

From: Patrick.Lamarre <Patrick.Lamarre@kiewit.com>
Sent: Monday, January 28, 2019 10:18 AM
To: Harrington, Tim; Cahill, Fred J; Henley, John; Sebastien.Larivee
Cc: Mike.Buckle; Burse, Brad; Farrell, Dan; Parmiter, James; Laurie.Hildebrand; Carroll, Brian
Subject: RE: Talking points for upcoming Nalcor sponsor mtg

Thanks Tim,

For item 1, we need to add

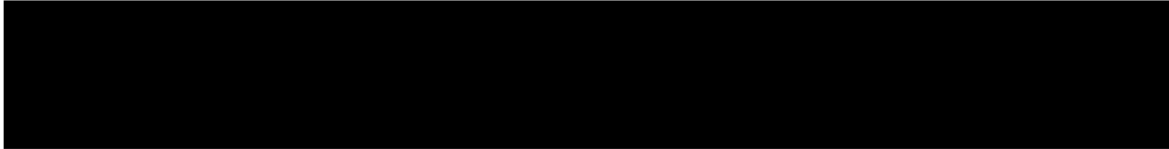
f. After this meeting we will sent a letter putting Nalcor on notice of delays around the Turbine and the Civil works impacting our indirect LS price and the ATCL. We need a timeline and a process to resolve our schedule and fixed price impacts. What do they propose? Who will they commit to lead this effort?

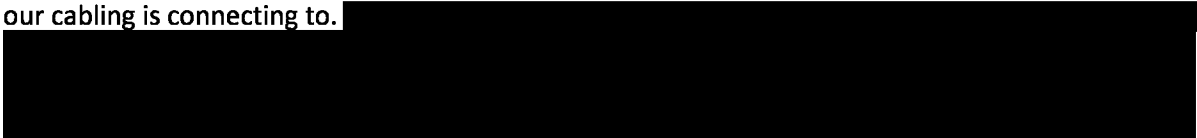
From: Harrington, Tim
Sent: Sunday, January 27, 2019 4:51 PM
To: Cahill, Fred J ; John.Henley-PTR ; Sebastien.Larivee ; Patrick.Lamarre
Cc: Mike.Buckle ; Burse, Brad ; Farrell, Dan ; James.Parmiter-PTR ; Laurie.Hildebrand ; Carroll, Brian
Subject: [EXTERNAL] Talking points for upcoming Nalcor sponsor mtg

All,

As discussed during our JV meeting this week, below is summary of some of the priority items that would be worth addressing with the Nalcor steering committee at the meeting scheduled this Wednesday. If you need any clarification or a refresher on any of the topics let me know.

1. Project Schedule / Exhibit 9 update – this is the hottest item for sure considering the progression of work by the other site contractors (Pennecon / Andritz) and with access dates for our remaining work fronts continuing to slip. Questions Nalcor needs to address include:
 - a. Status of our Exhibit 9 update, is it on track for the end of the month?
 - b. Communicate that we have started to man down some of our crew sizes and change shift rotations to mitigate the new schedule delays. Note, we have laid off the majority of our carpenter crews, given our insulators a temp layoff, we have switched our electricians to 14/14 to limit the hours expended and to avoid losing NFLD travellers.
 - c. Further communicate our intent to submit a change order request for extending our staff / infrastructure costs for the additional months; i.e. continue the discussion John has already started with Scott and others.
 - d. Guidance from Nalcor is needed on how aggressive they intend to be in 2019 with Pennecon / Andritz schedules. This will influence decision making for our current staffing / infrastructure levels. Do they want us to maintain our present indirect resources? Can the “key personnel” positions identified in the contract be revisited if the job will drag-out?



2. Integrated site lock-out / tag-out (LOTO) program – As the site commissioning programs continue to gain momentum, the absence of an integrated LOTO / PTW program with singular isolation authority ensuring the safety of all site contractors is a growing concern. There has been a string of recent incidents over the past few weeks that have root causes tracing back to not having a comprehensive LOTO authority for the entire site that is coordinating the activities among all the contractors. We've been asking Nalcor about the program roll-out for months and they keep saying it is close. Just before Christmas we issued the attached letter trying to elevate the issue; there has been no response from Nalcor.
3. Documentation approvals – realizing that the Code 1 / Code 2 document approvals has been a sensitive topic in the past we are having some issues getting some of our documentation across the line.
 - a. We have about 70 drawings that are "Code 2" status with the only remaining review comment being a request for a professional engineer's stamp. These documents are for systems (lighting control, HVAC controls) that we do not hold design responsibility for and we have clarified as such to the client. To date Nalcor engineering have not backed down on their position.
 - b. We are seeing examples where Nalcor is downgrading Code 1 approved documents to Code 2 requesting revisions; some due to point 3(a) above. This should not happen.
4. Interconnection Drawings – this is becoming an issue for our electrical crews that are trying to progress cable terminations for all our panels / cabinets. There are still a large number of interconnection drawings that are required for equipment that Nalcor / Andritz is supplying that our cabling is connecting to. 

If time permits a few other discussion points worth raising would include...

5. Grievance #273 – if you recall this is the grievance we attempted to settle out several months ago with the hotel restaurant workers union for an agreed lump sum payout of \$21K until Nalcor blocked it. We are still scheduled for arbitration in March and if we lose we are looking at another \$100K+ hit for damages.
6. ATCL adjustment for indirect hours – we still haven't reached an agreement with the Nalcor contracts folk addressing indirect trade impacts for doing change order work. They want us to code the time of our indirect trade work force per change order which is essentially impossible for support crew personnel (i.e. labourers / cleaners, teamsters, operators, etc). We still need a fair means to account for these resources somehow.
7. Denial of Dispute Resolution requests (GSU oil fill delays & backcharge for North Service Bay door damages) – We put Nalcor on notice requesting formal dispute resolution for two outstanding commercial items and they have denied both requests by letter. A meeting needs to be set to resolve these.
 - a. GSU oil fill delays (value approx. \$50K) – Nalcor claims we haven't provided enough information to justify holding a dispute meeting. This is false, we have provided a

significant amount of back-up info including the vendor's invoice to us for Nalcor's portion of the delays incurred.

- b. NSB door damages (back-charge value approx. \$18K) – Nalcor's position is that our timeline (30 days) to raise a Dispute has expired. Again this is false, as there is formal meeting minutes demonstrating the active discussions on this topic just a two weeks prior to our Dispute meeting request letter being issued to them.

I think covers the main priority topics. Again, let me know if there are any questions / concerns.

Regards,

Tim

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