

From: pharrington@lowerchurchillproject.ca
To: [Ron Power](#)
Cc: [Brian Crawley](#); [Jason Kean](#); [Lance Clarke](#)
Subject: Onwards and upwards
Date: Thursday, May 1, 2014 8:31:20 PM

Ron and the core team

I have every confidence in you guys...I am coming back because there is only so much sun and sand a body can take. I am not alarmed by your email, I am reassured that you have it under good control...keep looking after each other and listen to each other's advice and guidance...I listen to all of you and trust what you tell me..so this is just another of those mountains we have to climb.Lets all keep a measured controlled approach. We can deal with this , let's keep it within our control sphere and manage the problem. Together we will turn this around and get it back on track just like all the other impossible challenges we have overcome to date.

Churchill saidwhen you are going through tough times
.....keep going.

That's us a band of brothers

Regards Paul

Sent from my iPad

On May 1, 2014, at 6:44 PM, "Ron Power"
<RonPower@lowerchurchillproject.ca> wrote:

Paul - do not cut your vacation short. We met today and have a plan for the next few days. My noted weren't meant to be alarmist, but only to advise you of the issues as you requested. As Lance said today, we have overcome all significant challenges to date, and we will overcome this one - I found that message very reassuring.

On May 1, 2014, at 6:01 PM, "Paul Harrington"
<PHarrington@lowerchurchillproject.ca> wrote:

Thanks Ron and for all the updates.

I will get a flight back tomorrow and overnight in Toronto...so will be back in the office on Sunday.

I will be available for further discussions then.

We have our challenges and the priorities are clear.

Many thanks for minding the store for the last week. Your actions towards ASTALDI are appropriate. We will win this battle

Regards Paul

Sent from my iPad

On May 1, 2014, at 9:25 AM, "Ron Power"
<RonPower@lowerchurchillproject.ca> wrote:

Paul - some issues that need focus (I have elaborated to give you details - bullets would not be adequate).

1 - Astaldi: Failure to Perform I visited site last Saturday. The situation there is virtually hopeless. When I returned I prepared a deck entitled "Astaldi: The Road to Failure". I presented this to Lance, Scott, Gilbert, Ed Bush, Pat, and Brian. Des (and later Jason) tied in by phone. I will present it to you when you return. As a result of this session, 2 Steering Committee meetings were held this week with Astaldi. I did not attend on Tuesday, as I preferred that cooler heads prevailed. I did step in to yesterday's session, and I gave the following messages directly / verbatim to Mario, Jennifer and Manni:

- Astaldi are perceived as a joke on site
- the Astaldi troops on the ground are laughing at Astaldi
- we have paid in well in excess of \$100,000,000 to Astaldi to date and have nothing to show for it.
- the schedule is probably lost
- I requested Mario, Jennifer and their Mr. Cerri to get on a plane, today, with one-way tickets and to stay here until this situation gets fixed.

The outcome of all of the effort this week is that Astaldi have now come forward with near-term plans / hit team from South America that will be here on Saturday. There will be a new PM here within 10 days (Long-term Astaldi person). Anyway, Lance and others are more in tune with what they are now proposing. While I do not doubt the sincerity of Mario and Jennifer (I do believe Manni is conspiring against the project), the bigger question is whether Astaldi can deliver this. I am not convinced. We will be convening internally here today to talk about our game plan. I am really emphasizing to Astaldi and to our team the seriousness of the situation.

So, outside of the immediate JCL safety issues, the Astaldi inability to perform is the **primary area that needs our collective focus.**

2 - Team Effectiveness Issues

- The Muskrat Falls versus Home Office "fifth column" activity (I do not believe it is necessarily vindictive), lead by Des and espoused by certain of Des's disciples, is continuing. However, I am beating hard on that one and I think alignment will be achieved. I have reached the point where it will be fixed, by me. I believe everyone is now getting the message / it is getting better. There might be some casualties. Des brings a lot of value in certain areas, and I want him on the project.

- The issues identified in the TL offsite, held at the Holiday Inn on 15 April are still being addressed - we need to resurrect this. There has been one breakthrough - Dave Pardy will be the Deputy PM for the dc line, reporting to Rick Donica. (Kumar is the Deputy PM for the ac). We are building another office in the TL area for Dave. We have discussed this with Dave and he is excited to take it on whenever his workload on the Accommodations Complex etc.. permits. Also, we have recruited the Area Construction Manager for the ac lines. We have yet to consider and address the resumes that Tony Hilton provided.

3 - CH0009 - We have reached consensus internally (Lance, Scott, me, etc..) that Astaldi will not be on the bid list for this scope. We need to get the EOI on the street as we are losing our schedule.

4 - SOBI - Regarding Iceberg risk, I met with the SOBI team earlier this week. I have planted "niggling doubt" in their minds, particularly Steve Follett and Keith Drover. We did discuss practical things that could be done to reduce risk. In addition, it was agreed that a bathymetry survey will be carried out, at first opportunity, covering the "bathymetric shelf" area. At present, there is no accurate seabed elevation survey there (in retrospect, this should have been done earlier). Also, Greg will dig out the "Alternatives to Glory Holes" report to understand if additional rock dumping can be implemented to alleviate iceberg contact risk, should the risk be deemed an issue. Also, the SOBI team are looking at spacing the exit points of the HDD holes on the Labrador side further apart. We also discussed the 4th hole on the NL side (exiting further apart). Scott has provided files from the offshore industry that are related to iceberg risk - these have been provided to the SOBI team. **Bottom line: the SOBI team are not there yet, but are listening - we need to support them to get there.** I do suggest we convene another session next week and that Scott participate from a risk analysis perspective.

5 - Transition Compounds Greg took me aside and asked me to help him here. Greg's vent is that the buildings covering the Transition Compounds were removed without following our MOC processes, and the SOBI team were not consulted. They strongly feel that a building is required (we had already supported Greg regarding that) but the issue is that the SOBI team do not have the expertise / resources to take this over the line. I committed to calling a meeting, next week, with you, me, C3 team members, Jason, Scott etc.. to get resolution and a path forward and to understand if there are resources we can apply to this. This is a big deal for the SOBI team.

6 - Recruitment We need more competent CAs. Hatch have provided 2 resumes and Ed Bush has provided one. We need to move on interviewing

these persons (Pat is actioning).

7 - CH0008 Bid List - We need to meet with Len Knox to see if we can entice H.J. O'Connell to bid.

On a final note, today is May Day. I wonder if the "Armed Robbers Union" is still participating in the big May Day marche in Lagos.

cheers

Paul Harrington---04/30/2014 10:39:35 PM---I. Would appreciate a concise list of key items that are underway with each of you so I can be ready

From: Paul Harrington/NLHydro

To: Ron Power/NLHydro@nlhydro, Lance Clarke/NLHydro@nlhydro, Jason Kean/NLHydro@nlhydro, Brian Crawley/NLHydro@nlhydro,

Date: 04/30/2014 10:39 PM

Subject: Getting ready

I. Would appreciate a concise list of key items that are underway with each of you so I can be ready to hit the ground on Sunday when I return

Thanks Paul

Sent from my iPad