David.Nichols

From: Henley, John <jhenley@cahill.ca>
Sent: Thursday, August 31, 2017 4:56 PM

To: Mike.Buckle

Subject: [EXTERNAL] FW: Muskrat Falls CH0031 - Key Personnel - Completion Manager

Mike:

Paul Harrington is a Completions/Commissioning and Project Controls expert. He worked on Hibernia through the famous "Fabcon" company as Controls Lead and eventually deputy Commissioning Manager. I believe he was Commissioning Manager on Terra Nova and had a senior role on Whiterose in that area. Malcolm Jennings, Paul's long term right hand man, is on Muskrat Falls as Commissioning Sr Advisor. Pierre Jerome would know him well.

He will be all over this Commissioning issue with an offshore mindset. We need to play this one carefully.

John J.

John J. Henley
VP Project Services
The Cahill Group.
T 709.745.0219 x.254 C 709.693.2106 F 709.368.3502
cahill.ca



From: Harrington, Tim

Sent: Thursday, August 31, 2017 3:42 PM

To: Parmiter, James; Henley, John; Stefan.Gruszka; Charles.Lavigne

Cc: Laurie.Hildebrand; Mike.Buckle; Cree, Amy

Subject: RE: Muskrat Falls CH0031 - Key Personnel - Completion Manager

All,

Had a conversation with David Wright earlier this afternoon; highlights below:

- I acknowledged the fact that we need to be giving the Completions program some additional attention but that
 we weren't aligned with LCP that the upfront work dictates a full-time Lead. I reiterated that we are eager to
 start the process and get the workshop off the ground and the dialogue started with the LCP completions
 folks. David gave me some info on what was driving the push on their side.
 - Wayne Edwards who will be the Completions point person for LCP for our contract is making noise to get started.
 - Project Director Paul Harrington (no relation) is the primary driver from the upper level as his background is Commissioning / Completions and he is scrutinizing the program project wide. Sounds like he is giving the marching orders to the folks below him.
- Told Dave I understood the concerns and wanted to pitch the following as our kick-off point for Completions program:
 - o Advised our plan to propose Jeremie Bertin as an alternative candidate for the Completions Lead position. I advised Dave that Amr Elmazariky had left Kiewit (I did not disclose when or why) but sold

Jeremie as a rock solid replacement would had experience working with Charles. Said that we would start the approve process immediately but the start date still needed some discussion. No push back from David at all regarding Amr; he didn't seem frustrated or question his exit.

- o I asked for some patience to allow Charles to take the lead in the interim as per the current plan. I reiterated that there is no indication that there is a problem at this early stage so we really needed to start the dialogue to collectively discuss upfront work and expectations. This will allow everyone to get a better comfort level regarding the suitable start date for the lead. I said I'd rather determine if there is a problem before firing contractual letters and emails back and forth. Dave seems fine with this approach.
- o We talked about the priority to have the Completions workshop scheduled. Dave told me that they are a bit flexible with the date but it needs to be within the next two weeks. They've asked us to suggest a date / time. We talked again about the possibility of having Jeremie attend; I really think we need to make this happen.
- o Told Dave I would respond to his email capturing the spirit of our discussion and agreed path forward.

Dave also said that when the Lead starts it must be in a full-time capacity; I confirmed that was our intent. He did mention also that by contract he should be there since day one; I simply said that there is some differences in opinion on the interpretation of the contract terms but right now we'd prefer to get the dialogue/program started and really see if there is a problem there.

Overall, a good chat. Few actions we need to address:

- I'll respond to Dave's email.
- Charles and I will need an updated version of Jeremie Bertin. Based on my review it needs some polishing to
 emphasis his experience acting in a Lead position. I am concerned that he will be denied based on his
 experience level as he only graduated 4 years ago.
- Once we have the updated candidate resume we will issue a letter requesting approval.
- Charles and I will determine a suitable date for the workshop.....May need Mike to help confirm Jeremie's availability.

Feel free to call me if there are any questions or concerns.

Tim

Tim Harrington, P. Eng **Project Manager, The Cahill Group.**T 709.793.3313 x.3313 C 709.770.5174 F 709.368.3502 cahill.ca



From: Parmiter, James

Sent: Thursday, August 31, 2017 10:36 AM

To: Henley, John; Harrington, Tim; Stefan.Gruszka; Charles.Lavigne

Cc: Laurie.Hildebrand; Mike.Buckle; Cree, Amy

Subject: RE: Muskrat Falls CH0031 - Key Personnel - Completion Manager

I agree with John/Tim... we should try and avoid the legal/contractual rights/obligations and focus on the fact we don't need this resource full time at this point and didn't commit to it during tender phase. Would a chat with David Wright highlighting how we will meet his needs prior to dedicated personnel help or has that already been exhausted?

From: Henley, John

Sent: August 31, 2017 9:03 AM

To: Harrington, Tim; Stefan.Gruszka; Charles.Lavigne

Cc: Laurie.Hildebrand; Mike.Buckle; Parmiter, James; Cree, Amy

Subject: RE: Muskrat Falls CH0031 - Key Personnel - Completion Manager

Tim et al:

Before we get too contractual ie legal on this issue I suggest we consider the following:

- What did we commit to at time of tender? Our pre-mob plan and Bid execution plan is clear that Completions personnel start later. Need to confirm this.
- What is our scope for Mechanical Completion, Commissioning & Start-Up support? We have significant
 responsibilities in loading information into the Continuum Edge software and as I understand it, tracking the
 progress of other contractors. How are we going to do this with a later start of Completions staff?
- What is the best solution for the overall project? If Nalcor want us to start this work earlier we can easily do it.
 Once we demonstrate it is not in our approved plan we can submit a Change Order and get them to approve the additional hours. If it is that important to them they will approve it.

No doubt the initial Client pushback will be it is our scope and they can tell us what to do. However, given that staff is lump sum and based on a staffing plan that they reviewed/agreed during the tender period if they want to change it we will happily price it.

Available to discuss once you get the history/facts lined up.

Tks

John J.

John J. Henley
VP Project Services
The Cahill Group.
T 709.745.0219 x.254 C 709.693.2106 F 709.368.3502
cahill.ca



From: Harrington, Tim

Sent: Thursday, August 31, 2017 7:33 AM **To:** Stefan.Gruszka; Charles.Lavigne

Cc: Laurie.Hildebrand; Mike.Buckle; Henley, John; Parmiter, James; Cree, Amy **Subject:** RE: Muskrat Falls CH0031 - Key Personnel - Completion Manager

Hi Stefan,

The intent is to submit the project execution plan this week in parallel with the baseline schedule submission. We mutually agreed to extend the submission deadline with the client.

I have attached the Project Execution Plan and org chart included with our bid proposal. Refer to section 7.4 of the document where it clearly defines positions we planned to have during the pre-mobilization phase of the project; note that the Completions Manager was not part of this team.

Need to be a bit careful though how we would leverage this as some of the key positions (i.e. Construction Manager, Safety Lead, QA/QC Lead) have all only been occupied by part-time resources up to this point. We choose that a better use of the staff budget was to bring in numerous other resources to support the upfront engineering / procurement / project controls work...however these resources aren't defined as key personnel.

Hope this helps.

Tim

Tim Harrington, P. Eng **Project Manager, The Cahill Group.**T 709.793.3313 x.3313 C 709.770.5174 F 709.368.3502 cahill.ca



From: Stefan.Gruszka [mailto:stefan.gruszka@kiewit.com]

Sent: Wednesday, August 30, 2017 8:48 PM

To: Harrington, Tim; Charles.Lavigne

Cc: Laurie.Hildebrand; Mike.Buckle; Henley, John; Parmiter, James; Cree, Amy **Subject:** RE: Muskrat Falls CH0031 - Key Personnel - Completion Manager

ΑII

Can someone please confirm the date the Project Execution plan was submitted to the client? I note that it was required 8 wks after ARO, which I assume was done recently. I assume that it included the information for each key Personnel (as set out in the middle of Page 6, Section 3.2.1 of Exhibit 3).

If it is easier to provide the relevant portions of the Execution Plan where this was contained, that works too.

Thanks SG



STEFAN J. GRUSZKA, JD. Assistant General Counsel

KIEWIT CANADA INC.

#200, 10333 Southport Road SW, Calgary Alberta T2W 3X6. 403-514-7185 direct 403-585-4933 cell 403-693-8715 fax www.kiewit.com From: Harrington, Tim [mailto:tharrington@cahillganotec.ca]

Sent: Wednesday, August 30, 2017 3:48 PM

To: Stefan.Gruszka <stefan.gruszka@kiewit.com>; Charles.Lavigne <Charles.Lavigne@ganotec.com>

Cc: Laurie.Hildebrand <Laurie.Hildebrand@kiewit.com>; Mike.Buckle <michael.buckle@kiewit.com>; John.Henley-PTR

<<u>ihenley@cahill.ca</u>>; James.Parmiter-PTR <<u>iparmiter@cahill.ca</u>>; Cree, Amy <<u>acree@cahill.ca</u>>

Subject: [EXTERNAL] RE: Muskrat Falls CH0031 - Key Personnel - Completion Manager

All,

This is a tricky one because if their interpretation is correct than technically all key personnel (there are 12) would need be employed from the contract Effective date until all Warranty obligations are fulfilled (as defined by the contract "Term"). I am guessing our position would be that our interpretation of this cause would mean that:

- Once the Cahill-Ganotec chooses to assign the position it would be on a full-time basis for their entire time of deployment during the global contract "Term". i.e. this cannot be treated as a part-time position.
- The Term does not online the key person-by-person start / end dates.
- This is still lump sum and we choose when need our personnel to start.

If they want to be difficult they may push article 5.1. We would need to argue that we have staffed the project accordingly at this stage, there is no reason for concern regarding the jeopardy of the Completions program.

Let's discuss further in the AM.

Tim

Tim Harrington, P. Eng **Project Manager, The Cahill Group.**T 709.793.3313 x.3313 C 709.770.5174 F 709.368.3502 cahill.ca



From: Stefan.Gruszka [mailto:stefan.gruszka@kiewit.com]

Sent: Wednesday, August 30, 2017 7:10 PM

To: Charles.Lavigne

Cc: Laurie.Hildebrand; Harrington, Tim; Mike.Buckle; Henley, John; Parmiter, James

Subject: RE: Muskrat Falls CH0031 - Key Personnel - Completion Manager

Charles

Let me take a look at the contract and respond. I hope to do this later today or tomorrow morning.

Thanks

SG



STEFAN J. GRUSZKA, JD. Assistant General Counsel

KIEWIT CANADA INC.

#200, 10333 Southport Road SW, Calgary Alberta T2W 3X6. 403-514-7185 direct 403-585-4933 cell 403-693-8715 fax www.kiewit.com

From: Charles.Lavigne

Sent: Wednesday, August 30, 2017 3:11 PM **To:** Stefan.Gruszka < stefan.gruszka@kiewit.com >

Cc: Laurie.Hildebrand < Laurie.Hildebrand@kiewit.com >; Tim.Harrington-PTR < tharrington@cahill.ca >; Mike.Buckle < michael.buckle@kiewit.com >; John.Henley-PTR < thereof in the complex of the comple

Subject: Muskrat Falls CH0031 - Key Personnel - Completion Manager

Stefan,

I am contacting you in Laurie's absence if you are able to support us.

We received the attached correspondence from Nalcor regarding our Completion Manager in the Key Personnel section this afternoon.

In this specific case, we presented to Nalcor this AM that we would mobilize the Completion Manager in few months (we did not provide any specific date) and that I would be the acting as the Completion Manager and point of contact in the interim.

Nalcor expressed concern and they were expecting us to have dedicated resource at this time.

We would appreciate your guidance and interpretation of the contract language regarding this matter regarding the obligation of having all the Key Personnel full time for the duration of the Term.

Please feel free to call me on my cellphone at 418-808-4950 to discuss furthermore.

Note: Please let me know if you need a copy of the executed agreement.

Regards,

Charles Lavigne Cell: (418) 808-4950