

**Guerette, Serge**

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**From:** RonPower@nalcorenergy.com  
**Sent:** November 7, 2012 11:41 AM  
**To:** Bechard, Normand  
**Cc:** PHarrington@nalcorenergy.com; LanceClarke@nalcorenergy.com;  
JasonKean@nalcorenergy.com; DarrenDebourke@nalcorenergy.com;  
PatHussey@nalcorenergy.com; ClarenceHewitt@nalcorenergy.com; Chausse, Luc; Guerette,  
Serge; Sud, Satish; Over, Ed; Gagné, Bernard; Salim, Joseph; LCP\_LCG002  
@nalcorenergy.com  
**Subject:** AC Switchyards: Change to Contract Strategy Rec. No. L010-S011-200-170331-00202  
**Attachments:** L010-S011-200-170331-00202 - AC Switchyards Change in Contract Strategy.pdf

AC Switchyards: Change to Contract Strategy  
Rec. No. L010-S011-200-170331-00202

Normand,

Please refer to attached letter regarding the change to the contract strategy for the AC Switchyards for the Lower Churchill Project.

Regards  
Ron



Ron Power, P. Eng.  
General Project Manager (Consultant)  
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Nalcor Energy - Lower Churchill Project  
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Rec. No.: L010-S011-200-170331-00202

November 7, 2012

SNC-Lavalin Inc.  
350 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**

**AC Switchyards: Change in Contract Strategy**

Dear Normand:

Over the past number of months Nalcor and SLI have been engaged in several discussions / workshops in order to arrive at the optimal contract strategy for the AC Switchyards. Nalcor wishes to advise that, after much deliberation, delivery of the AC Switchyards will be performed using an EPC Contract Strategy. This solution provides the best opportunity and certainty for successful delivery of this scope. This change in approach shall be implemented immediately.

SLI are requested to prepare a DCN at the very earliest, identifying the impacts of this change as well as develop a plan that outlines how this change will be implemented without impact to the baseline completion date.

Nalcor fully recognizes and appreciates the effort required to properly manage and execute an EPC Contract of this scale. We are fully confident that we will continue to receive your full commitment and support to this "Best-for-Project" decision.

If you have any questions please contact Darren DeBourke.

Sincerely,



Ron Power

General Project Manager  
Muskrat Falls & Labrador - Island Transmission Link

Rec. No.: L010-S011-200-170331-00202

Mr. Normand Bechard  
SNC-Lavalin Inc.  
November 7, 2012

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DD/dd

cc: **P. Harrington**  
**L. Clarke**  
**J. Kean**  
**P. Hussey**

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