me?

**MR. DEBOURKE:** I think I did throughout.

**MR. BUDDEN:** Okay.

Okay, well, let me shorten it a bit. You refer to John MacIsaac.

**MR. DEBOURKE:** Correct.

**MR. BUDDEN:** You refer to Greg –

**MR. DEBOURKE:** Fleming.

**MR. BUDDEN:** Pardon?

**MR. DEBOURKE:** Fleming.

**MR. BUDDEN:** Greg Fleming.

**MR. DEBOURKE:** Correct.

**MR. BUDDEN:** Are there others or are those the two ones you're talking about?

**MR. DEBOURKE:** Those are the two.

**MR. BUDDEN:** Okay.

So, you say those – that quote, those individuals –

**MR. DEBOURKE:** Correct.

**MR. BUDDEN:** – is Mr. John MacIsaac, Mr. Greg Fleming?

**MR. DEBOURKE:** Yes.

**MR. BUDDEN:** Okay.

And you later – and Ms. Ding explored this with you but I'm going to explore it a tiny bit further perhaps. This is the, I guess, the circumstance, where Mr. MacIsaac essentially said to you he wanted you on site.

And I'm going to put your quote to you just to set it up a bit. And you say: We are – we basically we were having some challenges at Muskrat and I've alluded to that. And, MacIsaac, basically, threatened that if I don't, basically, go and spend all my time at Muskrat Falls that he was going to find someone else to do my job. So, basically, go spend five days a week at Muskrat Falls and manage that job or, you're fired. That's really what was said to me.

And then you go on to say – and I'll say this because it may anticipate some of what you're going to say: And without an appreciation for everything else that I do as a project manager, in terms of all the other sites that I own, all of the work, you know, between my own home team

that's in St. John's, plus I have a team in Churchill Falls, team in Muskrat, team in Soldiers Pond. I have procurement people, you know, or people over in Europe and he expects me to be able to manage this from a remote construction site.

So, firstly, you remember saying those things and I presume you stand behind those words here today

**MR. DEBOURKE:** A hundred per cent.

**MR. BUDDEN:** Okay.

The first thing, the remote construction site – would you be expected to live and work out of Muskrat or out of Happy Valley-Goose Bay?

**MR. DEBOURKE:** Those details weren't discussed.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** It was just – you know.

**MR. BUDDEN:** Okay but you assume that you would actually be physically on site?

**MR. DEBOURKE:** Well, that's where the work is, so I assume I would be on site.

**MR. BUDDEN:** Okay but, obviously, many people were commuting from Happy Valley-Goose Bay and –

**MR. DEBOURKE:** Yeah.

**MR. BUDDEN:** – Sheshatshiu and other places, so –

**MR. DEBOURKE:** That's not – That was not the issue.

**MR. BUDDEN:** Okay. You just didn't want to be –

**MR. DEBOURKE:** Why are you – it's not –

**MR. BUDDEN:** – in Goose Bay, on site, somewhere up that way.

**MR. DEBOURKE:** My concern was the scale of the project, the issues that we were facing I'm

going to say globally, because it was globally when we looked at all of the procurement activities that were GE were occurring – that were occurring under their management. To do that, isolated away from my team and being able to interact with them proficiently on a daily basis, it wouldn't have worked.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** All right, so it's –

**MR. BUDDEN:** But, of course, it's a choice, really. You could be, you know, closer to the scene of Muskrat and Churchill Falls for that matter, where clearly, very, very important things are happening, or you could be in St. John's, but you couldn't really be in both places, we know that.

**MR. DEBOURKE:** And I was.

**MR. BUDDEN:** Pardon?

**MR. DEBOURKE:** So I was travelling and attending all the sites. And Muskrat, in particular, was getting a lot of focus and my attendance, during these periods, where we were looking at these critical time frames, I would say.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** So to say I wasn't engaged or I wasn't taking ownership, that would not be true. So – and I spent a fair amount of time on that site with my team trying to make sure that we cleared a path for any obstacles that may exist, and eliminating excuses for GE. So –

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** – all right.

**MR. BUDDEN:** We'll, we're gonna hear from Mr. MacIsaac, and I'm sure he will have his take on this. But I guess, in fairness to yourself, he will tell us why he thought you shouldn't be on site, presumably. Can you – you know, he clearly didn't think, I would suggest to you, that you were paying enough attention to Muskrat or the right kind of attention, being off site. Did – was he specific? Were there specific issues that he was saying: Look, you're not addressing this,

you're not getting back to that person? You're – was he giving you a specific reason why you had to be on site?

**MR. DEBOURKE:** No, there was no specific reason. But, as I said earlier, we had met previously to that and we agreed to a plan in terms of what our surveillance was gonna be on site. I brought in some additional senior folks to give us that capacity and oversight, and that was agreed and then all of a sudden it was not agreed.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** Okay.

**MR. BUDDEN:** 'Cause where we have heard through this Inquiry – other witnesses have said that they perceived it as a problem that Nalcor didn't have senior people on site in the way they felt they should. Have you heard that complaint from anybody else, other than Mr. MacIsaac?

**MR. DEBOURKE:** Not within my program, no.

**MR. BUDDEN:** Okay, so –

**MR. DEBOURKE:** No.

**MR. BUDDEN:** – it was never suggested to you –

**MR. DEBOURKE:** No.

**MR. BUDDEN:** – by anybody –

**MR. DEBOURKE:** No.

**MR. BUDDEN:** – at Alstom or anybody you were dealing with?

**MR. DEBOURKE:** Nobody.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** No.

**MR. BUDDEN:** I believe you yourself – and the quote I have here is you were critical of Alstom for not having people, quote: On the ground that are going to be accountable for what it is you've

been hired to do. Do you remember yourself making that criticism of Alstom?

**MR. DEBOURKE:** Yes, I do.

**MR. BUDDEN:** Okay.

So, I guess, why was it necessary for Alstom to have people on the ground but for you yourself not to be on the ground?

**MR. DEBOURKE:** I was on the ground.

**MR. BUDDEN:** Okay.

So you felt you were on the ground enough, even though you were commuting, so to speak –

**MR. DEBOURKE:** Absolutely.

**MR. BUDDEN:** – from St. John's?

**MR. DEBOURKE:** When I look at all of the scopes of work that I'm responsible for, absolutely. If my only scope of work was at Muskrat Falls, that's a different discussion.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** That's a completely different discussion.

**MR. BUDDEN:** Okay.

What – and I realize I'm asking you to cast your mind back, but this – in this latter period of your time with Nalcor, say the last year, what percentage of your work, insofar as you can do these things, would've been concerned with Muskrat as opposed to these other issues – procurement issues, Soldiers Pond, so forth?

**MR. DEBOURKE:** Percentage-wise, I can't say. It was a high-focus area.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** A very high-focus area, (inaudible).

**MR. BUDDEN:** More than half of your time?

**MR. DEBOURKE:** Close to half, probably.



**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** Yeah.

**MR. BUDDEN:** And you –

**MR. DEBOURKE:** Yeah.

**MR. BUDDEN:** – still didn't feel it was necessary to physically be on site? On –

**MR. DEBOURKE:** Not full time.

**MR. BUDDEN:** – the level he thought you should be?

**MR. DEBOURKE:** Not full time.

**MR. BUDDEN:** Okay.

Was he really suggesting that you move there, or that you – for like – was this, like, for a month, for the rest of your time –?

**MR. DEBOURKE:** So we did not get into specifics on those details. It was just the demand to do that.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** All right.

**MR. BUDDEN:** So you don't know if he was suggesting this be for a month, for the duration of the project, just never got explored.

**MR. DEBOURKE:** No.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** But the point is that I don't think he understood the gravity of this thing overall and the complexities of what I was dealing with, nor – I don't think he appreciated what I did on a day-to-day basis. I don't –

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** – think there was any acknowledgement for that or respect for the work that myself or my team did.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** That's my opinion.

**MR. BUDDEN:** I'm gonna put another quote to you, the last of them really.

Ms. O'Brien asked you – this is the following page: So what were the key issues at Muskrat Falls, then, in that period? And you said, and in referring to Mr. MacIsaac: Whatever he dreamt up. Whatever there was something to create chaos, that's what John did.

You remember saying that?

**MR. DEBOURKE:** Yes.

**MR. BUDDEN:** Okay.

Those are very heavy words. What did you mean by them?

**MR. DEBOURKE:** I meant exactly what I just said.

**MR. BUDDEN:** That he was deliberately creating chaos?

**MR. DEBOURKE:** Yes.

**MR. BUDDEN:** You really think John MacIsaac was deliberately creating chaos for the Muskrat Falls Project?

**MR. DEBOURKE:** I'm saying in my dealings with John there was issues that were being manifested under his watch that, in the grand scheme of things, were not – you know, there were certain things we had to focus in on and we were doing that, but there were other things that really just ended up being a distraction for me that caused no added value for – from either my – for myself or my team to chase or to resolve.

**MR. BUDDEN:** Okay, that's saying something different though.

I mean, right here you say: Whatever there was something to create chaos, that's what John did. So, again, that's a heavy comment, and we're talking here of two very senior members of the project team, the project that's the subject of this Inquiry, and one is essentially saying that the other one is creating chaos. And even a

suggestion, I would suggest, that he's deliberately creating chaos.

And again, what do you have to specifically back up that allegation?

**MR. DEBOURKE:** I think if you – if you just look through – I mean, the course of – you know, the correspondence we were – that we had ongoing with GE, we had everything in hand in terms of, you know, at least identifying where the gaps are and, you know, back to GE to come up with their action plan. And just honestly I can't speak for John, where he was coming from, but the – I can just say that we were in a spin under his management, completely.

**MR. BUDDEN:** Okay.

Did you go through any kind of exit process, exit interview process when you left Nalcor?

**MR. DEBOURKE:** No, I did not.

**MR. BUDDEN:** Okay.

Did you ever share – I mean, you're here in March of 2019 saying these things about Mr. MacIsaac, did you ever share them with anybody senior to you at Nalcor?

**MR. DEBOURKE:** No, I didn't.

**MR. BUDDEN:** Okay.

Were you ever queried by anybody senior to you at Nalcor why you're leaving the project? Questioned rather than queried, yeah.

**MR. DEBOURKE:** I put my notice in – and I think a lot of people understood what I was facing in terms of the challenges. So, you know, Paul Harrington was aware of the challenges I was facing. And Paul asked me to stay on as long as I could, you know, and this would hopefully get better. But it never got any better. It just continued to get worse. So I just reached a point that I couldn't deal with the situation any longer and decided to move on.

**MR. BUDDEN:** So, presumably, if I were to put that quote to Mr. Harrington, saying: Look, this is what Mr. DeBourke was saying in 2019, does

that shock you? He presumably would not be shocked. He would have a sense, even at the time, how you felt.

**MR. DEBOURKE:** He knew how I felt, yes.

**MR. BUDDEN:** Okay.

Okay, the last question is one – is really where you ended your own evidence, where you talked about the monopole. And, if I understood you correctly, and do correct me if I'm wrong, are you saying that because of the decision to go with the monopoles, the power flow from Muskrat Falls down to the Avalon to St. John's is less reliable because of that, in your professional opinion?

**MR. DEBOURKE:** Yes.

**MR. BUDDEN:** Okay, do you believe –

**MR. DEBOURKE:** So –

**MR. BUDDEN:** Sorry?

**MR. DEBOURKE:** No, I was just going to say: So if there's a trip on that line, obviously there's no redundancy. So obviously that's going to have cascading effects on the grid, right, so ...

**MR. BUDDEN:** So, in your professional opinion, will we have a reliable power system?

**MR. DEBOURKE:** I think, ultimately, when it's all implemented and commissioned and all the P&C aspects are resolved to account for what was in this specification to begin with, with the bipole – full bipole operation and the allow of redundancy that comes with that, then you will – you should and will have a reliable system.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** As I said, there was a tremendous amount of work done in the front end of this thing with our System Planning folks – everyone – to make sure that the performance specifications, the reliability requirements and everything was outlined in that contract. I can't tell you what's been negotiated since my departure. If any of that stuff has changed. I can't say that. But all I know is what we

purchased from GE and what our expectations were on the performance of that kit.

**MR. BUDDEN:** Okay. And –

**MR. DEBOURKE:** All right.

**MR. BUDDEN:** – do you believe that performance would've been compromised by the – ultimately compromised by the decision to go with the monopole rather than the bipole?

**MR. DEBOURKE:** So it depends on – again, what you're relying on, this (inaudible). So if this is the way it's going to work going forward, then obviously you – we have a problem because if we have an outage on one of the poles, we have no power.

**MR. BUDDEN:** Okay.

**MR. DEBOURKE:** Right.

So we need to get the bipole in operation. That is key.

**MR. BUDDEN:** Thank you very much.

**THE COMMISSIONER:** Thank you.

Edmund Martin. Not present.

Kathy Dunderdale is not present.

**MR. SMITH:** You keep going (inaudible).

**THE COMMISSIONER:** I'm sorry. I didn't see you there. You must be behind the post, sorry.

**MR. SMITH:** I can go (inaudible).

**THE COMMISSIONER:** Bad memory, my apologies. Sorry, I didn't see you.

**MR. SMITH:** I don't have very many questions.

Harold Smith, and I represent Ed Martin.

**MR. DEBOURKE:** Good morning, Harold.

**MR. SMITH:** In the context of this – the pre-change of senior management, it sounds like that

people were – on the project team were very cost conscious. Is that a fair statement?

**MR. DEBOURKE:** It's an accurate statement, yes.

**MR. SMITH:** An accurate statement.

**MR. DEBOURKE:** Yes.

**MR. SMITH:** And in protecting costs, the team seems to be willing to enforce the contract to the letter.

**MR. DEBOURKE:** Yes.

**MR. SMITH:** The various contracts.

**MR. DEBOURKE:** Yes.

**MR. SMITH:** And my understanding is that you even expressed this philosophy in your interview with Commission counsel that your essential business approach was if it's in the contract, don't ask for it again. Don't ask for more unless you can justify it under the contract.

**MR. DEBOURKE:** Absolutely.

**MR. SMITH:** Is that a fair philosophy?

**MR. DEBOURKE:** Absolutely.

**MR. SMITH:** Okay.

And I got the impression from your transcripts that you felt that the philosophy was somehow being changed or modified after the change of leadership. Is that a fair comment?

**MR. DEBOURKE:** So my remarks are based on the information that I've been able to –

**MR. SMITH:** Gather.

**MR. DEBOURKE:** – gather from the exhibits that have been shared with me prior to this interview. So from my observation of the change orders that have traded hands and the monies associated with those and the amount of backup that is required to substantiate the magnitude of those dollars exchanging hands, for me, are inadequate. That's my view.

**MR. SMITH:** All right. So, when some of my colleagues here at the Inquiry say that, ultimately, the ratepayer pays, the philosophy that you maintained is at least somewhat protective of the ratepayer. Is that correct?

**MR. DEBOURKE:** Always in the interest of the ratepayer.

**MR. SMITH:** Right.

**MR. DEBOURKE:** So, in terms of the mantra for the project delivery – so, it's safety, quality, cost and schedule. That's how we delivered the job.

**MR. SMITH:** Now, I think my friend Mr. Budden referred you to several of the quotes that I was interested in, and I thank you for your answers on those, but there's one that he didn't actually refer to, and this is on page 76. When you have – he says: But when you have – this is you speaking, okay, to Commission counsel – but when you have internal strife, and you have a management and leadership team that no longer supports you, no longer adheres to contracts, basically wants to throw money at things to make things go away, that's not how I'm accustomed to doing my work. In my career, it's not gotten me to where I am today.

Could you elaborate for us on what you – what you're referencing here at this – in terms of what you told Commission counsel?

**MR. DEBOURKE:** Okay. So, I guess, just from my experience, from how I execute projects, my history of delivering projects, that's how I ran my jobs. So, when Nalcor basically became – came to me or – you know, when I interviewed for the job, you know, those things were taken into consideration in terms of my experience. I mean, this is a small town, and you're only as good as your last job. So, I've had a solid reputation of delivering projects on time with a high, you know, reliability around safety and quality.

So, that's what – and that's how I do my work. It's – you know, the contract administration side is an important piece of this work. And if you look through the correspondence log, you know, we had been in claims management mode since day one. We understand how these things – you

know, the course of these big projects, and we need to make sure that, you know, we're protected and we're doing things that we are accountable for doing, right? And if – for instance, if contractors are stepping outside of their obligations or not performing as required, then we're going to, basically, formalize that and make sure that they are put on notice accordingly.

But – and when it comes to change management – I alluded to this earlier – in terms of the processes, the rigour that the project had was the best I have seen in my career.

So, and everybody – there wasn't a question, you know, of trying to go around the process. This was the process, and it was, you know, rigorously stewarded. So –

**MR. SMITH:** And a couple of final points. When you had a situation that not only did your direct report change, in terms of Mr. MacIsaac, but you had a further layer of management inserted in between you and the direct report, you made a comment – at least that's how I heard it – that the writing was on the wall. What was the script?

**MR. DEBOURKE:** Writing was on the wall.

**MR. SMITH:** Yeah. You – in your testimony to Commission counsel here today, you talked about – you felt that the writing was on the wall after the change in leadership.

**MR. DEBOURKE:** I can't recall the context of where I said that.

**MR. SMITH:** Okay. Well, maybe I can put it this way. You had a change in reports.

**MR. DEBOURKE:** Yes.

**MR. SMITH:** You had examples of where you were left out of decisions and weren't even consulted, okay? And you were being, possibly, sent to Goose Bay effectively for your weekly work to be done from Goose Bay, which you thought couldn't be done. Does that give you any, you know, reason to say the writing was on the wall?

**MR. DEBOURKE:** Yeah. I think there was just a number of – you know, a number of instances along the way that, you know, it came to that. What you just spoke of are some examples, yes.

**MR. SMITH:** So, there were – the writing being – what did you mean by writing –

**MR. DEBOURKE:** Just my departure.

**MR. SMITH:** Your departure?

**MR. DEBOURKE:** That was it. Yeah.

**MR. SMITH:** In other words, you anticipated, by the activity that was being done in terms of how you could do your job or couldn't do your job or how you were left out of decisions and how the decisions, like, for example, agreeing to do the monopole as opposed to the – what was in the contract, which is bipole. These all pointed, in your mind, to your departure.

**MR. DEBOURKE:** Yes.

**MR. SMITH:** Is that correct?

**MR. DEBOURKE:** Yes.

**MR. SMITH:** Thank you, Sir. That's all the questions I have.

**THE COMMISSIONER:** Okay. Thank you.

All right, as I said, Kathy Dunderdale is not present.

Former Provincial Government Officials.

**MR. J. KING:** No questions, Commissioner.

**THE COMMISSIONER:** All right, Charles Bown is not here.

Robert Thompson – not here.

Consumer Advocate.

**MR. PEDDIGREW:** Good morning, Mr. DeBourke. My name is Chris Peddigrew and I represent the Consumer Advocate who represents the ratepayers in the province.

I don't have a lot of questions for you today. I do have a few, mostly arising from the questions that have been asked to you already here today and some from your interview. Just in relation to, I guess, your concern about when Mr. MacIsaac approached you about going to Muskrat Falls for that five-day period per week.

And I guess you felt it was not, I guess, the right decision, given your responsibilities for other aspects of – or in other areas. Is there a sense that you had too much responsibility in those other areas to focus on Muskrat Falls?

**MR. DEBOURKE:** No, absolutely not.

**MR. PEDDIGREW:** You felt that you were – you weren't spread too thin?

**MR. DEBOURKE:** No, I wasn't.

**MR. PEDDIGREW:** Okay.

**MR. DEBOURKE:** So, as I said, the team that I had – extremely solid on all fronts. We had every area covered, you know, from our area managers, engineers, construction managers, inspectors, safety advisors: all aspects completely covered.

So, no, I didn't see we had any gap and certainly no more stress on me. I didn't feel overwhelmed. All I – was necessary for me was just to ensure that I had the support from my senior management. That was what I needed so that we could, basically, you know, make decisions together to move the job forward.

**MR. PEDDIGREW:** Okay. So you were surrounded by good people.

**MR. DEBOURKE:** The best people.

**MR. PEDDIGREW:** Did you ever suggest to Mr. MacIsaac that, look, you know, if you want me to go to Muskrat Falls, you know, I may need some help on these other aspects of the project. We may need to elevate the responsibilities of some of these other people if you want me to focus on Muskrat Falls. Was that ever a suggestion that you made to him?

**MR. DEBOURKE:** Well, so as I mentioned, we met prior to that phone call and agreed on a solution.

**MR. PEDDIGREW:** But I'm talking about when he called you back and told you –

**MR. DEBOURKE:** So –

**MR. PEDDIGREW:** – he wanted you in.

**MR. DEBOURKE:** The details around that, we talked about options but that was the only option. There wasn't –

**MR. PEDDIGREW:** But did you put that option towards him? That if he wanted you to focus on Muskrat Falls, you would need support from other people in the other areas of that –

**MR. DEBOURKE:** No, because it didn't make any sense. So I was travelling to Muskrat; I had, you know, my boots on the ground as necessary, I had the people in place. So, for me, fundamentally, it was just the wrong decision.

**MR. PEDDIGREW:** So you didn't put it to him just because you didn't think it was something that he would agree to.

**MR. DEBOURKE:** No, he knew that. No, I didn't come up with an alternative for me going to Muskrat because it was –

**MR. PEDDIGREW:** Pointless, in your mind.

**MR. DEBOURKE:** Correct.

**MR. PEDDIGREW:** Just some of the comments – and I think this has come up but I just want to clarify, in relation to your comments during your interview about good money after bad, or throwing money at contractors just to get things done. That was in relation to, as you said, document – and I know this is what you said but I just want to make sure we're clear – in relation to documentation you had a chance to review as part of this Commission process, it's not in relation to things you observed while you were on the job. You were gone from the job at this point.

**MR. DEBOURKE:** Correct.

**MR. PEDDIGREW:** Okay.

Mr. DeBourke, just in relation to some of the concerns you mentioned about SNC and their ability to carry out that Tap Station project, which I think you said was about a – it was a relatively small project, about \$10 million. Is that right?

**MR. DEBOURKE:** Correct. It was \$10 million, yeah.

**MR. PEDDIGREW:** Yeah.

It came in about 30 per cent over budget.

**MR. DEBOURKE:** Correct.

**MR. PEDDIGREW:** And that caused you concerns with respect to SNC.

**MR. DEBOURKE:** Yes.

**MR. PEDDIGREW:** Okay.

Were there any other – I guess you were in agreement with the decision of Nalcor to move from an EPCM with SNC to an integrated management team?

**MR. DEBOURKE:** Yes, I was.

**MR. PEDDIGREW:** Okay.

And so besides, I guess, that concern with the Tap Station, which I'm assuming was probably one of the factors in your support of the integrated management team, were there any other concerns you had with SNC that caused you to support the move to the integrated structure?

**MR. DEBOURKE:** I think it was just the presence of the people that were on the job for us. And for me and my scope of work the – that Tap Station, as you say, was just a shining example of how not to manage a project and, you know –

**MR. PEDDIGREW:** Based on it being 30 per cent over budget or anything else?

**MR. DEBOURKE:** Well, that was one aspect but the challenges that came with doing the

engineering to support that work, to do the construction management to support that work and the interface management to support that work was extremely challenging.

**MR. PEDDIGREW:** When you said the – I might misquote you here now but I think you said the people on the ground. So do you mean that the personnel that SNC had, you had issues with them?

**MR. DEBOURKE:** Not all, but some. I mean we had – so, for instance, even after the integration we kept a lot of people from SNC in my world because they come with a lot of technical experience on the HV – on the HVAC side as well as the HVDC side. You know, they were embedded in the team and performed really well, and I think it was just that probably at a more management level where there was probably some misalignment on expectations.

**MR. PEDDIGREW:** Okay so besides your, I guess, exposure to SNC on the Tap Station issue, was there anything else that caused you to have concerns with them, that caused you to support the integrated management team? Or was it strictly that and your, I guess, disapproval of some of the people that they put forward.

**MR. DEBOURKE:** Yeah.

No, I mean I just know the challenges that, you know, the rest of the organization were having as well, so ... yeah.

**MR. PEDDIGREW:** Things you'd heard from other people at Nalcor?

**MR. DEBOURKE:** Correct, yeah.

**MR. PEDDIGREW:** Mr. DeBourke, just bear with me. Some of the questions I was going to ask you have been asked so I'm just ...

In relation to the bids that were coming in higher than the estimate, did you – you started in September 2011 with Nalcor, and so that was about a year before the DG3 estimate was finalized. So did you have involvement in the DG3 cost estimate?

**MR. DEBOURKE:** Very little.

**MR. PEDDIGREW:** Okay.

**MR. DEBOURKE:** Very little.

**MR. PEDDIGREW:** And did you have any understanding or belief that, you know, the bids coming in higher than the DG3 estimate, did you think there might have been a problem with the estimate – Nalcor's estimates? If all these – so we have bids from ABB, from Siemens, from Alstom all coming in higher than the estimate.

**MR. DEBOURKE:** Yeah.

**MR. PEDDIGREW:** Did you think that there couldn't have been a problem with the estimate as opposed to the bids?

**MR. DEBOURKE:** So I think the estimates were low. The estimates that SNC did for the scopes of work, I feel they were somewhat low and perhaps didn't fully comprehend the market, maybe, at that time, especially around the civil works. Because, as I mentioned, on the engineering and procurement side, the bids that we got were quite in line with our budgets, but on the civil works side, that's where we had a lot of exposure, and I think probably 50 per cent more than what we had allocated in our budget for some of those scopes of work.

So that's what got us to some of these other, I guess, the approaches on the Exhibit 17, to try to understand –

**MR. PEDDIGREW:** Get those civil numbers down.

**MR. DEBOURKE:** Exactly, right? So that was really the only gap I seen in terms of estimate versus what we – in actuality what came in.

**MR. PEDDIGREW:** And when you referred a moment ago to market conditions, do you mean just the competitiveness in getting contractors because of other projects?

**MR. DEBOURKE:** Correct. So, yeah, a lot of competing projects at that time, locally especially. So, yeah, that was definitely a contributor.

**MR. PEDDIGREW:** In terms of the involvement of the System Planning group from

– I think in your interview you referred to Nalcor but did you mean Newfoundland and Labrador Hydro?

**MR. DEBOURKE:** Yeah there was –

**MR. PEDDIGREW:** Okay.

**MR. DEBOURKE:** – a System Planning group there.

**MR. PEDDIGREW:** Right, okay.

Could you just elaborate a little bit on how – or the involvement of the System Planning group, in terms of the dealings with Alstom?

**MR. DEBOURKE:** So –

**MR. PEDDIGREW:** How often did they meet? Who was involved from Newfoundland and Labrador Hydro? I realize we're going back a long time, but you can do your best.

**MR. DEBOURKE:** So it is a ways back in time, but there's a gentleman, Peter Thomas, who at that time was leading things on Nalcor's side from System Planning and –

**MR. PEDDIGREW:** On Nalcor or Hydro?

**MR. DEBOURKE:** He was representing both, 'cause he was on the project, but he was a Hydro – legacy Hydro person, if you know what I mean. So he's had 30 years-plus experience with Hydro.

**MR. PEDDIGREW:** Okay.

**MR. DEBOURKE:** He was –

**MR. PEDDIGREW:** Was he an employee of Newfoundland –

**MR. DEBOURKE:** Yes, he was.

**MR. PEDDIGREW:** – and Labrador Hydro? Okay.

**MR. DEBOURKE:** Yes, he was, yeah. So seconded in, really, I think, into the project – or to support the project. I don't – anyway.

So he was the lead, I would say, in terms of the conduit into the system planning group to ensure that all of the specifications, for instance, that we've used in our procurement, all of the detailed engineering design, performance criteria, all those aspects were vetted through him and his team to make sure they were aligned. Reliability aspects, all those things were considered.

**MR. PEDDIGREW:** Okay.

**MR. DEBOURKE:** Okay?

**MR. PEDDIGREW:** How many people did he have on his team?

**MR. DEBOURKE:** Oh, I can't answer that. I honestly don't know.

**MR. PEDDIGREW:** And do you know how long the process was where Newfoundland and Labrador Hydro personnel from system planning were involved with Alstom? Was it – were they involved through the whole process, was it just a specific period of time?

**MR. DEBOURKE:** No, the whole process. Even through the bid evaluation, they would've been part of that evaluation, to make sure that the – from a technical standpoint, that Alstom were, basically, proposing –

**MR. PEDDIGREW:** Something that would work per our system.

**MR. DEBOURKE:** Exactly. So, involved in that, yes.

**MR. PEDDIGREW:** I guess in terms of the comparator projects, they went to Sweden and Germany. Were there any – and I believe the question was put to you earlier – were there any projects that you had reviewed or compared the Muskrat Falls Project to that had been either – the software had been implemented by Alstom or that the project had been completed and you said no? Were there no other projects that had the software implemented or that were completed that you could review?

**MR. DEBOURKE:** I think there were projects or there were –



**MR. PEDDIGREW:** Why did you pick –

**MR. DEBOURKE:** – facilities –

**MR. PEDDIGREW:** – why did you pick the Swedish project and the German project?

**MR. DEBOURKE:** Just because they were – they were in development, as opposed to being in operation, for instance. So we could see – from a project execution standpoint, we could gain more intelligence in terms of how Alstom performed. That was really the intent, right?

**MR. PEDDIGREW:** Right.

**MR. DEBOURKE:** So...

**MR. PEDDIGREW:** I would – I mean, do you think there would've been utility in finding a project or – you know, that had been completed to find out how – whether it was successful or not? Whether there were any issues?

**MR. DEBOURKE:** We certainly would've gathered that information in terms of understanding. So from a performance standpoint and meeting reliability requirements, we would've looked at – and it might've been – even been a bid submittal in terms of past experience so we could find out, for instance, the number of outages they had on a certain facility. So again, looking for hindcast data that would show their performance and being able to meet reliability targets.

So we would've – that would've been part of our evaluation or part of a technical submission as part of the bid package.

**MR. PEDDIGREW:** Their performance for other (inaudible) –

**MR. DEBOURKE:** Other facilities.

**MR. PEDDIGREW:** – projects, you're saying, was part of your bid evaluation process?

**MR. DEBOURKE:** We would've considered that, yeah – for sure.

**MR. PEDDIGREW:** Okay.

Again, Mr. DeBourke, we've had evidence now – not just from Alstom, but from a couple other contractors, from Valard and, I believe, from Astaldi as well, about the – I guess the speed with which Nalcor was making decisions on certain things and that was slowing things up. And so the answer I'm hearing from you today and, I guess, the answer referred to from other Nalcor witnesses is that: It wasn't our fault, it was the contractors' fault.

But when you get the same evidence from multiple contractors that, you know, Nalcor's process slowed things down, you know, it causes you to question whether – well, if all these people are saying the same thing, is there a common denominator? So do you have any response to that? Do you feel that Nalcor – and I get the importance of process and paperwork and substantiating of your claim for more money, if that's the case.

But, you know, there was also the possibility of stifling the process or slowing down what should be more fluid – a more fluid process, and that seems to be the suggestion of some of these contractors, is that Nalcor was sort of overly focused on some of this.

You don't agree?

**MR. DEBOURKE:** I don't agree.

So where change orders had been submitted with the – and substantiated accordingly, they were processed in accordance with the contract and timelines that were in the contract. But if a – if the change order was put forward without the required supporting documentation, then it was returned, with comment.

**MR. PEDDIGREW:** Okay. And there was –

**MR. DEBOURKE:** That's it.

**MR. PEDDIGREW:** – no grey area for that, that was –

**MR. DEBOURKE:** No.

**MR. PEDDIGREW:** – yes or no?

**MR. DEBOURKE:** No.

**MR. PEDDIGREW:** Okay.

From your point of view, do you think that – I mean, so we have, you know, a lot of finger pointing back and forth between Nalcor and some of the contractors, and very difficult to determine, you know, who’s right and who’s wrong. And we’re talking about, you know, many very factually specific instances here, so we may never determine who’s right or who’s wrong on some of these issues.

But I guess it’s the fact that there are – or there was this amount of finger pointing going back and forth between Nalcor and the contractors. Do you think that contributed at all to the cost overruns and schedule delays on the project?

**MR. DEBOURKE:** No.

**MR. PEDDIGREW:** I mean, you said it’s – I think you said it’s the worse project you’ve ever been on, some of the worst contractor performance. Those are strong words.

**MR. DEBOURKE:** Yeah.

**MR. PEDDIGREW:** So you don’t think that had a factor at all in some of the delays in cost overruns.

**MR. DEBOURKE:** The terms –

**MR. PEDDIGREW:** The relations –

**MR. DEBOURKE:** – of our relationship?

**MR. PEDDIGREW:** – the relationships between Nalcor and its contractors?

**MR. DEBOURKE:** No, I don’t think so. I mean, we were always professional in terms of the gaps or the issues we presented to their management team. They acknowledged them; internally, they understood that they had deficiencies. If you look through the correspondence, and there’s hundreds of letters –

**MR. PEDDIGREW:** There is, yeah.

**MR. DEBOURKE:** – around this, if you look at – they’ve always come back to acknowledge: You know what, you’re right, and here’s our action plan to help – help fill this gap, right?

So, it wasn’t that we were saying things just for the sake of saying ’em –

**MR. PEDDIGREW:** No, no, and I’m not suggesting –

**MR. DEBOURKE:** – you know?

**MR. PEDDIGREW:** – that, no.

**MR. DEBOURKE:** These were credible things that we’ve seen as – that absolutely needed to be closed if we were gonna be successful in delivering this work. So – and in terms of how that was managed, I would do it exactly the same way if I was gonna do it again tomorrow, exactly the same way, with the same people –

**MR. PEDDIGREW:** Okay.

**MR. DEBOURKE:** – because – anyway, the passion on that team, everybody’s desire to do what’s best for this province, it was special, yeah.

**MR. PEDDIGREW:** Okay.

Yeah. And I – look, I don’t – I’m not questioning passion. I guess my question really was more around the fact that your view of some of the actions Nalcor took is at odds with what some of the contractors are saying, and I’m wondering if your thought was that that was a contributor to some of the cost overruns. But I guess you’re saying, no, you don’t think that there was that degree of problem between yourself –

**MR. DEBOURKE:** No.

**MR. PEDDIGREW:** – and Nalcor and the contractors.

**MR. DEBOURKE:** No.

We’d always end up, at least under my – my remit, to come to an agreement. You know, we had a few contentious change orders that took a while to resolve, but ultimately we sat down together and agreed, mutually agreed, on what the impacts were gonna be and who was responsible for what, and walked away, shook hands and we were in a good place. Like honestly, it’s business, and it’s just appreciating,

you know, some of the frustrations that came with some of the focus which was just around claim. Instead of just rolling up your sleeves and dealing with the issue and spend more time of trying to solve the problem, as opposed to writing up a change order, you know, that's – that really, for me, that's – that drives me crazy.

**MR. PEDDIGREW:** Right.

And I mean, I'd put this to you though, Mr. DeBourke, I mean that was one of the exact same complaints that came from the Grid Solutions' witnesses when they were here. They said, you know, when the issue came up with the protesters in October 2016 –

**MR. DEBOURKE:** Yeah.

**MR. PEDDIGREW:** – that you immediately jumped to a letter alleging force majeure as a way to get out of paying them.

**MR. DEBOURKE:** So, it's not a ticket out. It's in the contract, force majeure, that's in – that's – if you go to the contract, you will see under exhibit, I think it's 12, that talks about force majeure, it is – you – there is no misinterpretation of what's –

**MR. PEDDIGREW:** But there was a misinterpretation 'cause they didn't (inaudible) –

**MR. DEBOURKE:** Well, from their side.

**MR. PEDDIGREW:** Right.

**MR. DEBOURKE:** But read the contract, read the contract –

**MR. PEDDIGREW:** Okay, I'm just saying –

**MR. DEBOURKE:** – and –

**MR. PEDDIGREW:** – they disagree. I'm not going to make a – I don't –

**MR. DEBOURKE:** Okay.

**MR. PEDDIGREW:** – I don't have an opinion one way or the other or –

**MR. DEBOURKE:** I mean I can bring it up on the screen if you –

**MR. PEDDIGREW:** Okay.

**MR. DEBOURKE:** – wanna see it.

**MR. PEDDIGREW:** My last question just relates to Growler Energy.

So, I believe they were – were they brought in in November 2016, that was around when you left. Were you involved at all in the decision of Nalcor to bring in Growler Energy?

**MR. DEBOURKE:** No, so ...

**MR. PEDDIGREW:** Okay.

**MR. DEBOURKE:** No. By the time I left, I understood Growler was a new entity made up of a bunch of subsea engineers. And all I understood is they ended up getting contracts with Nalcor – or with GE. I have no idea how –

**MR. PEDDIGREW:** Okay.

**MR. DEBOURKE:** – or what the scope was.

**MR. PEDDIGREW:** All right.

All right. Thanks very much. Those are –

**MR. DEBOURKE:** Okay.

**MR. PEDDIGREW:** – all my questions.

**THE COMMISSIONER:** Thank you.

Former Nalcor Board Members.

**MS. BUIS:** No questions, Commissioner.

**THE COMMISSIONER:** Thank you.

Nalcor Energy – or, I'm sorry, Grid Solutions Canada.

**MR. BOAN:** No questions.

**THE COMMISSIONER:** Okay.

Nalcor Energy.

**MR. SIMMONS:** Thank you, Commissioner.

Good afternoon, Mr. DeBourke.

Just one topic I'm going to cover a little bit more with you. Ms. Ding brought you to an email message with Mr. Hall, I think, in March of 2016 where you'd made the comment about your observations about this being a – one of the worst projects you'd been involved in. And I want to just bring you to some exhibits that lead up to that and get you to make just a few comments on them –

**MR. DEBOURKE:** Okay.

**MR. SIMMONS:** – to put that in context.

So, can we, first, have Exhibit P-03514, Madam Clerk?

**THE COMMISSIONER:** 03514 is at tab 90 in book 4?

**MR. SIMMONS:** So, this one, I think, is a letter – January 22, 2016, about two or three months before the message you were referred to earlier. It's to Mr. Thierry Martin, project director at Alstom Grid. And maybe you can just – you don't need to give me a lot of detail, but just explain what the topic of this letter is and what's happening here, please.

**MR. DEBOURKE:** I guess, well, the subject matter is contractor performance and “Action Plan for Immediate Change to Ensure Successful Project Delivery.”

**MR. SIMMONS:** Right.

**MR. DEBOURKE:** And –

**MR. SIMMONS:** So, what had caused you to initiate this letter here? What had lead up to writing this?

**MR. DEBOURKE:** Precisely what lead up to issuance? I can't say precisely –

**MR. SIMMONS:** Mm-hmm.

**MR. DEBOURKE:** – what exact issue, but I think it's a culmination of just a multitude of things that we were still, I guess, facing on a day-to-day basis.

**MR. SIMMONS:** Yes.

**MR. DEBOURKE:** A lot of it was around action – taking action, taking ownership, being accountable for, you know, what you signed up to do – and I think that's it – and the urgency around that, which was always, you know, a concern.

**MR. SIMMONS:** Yeah. Okay.

**MR. DEBOURKE:** So ...

**MR. SIMMONS:** Can we go, please, to Exhibit 03515?

So, we're coming now to a letter –

**THE COMMISSIONER:** 03515.

**MR. DEBOURKE:** (Inaudible), sorry?

**THE COMMISSIONER:** That's tab 91.

**MR. DEBOURKE:** The same one?

**THE COMMISSIONER:** Yes, same book. Tab 91.

**MR. SIMMONS:** So, this is a couple of weeks later, and I believe if we'd read through the previous message, we would've seen that you were actually requesting a meeting at that point to deal with the concerns that you raised.

**MR. DEBOURKE:** Mm-hmm.

**MR. SIMMONS:** This letter here seems to, again, refer to the serious concerns, and it says there's a summary of the meeting attached. If we go to page 3, we will see the beginning of the attachment. It goes on for – on to page 7, eventually. And is this a summary of the types of concerns that were raised at that meeting with GE Grid?

**MR. DEBOURKE:** Yes.

**MR. SIMMONS:** Okay.

**MR. DEBOURKE:** A summary.

**MR. SIMMONS:** Right.

And I'm not going to go through them with you in detail. We can read through and we can see what the issues were there.

The next exhibit, please, 03516, which is at tab 92.

This is another letter to Mr. Martin and this is the 18th of February, 2016. It starts out, in the first line there, saying that the "Company continues to have serious concerns ...." And you can take a moment and have a look at it if you want. It refers to a workshop that had been planned and that appears not to have fully gone ahead. Can you tell me what this is all about?

**MR. DEBOURKE:** Yeah, I'm just trying to remember.

But I remember the facility in terms of – it was at the Newfoundland Hotel, and I think there were 20-plus people flown in for this workshop. And it was shut down very early into the program when it was clearly evident that the schedule was faulted, I guess, in terms of the logic and it wasn't valid.

So all of these people mobilized and just, again, a clear indication that they did not understand planning or scheduling.

**MR. SIMMONS:** Mmm.

**MR. DEBOURKE:** So with that – I don't know if it's in this letter or not, but we basically offered to supplement and support their planning efforts. And we provided a planner to go to their office and work with them to develop a plan that was logic linked and necessary to understand what the critical path activities were.

**MR. SIMMONS:** All right.

**MR. DEBOURKE:** So we did that.

**MR. SIMMONS:** So over the course of these last three correspondence we've seen here, there's been a serious issue identified, request for a meeting. A meeting is held; there's notes of what all the concerns are. Then this workshop is set up to deal with it –

**MR. DEBOURKE:** Yes.

**MR. SIMMONS:** – over this period. Are these the events that then led up to your email message to Mr. Hall on March 3, several weeks later, where you expressed your view of how serious the problems are with this project?

**MR. DEBOURKE:** Yes.

**MR. SIMMONS:** Yeah, okay.

And just a couple more documents. 03517, please, at tab 93.

This is now the 9th of March and this is a letter from GE Grid. You can take a moment and have a look at it, if you want. And if I bring them particular to the third paragraph there that starts with the word "first," it says: "First, the GE Project Team wants to ensure the Company that, it has openly shared all the concerns raised by the Company at all levels of the organisation in Canada, in the USA and in our headquarters in Paris."

I think the letter then goes on to describe some of the things GE is doing, audits and workshops and other activities, to address the concerns. Correct?

**MR. DEBOURKE:** All right.

**MR. SIMMONS:** So is this an example of what you told us earlier, which was General Electric's periodic acknowledgement of what the problems were on this project?

**MR. DEBOURKE:** Yes. They'd never denied they had challenges and problems and, yeah.

**MR. SIMMONS:** Okay. All right.

So, after this point then, in March, did things improve or what was the course of GE's performance then from here until the time you left the project?

**MR. DEBOURKE:** So there was action taken because Stephen Hall who –

**MR. SIMMONS:** Yes.

**MR. DEBOURKE:** – got embedded into the project –

**MR. SIMMONS:** Mm-hmm.

**MR. DEBOURKE:** – honestly took a – was a – became accountable for acting and doing things. So I really, you know, thank his involvement with the project because he really did – he really did care. So, that for me was a step change. And that lead to –

**MR. SIMMONS:** Mm-hmm.

**MR. DEBOURKE:** – you know, involvement of some of the personnel, key personnel in certain positions, Terry Martin being one and into Scott Bianchi coming in. So he kind of, I think, let the groundwork for a lot of that, but also even from a planning perspective – Stephen’s background is in planning – so he got it, if you know what I mean. So he understood the necessity for having a plan and understood the foundation for building that. So, that was part of his background.

So he gave a lot of support and guidance to GE in development of a plan to support the execution of the work. So, some good work from him, I’m gonna say.

**MR. SIMMONS:** Thank you very much.

I don’t have any other questions, Commissioner.

**THE COMMISSIONER:** All right. Thank you.

Redirect?

**MS. DING:** Just a brief point.

Mr. DeBourke, Mr. Peddigrew raised the point of the engagement of Growler Energy. And our understanding is that the role was to assist in improving the FAT testing and the design of that.

I just want to confirm that you had no role in hiring Growler Energy. Is that correct?

**MR. DEBOURKE:** Absolutely none.

**MS. DING:** Okay.

And from your answers to Mr. Peddigrew, you didn’t believe their role was – did you believe their role was necessary?

**MR. DEBOURKE:** I didn’t think it was necessary. And GE, like, alluded to the same. So, they were looked in just as a go-between between Nalcor and GE, which I don’t understand.

**MS. DING:** Okay. Thank you.

**THE COMMISSIONER:** All right.

Sir, thank you very much. Appreciate your time.

We’re adjourned now until Monday morning.

I believe on Monday, we’re starting with Mr. Kennedy from Ernst & Young or EY, rather. And my understanding is, is that – having spoken with Mr. Learmonth who is leading that – is that there is a significant amount of testimony we expect to come from him. And I do have a concern related to whether or not we will finish him in a day. I’m – Mr. Learmonth’s indicated he will be finished in a half day. We would like to start at 9.

So, I think we will start at 9 o’clock on Monday morning as – it’s just to ensure we have enough time for that witness.

All right. So – adjourned ‘til 9 o’clock on Monday.

**CLERK:** All rise.

This Commission of Inquiry is concluded for the day.