

**From:** [jasonkean@lowerchurchillproject.ca](mailto:jasonkean@lowerchurchillproject.ca)  
**To:** [abudzinski@valard.com](mailto:abudzinski@valard.com)  
**Cc:** [Ducey, BJ](#); [Richard Donica](#); [Lance Clarke](#); [Williams, Kelly](#); [Kumar Kandaswamy](#)  
**Subject:** Your Letter  
**Date:** Tuesday, October 21, 2014 5:05:28 PM  
**Attachments:** [.png](#)  
[LTR-CT0327001-0006.pdf](#)

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Adam,

Pursuant to my voicemail, I was literally shocked to receive Kelly William's letter of this afternoon insinuating delay due to the conditions of the access road and availability of materials. While I participated in discussions on Friday wherein the challenges with access were discussed, I was perplexed as to why, given our relationship, we would receive a letter with such an inflammatory tone without as much as you have the courtesy to give me a call.

Not quite the manner in which I expected our business relationship would exist. I don't have a problem working to solve the issue, however I suggest Valard has all their facts in order before starting down the road of pursuing a delay claim.

BJ,

Looks like we have our first agenda item for the Steering Committee.



LTR-CT0327001-0006.pdf

**Jason R. Kean, P. Eng., MBA, PMP**

**Deputy General Project Manager**

**PROJECT DELIVERY TEAM**

**Lower Churchill Project**

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You owe it to yourself, and your family, to make it home safely every day. What have you done today so that nobody gets hurt?



LTR-CT0327001-0006

October 20, 2014

Labrador-Island Link Limited Partnership  
350 Torbay Road Plaza, Suite No. 2  
St. John's, NL  
Canada A1A 4E1  
Re: Lower Churchill Project

**Attention: Jason R. Kean, Deputy General Project Manager - LCP**

Subject: CT0327001 – Road Accesses Constructed to Date

Dear Mr. Kean,

As you are aware from recent meetings and conversations between the LCP and Valard project management teams, there is a considerable level of concern from all parties regarding the suitability of roads constructed to date that are intended to provide access to the transmission line right-of-way and construction worksites. The significant majority of these recently constructed roads have been built to a standard that does not allow for their intended use by Valard construction crews using conventional transmission line equipment and construction practices. For clarity, these roads have not been constructed to a “fit-for-purpose” standard.

On October 14<sup>th</sup> Valard foundation crews began work activities in the area generally agreed upon by all parties as having access roads that would provide the best chance of withstanding construction traffic (Structure S1-69 northward toward Muskrat Falls). These crews immediately experienced issues with road stability, and accesses have now deteriorated to a degree that crews are experiencing a significant loss of productivity and are having difficulty moving around worksites. Additionally, it has been necessary for foundation crew equipment and operators to step away from foundation work and devote time to reworking road accesses in an effort to keep the foundation installation process moving forward.

Valard is fully committed to working as a united team with LCP, and we will endeavor to move forward through these significant access challenges. However, the realities of current access conditions due to the lack of fit-for-purpose roads will likely continue to affect crew production as well as onboarding of additional crews until such time as winter conditions arrive and frozen conditions prevail. As a result, project schedule may be affected and Valard may incur additional costs due to these delays.

In an October 17<sup>th</sup> meeting LCP suggested that Valard should consider delaying the arrival of additional crews due to lack of available foundation materials; given the current project access constraints as outlined above, please advise whether the project can support additional crew loading, or if crew arrivals should indeed be delayed until such time as road accesses are improved.



Sincerely,

A handwritten signature in black ink, appearing to read 'Kelly Williams', written over a horizontal line.

Kelly Williams, Project Manager  
Valard Construction LP

- Cc: Rosann Taylor  
Richard Donica  
Kumar Kandaswamy  
Keenan Healey  
Don Ritchie  
Adam Budzinski  
Shane Eirickson  
Nalin Mistry