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Rec. No.: L010-S011-200-170331-00132

November 24, 2011

SNC-Lavalin Inc.
272 Torbay Road
St. John's, NL A1A 4E1

Attention: Mr. Normand Bechard

**Subject: Lower Churchill Phase 1 Development
Agreement LC-G-002
Engineering, Procurement and Construction Management (EPCM) Services
Personnel Transition / Succession Planning**

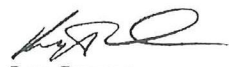
Dear Normand:

Further to recent discussion, Nalcor requests that SLI provide a comprehensive plan to address those SLI personnel intended to transition out of the project over the next 6 months. This Transition Plan should include the timing for their proposed departure, the status of planned workscope for completion by each person prior to their proposed departure, and a plan to backfill vacant positions including recruiting status for key positions.

Given the criticality of this issue, most particularly as we transition into Stage 3 of the EPCM Services Agreement, Nalcor requires that SLI provide regular monthly reporting on the above noted Plan, which shall be reviewed during a regularly scheduled management meeting. We look forward to discussing these requirements with you further in the coming days.

If you have any questions with respect to the above, please contact Jason Kean.

Sincerely,


for Ron Power
Project Manager – Generation / Island Link
SOB/sob

cc: J. Kean
S. O'Brien