From: <u>stevepellerin@lowerchurchillproject.ca</u>

To: Nikolay Argirov

Subject: Question on Source for Draw Certificate Information

Date: Wednesday, April 15, 2015 2:29:50 PM

Greetings Nik:

We touched on this briefly about a month ago, but the issue has circled back to me and I was hoping you could help.

In the Draw Confirmation Certificate by IE (both March 27, 2015 and February 24, 2015) - in the table on page 2, Note 2 reference to text, and text on page 3 - I am having difficulty reproducing your citations. Specifically:

The table provides cumulative "Overall Project" performance results for CH0007 as 27.3% planned v. 7.4% achieved for a variance of 19.9% (prior month was 22.9% v. 6.9% for a variance of 16.0%);

Note 2 stipulates that no contractor reports were provided for said period - we acknowledge that and in fact, no reports since July 2014 have been provided. We are working on that and there are still expectations that all prior reports will be accepted at some point and uploaded then;

The text on page 3 includes reference to some information provided by Devco - but I am not sure what that is. Exact language is "MWH notes that based on the [blank] provided by Devco...." - I added the "blank" because I think a reference is missing. Furthermore, the citation attributes the variance in production to "concrete placement" and assigns the full value from the table (i.e., 19.9% in February and 16.0% in January) to concrete placement - when the value in the table is attributed to Overall Project.

Anyway - I have received some questions on this from others and I can not seem to reproduce the outcome of your analysis/observations - so as to help explain it. Qualitatively - I believe the characterization to be reasonable. But expectations are that this can be derived quantitatively - certainly if we are using more than 1 significant figure to portray the outcome.

Much obliged for your advice and direction in this matter. Hopefully we can chat soon about that proposed meeting/telecon with Canada in May and site visit plans for June/July.

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