

**Muskrat Falls Corporation**

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29 February 2016

LTR-CH0032001-0259

ANDRITZ HYDRO CANADA INC.  
6100 Trans-Canada Hwy.  
Pointe-Claire, Quebec  
H9R 1B9

**Attention: Mr. William Mavromatis**

**Subject: Agreement CH0032-001**  
Supply and Install Powerhouse and Spillway Hydro-Mechanical Equipment  
Spillway Installation Schedule – 25-Feb-2016 Update  
LTR-CH0032001-001-0258

Dear Mr. Mavromatis:

Company acknowledges receipt of Contractor letter dated 25-Feb-2016, reference AH-Letter-PM-115, enclosing CH0032 Accelerated Schedule Update dated 25-Feb-2016 and would respond as follows.

Contractor is aware that the date for completion of the River Diversion Works remains fixed at 15-Jun-2016. The opportunity afforded to Contractor was to correct and update the accelerated schedule to include for identified float on Contractor deliveries, improved productivity and to revise activities for simultaneous rather than continuous progress. It was also an opportunity for Contractor to review durations that Company had commented on previously that seemed elongated, for example, rate of concrete pours. The request to review the accelerated schedule was not an invitation to revise and extend the fixed date for River Diversion of 15-Jun-2016.

The current completion date of 07-Jul-2016 is unacceptable and while Company appreciates the recent efforts Contractor has made in the improvement of precision alignment activities, the date of 15-Jun-2016 cannot be extended. Contractor is instructed to review and revise and to take whatever measures are required to achieve this date. Company is available to assist if required.

Your immediate attention to this is required and should be addressed no later than 01-Mar-2016.

Yours truly,



Scott O'Brien  
Company Representative  
Project Manager – Muskrat Falls Generation  
Project Delivery Team  
Lower Churchill Project