

28 September 2012

ATTENTION: TO ALL BIDDERS

**REFERENCE: Lower Churchill Project
Project No. 505573
Request for Proposal No. CH0007
Construction of Intake and Powerhouse, Spillway and Transitions Dams
Closing Date and Closing Time: 28-Jan-2013, 16:00 Hours St. John's, NL time**

SUBJECT: Invitation Letter

Dear Sir:

SNC-Lavalin Inc. (the "Engineer"), acting on behalf of Nalcor Energy ("Company"), invites you to submit a unit rate/lump sum Proposal for the work related to the development of a hydroelectric facility at Muskrat Falls, on the Churchill River in Labrador hereafter referred to as the Lower Churchill Project; all in accordance with the enclosed Request for Proposal (RFP) documents (Refer to the Table of Contents, 505573-0007-51AF-I-2102 Rev 00.1 for the complete list).

The Work

The Work of Package CH0007 consists of:

- construction of the powerhouse and the intake which includes concreting, steel structure, embedment parts and miscellaneous metals as well as the architectural works related to the envelop of the powerhouse building;
- construction of the gated spillway including the upstream and downstream permanent bridges and downstream temporary bridge over the gated spillway;
- construction of the centre and north transition dams;
- construction of the Powerhouse/Intake separation wall, inclusive of temporary road;
- civil works related to permanent access roads to the powerhouse and to the spillway;
- the fabrication of the conventional vibrated concrete (CVC) (inclusive of the mobilization, installation, operation and dismantlement of the batch plants, the fabrication of the aggregates for concrete from blasted rock stockpile and from sand gravel borrows areas, the supply and storage of Portland cement for the fabrication of concrete including fly ash and additives, the production of concrete at the batching plant and the quality control at the batch plant);

all as described in the Scope of Work and Specifications.

Access to Request for Proposal

The documents will be made available to you through a web-based electronic password protected repository. It is the Bidder's responsibility to access the site and download all associated documents. The access directions will be emailed to you shortly after receipt of this letter. Please advise the Contracts Administrator if you have not received the access directions e-mail within four (4) hours of receipt of this letter.

Confirmation of Receipt

Please confirm full receipt of the RFP documents and your intention to submit your Proposal by filling out and signing the Acknowledgement Form, copy of this letter, and the Non-Disclosure and Conflict of Interest Agreement Form by scanning it and then emailing to:

Ronald.Adamcyk@snclavalin.com **with a copy to** Procurement-LCP@snclavalin.com

If you do not intend to submit a Proposal, please advise the undersigned within **three (3) Business Days** of your receipt of this letter and confirm that you have deleted the retrieved documents from the electronic retrieval systems (refer to Bidder Acknowledgement).

Requests for Clarification

All requests for clarification to the RFP documents shall be directed **in writing only** to the undersigned, using the attached Bid Clarification Request form. Only facsimile or email communication will be accepted during the bidding period and Engineer will provide a written response to Bidder(s) in an expedient manner. No bid clarification requests will be accepted within five (5) business days of the Closing Date.

Site Visit

Consistent with Article 22 of the Agreement, all Bidders are required to attend a Site Visit which will be held on 18th and 19th October 2012. Bidders are requested to report to the following location in St John's NL on 18th October at 8:30 AM. The visit will consist of an information day at the Engineer's office on 18 October, followed by the visit to Site on 19 October. Company will make arrangements for a helicopter tour of the Site, at Company cost. All other costs of the visit are to the account of Bidder. Please confirm your attendance at the Site Visit in the Bid Acknowledgement form, and indicate the number of representatives that will be attending. A detailed agenda will be issued within the week.

SNC-Lavalin Inc.
Lower Churchill Project
350 Torbay Road Plaza, Suite 2,
St. John's, NL, Canada
A1A 4E1

Notification of Addendum to Follow

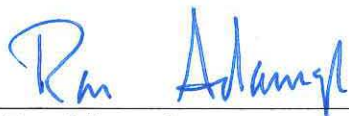
The following addition to the scope of work will be issued through an Addendum within one month of the RFP issue. An overview will be provided on the 18th October:

- Powerhouse - Pre fabrication of Generator floor - Structural Steel
- Powerhouse - Pre fabrication of Fire walls
- Powerhouse: North service bay - Service rooms at El.15.5 - Structural Steel
- Powerhouse - Superstructure - Extension of Superstructure down to El. 6.5 m
- Powerhouse - High Bay Lighting
- Spillway - Reinforcement & Bridges
- Spillway - Foundation for Diesel Generator Fuel Tank
- Centre Transition Dam - Cable trenches to spillway - Sections and details
- South Transition Dam
- Construction Power at Powerhouse - Fence around the 25 kV outdoor pad mounted transformers and switchgears

Company not Liable

Company is not liable for any expenses incurred by the Bidder in the preparation or submission of its Proposal, including those incurred as a result of discussions and/or negotiations.

Yours truly,
SNC-Lavalin Inc.



Ron Adamcyk
Contracts Administrator

Attachment: Bidder Acknowledgement Form
Bid Clarification Request Form
Non-Disclosure and Conflict of Interest Form