Exhibit 12 Worksite Conditions Agreement Number: CD0501-001

CIMFP Exhibit P-03210

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**EXHIBIT 12** 

**WORKSITE CONDITIONS** 

#### 1.0 CONTRACTOR'S WORK AREA

#### 1.1 Worksite Location

Worksite locations are generally indicated in Exhibit 1, Scope of Work.

# 1.2 Contractor's Laydown Area

Company will provide Contractor with separate areas to install its temporary facilities and storage at Soldiers Pond ("SP") and Muskrat Falls ("MF").

At both Soldiers Pond and Muskrat Falls the laydown area will be adjacent to Work area.

At Soldiers Pond, the laydown area shown on layout drawings is to be shared with other contractors. Where Company and Contractor agree, the laydown area may be incorporated as part of work area.

At Muskrat Falls, the laydown area is exclusively for Contractor's use.

At Forteau Point and Shoal Cove, the laydown area shall be incorporated as part of the  $100 \text{ m} \times 100 \text{ m}$  plot. However, this plot is to be shared and coordinated with the cable installer, who will be installing its cable sealing ends and lightning arresters.

Contractor is to provide its laydown area requirements to Engineer for review. Engineer will then confirm laydown area.

#### 1.3 Work Area

Contractor shall be permitted to install its trailers, containers and other temporary buildings for its own use within the area established for the permanent facilities. The precise locations will be subject to Engineer's Acceptance.

The area reserved as Contractor's laydown will be cleared and graded by Company, and handed over to Contractor for its use as required.

Contractor's temporary site facilities shall comply with Applicable Laws.

Contractor shall be responsible for planning the most effective use of the available spaces and shall determine the layout of its temporary site facilities, site offices, access roads and security fences within its assigned area while considering the planned manpower for all its work activities.

As part of its execution plan, Contractor shall prepare a comprehensive temporary site facility plan that details all Contractor temporary site facilities which shall include the laydown and site offices and the construction facilities for Engineer's review and Acceptance. This site facility plan shall describe onsite and offsite facilities.

### 1.4 Maintenance of Work Areas

During the execution of the Work, Contractor shall keep the Site reasonably free from all unnecessary obstruction and shall store or dispose of any Contractor's equipment and surplus materials and clear away and remove from the Site any wreckage, rubbish or temporary works no longer required.

Unless otherwise provided elsewhere in the Agreement, Contractor shall, throughout the construction period, maintain its work area, laydown areas and passageways in order to permit the safe movement of pedestrians and vehicles at all times.

### Muskrat Falls:

Company will maintain all common main access roads, including occasional grading of roads, snow removal and sanding of permanent access roads. Contractor will be responsible for snow clearing and road maintenance for the area within the boundary of its site only, except during the execution of the Civil Works Baseline work as defined in section 4 of Exhibit 17. If the laydown area is intended to be used by Contractor, it is Contractor's responsibility to maintain this area.

# **Soldiers Pond:**

Snow clearing and road maintenance of the common road to the Soldiers Pond Site, up to the boundary of individual Contractor work sites, will be provided by Company. Contractor will be responsible for snow clearing and road maintenance for the area within the boundary of its site only, except during the execution of the Civil Works Baseline work as defined in section 4 of Exhibit 17.

### Forteau Point/Shoal Cove:

At Shoal Cove and Forteau Point, snow removal, sanding and occasional grading shall be carried out by Contractor from the main Newfoundland and Labrador highway into Contractor's designated work area.

# 1.5 Clearance of Site on Completion

Prior to Substantial Completion of the Work, and after receiving Company Approval, Contractor shall clear away and remove all Contractor's equipment, surplus material, rubbish and all Contractor's temporary work and facilities of every kind. All areas



utilized shall be restored to their original condition, as handed over to the Contractor, by Company, at the start of the Work. Contractor shall leave such part of the Site and Works clean and in a workmanlike condition to the satisfaction of Company. If Contractor is required to de-mobilise and then re-mobilise, an analysis will be provided by Contractor to determine to what extent the Site shall be returned to original condition. It may be more cost effective to wait until remobilisation activities have been completed.

# 1.6 Contractor Signage

Contractor shall be responsible for purchasing and installing on its temporary roads all traffic signs to inform road users, ensure their safety, and facilitate traffic. Traffic signs shall be consistent with the regulations in force and to the requirements of Engineer.

Only standard safety bulletin boards and safety signs used to identify the Lower Churchill Project (LCP), Company, designated representatives and Contractor shall be allowed on the Worksite with prior approval of Engineer. Contractor shall also be responsible for providing public advisory signage, including but not limited to signage prohibiting hunting and hiking in areas where work shall potentially commence.

# 2.0 SERVICES PROVIDED BY CONTRACTOR AND/OR COMPANY

## 2.1 Electrical Power

# **Temporary/Construction Power:**

Company will provide electrical power distribution extensions to the Worksites at Muskrat Falls, Soldiers Pond, Forteau Point and Shoal Cove. Anticipated delivery of power to the four (4) locations is as follows:

Muskrat Falls: 03-OCT-2014 Soldiers Pond: 29-AUG-2014 Forteau Point: 31-JUL-2014 Shoal Cove: 31-JUL-2014

Construction power will be provided without cost to Contractor by Company.

Supply voltage at all locations will be 600 V, 3 phases, 4 wire, supplied from temporary transformers. Capacities available at these locations will be as follows:

Muskrat Falls: 750 kVA (475 kVA plus 275 kVA for laydown area) Soldiers Pond: 750 kVA (475 kVA plus 275 kVA for laydown area)

Forteau Point: 400 kVA Shoal Cove: 400 kVA



At Forteau Point and Shoal Cove, the line built for construction power will serve as the permanent line; Contractor should anticipate the requirement to install its own OH/UG transition cable, lightning arresters, fuse protection, duct bank to permanent pad and associate pad mount transformer etc. At MF and SP, the permanent auxiliary power will be derived from new HV facilities, and 25 or 12.5 kV feeds will be provided for auxiliary power as per the provided documentation.

Company will make every effort to maintain an uninterrupted supply of electric power at each of the Sites, but cannot guarantee that there will be no interruption during the duration of the Work. Company will not be held responsible for such interruptions, variations in voltage or frequency or damage arising thereof. Contractor shall take the necessary measures to meet its needs in case of emergency. Contractor shall have an emergency power supply to ensure that critical work tasks can remain operational at any times (i.e. dewatering systems and sedimentation ponds).

In the event that the supply of electric power at any of the Sites is interrupted for a prolonged period and Contractor is required to use emergency or temporary power supplies, the cost of providing this temporary power will be reimbursed to Contractor.

# 2.2 Lighting

Company shall provide lighting of temporary installations required for Contractor's work areas in the Converter Stations. In the Transition Compounds, Contractor is responsible to provide all lighting to its work areas during Contractor's own Work period. When work is done at night or when the day light is not available, the Contractor shall provide a minimum of 300 Lux, but in any case sufficient lighting for the execution of the Work in satisfactory, efficient and secure conditions is needed. Contractor's access roads to the work areas shall have a minimum 200 Lux lighting level. All ducts and power lines for lighting and other electrical services shall be installed and maintained in a safe manner, fixed securely, and placed as far as possible from transmission cables.

#### 2.3 Potable Water

Company will not provide potable water to the Worksites. Contractor shall be responsible to provide its needs for potable water during construction.



## 2.4 Industrial Water

Contractor shall be responsible to provide its own supply of industrial water, either by pumping from rivers or streams or by wells. Contractor shall make the necessary arrangements to treat water as necessary to achieve local regulatory requirements.

# 2.5 Heating

Company will provide heating of Contractor's temporary facilities at MF and SP but Contractor must maintain the heating systems. At Forteau Point and Shoal Cove, Contractor shall be responsible to provide heating of its own facilities.

# 2.6 Dewatering and Sediment Control

At MF and SP, Company will provide and install pumping and dewatering systems in the work areas. For its own work, Contractor shall maintain them. At Forteau Point and Shoal Cove, Contractor shall provide, install and maintain its own pumping and dewatering systems in the work areas during Contractor's own Work period. This includes the construction, operation and maintenance of sedimentation ponds. From the beginning of the work the Contractor shall take the necessary measures for the control and evacuation and sediment control of any water inflow or seepage of water in its Work areas.

Contractor shall provide proper drainage for all of its construction activities. Silt-laden water is to be directed to settling ponds prior to release into water bodies or the environment. Refer to Exhibit 6 for information, limits and direction relating to this subject.

## 2.7 Sanitary Facilities

### **Muskrat Falls and Soldiers Pond**

One mobile wash car will be provided by the Company at each Site. Contractor shall identify location of the most convenient place in Contractor's Worksite .Company will install the wash car and Contractor may relocate the wash car from time to time at its own cost as the need arises.

Company will provide all waste collection and water supply for wash car at the Muskrat Falls Site.

At Soldiers Pond, Contractor shall provide waste collection and water supply during execution of its own Work.

Contractor shall be responsible for the maintenance of the wash cars during Contractor's own Work period ("installation period") including supply provisioning, cleaning etc. as required.

# Forteau Point / Shoal Cove / Soldiers Pond

All other sites, Contractor shall be responsible for its own Sanitary Facilities.

# 2.8 Cleaning of Lunch Rooms and Offices

Contractor shall be responsible for all the cleaning of its offices, lunchrooms, workshops and all other workplaces under its responsibility on a regular basis. Lunchrooms shall be cleaned after each meal or break. Such services may be subcontracted by Contractor, at its own expense, to the on-site Company's maintenance contractor at the Muskrat Falls Site, subject to approval of Engineer.

# 2.9 Waste Management

# **Muskrat Falls**

At the Muskrat Falls Site, the Company will provide trash containers to be placed at the Company's Laydown Area at the Worksite. The Company is responsible for the supply, installation and periodic replacement as required.

Contractor shall be responsible for collecting all recoverable waste refuse and packing material the Contractor generates and for disposing it at the appropriate containers (clearly identified as to its restricted content) provided by the Company. If the Contractor fails to take the necessary measures to comply with and/or fulfill this obligation, the Company will notify the Contractor in writing to take immediate corrective action. If the Contractor does not comply after notification by the Company, the Company will have these task completed and back-charge the costs to the Contractor.

Hazardous chemicals shall be stored and handled in accordance with relevant standards, best practices and materials instruction manuals. Contractor shall have all Material Safety Data Sheets (MSDS) readily available.

Contractor should consider ways to minimize waste and waste disposal in development of its constructability plan.



# Forteau Point / Shoal Cove / Soldiers Pond

Contractor is responsible for its own waste removal and management and disposal in accordance with the local regulations.

Hazardous chemicals shall be stored and handled in accordance with relevant standards, best practices and materials instruction manuals. Contractor shall have all Material Safety Data Sheets (MSDS) readily available.

Contractor should consider ways to minimize waste and waste disposal in development of its constructability plan. Contractor shall transport waste to the designated landfills.

## 2.10 Medical Services

At the Muskrat Falls Site, Company will provide paramedics, first aid personnel, fully equipped first aid room and emergency vehicles, shared amongst all Contractors at the site.

At Soldiers Pond, Company will provide the first aid facilities to Contractor. During Contractor's own Work period, Contractor shall provide first aid services including the emergency vehicle and qualified first aid attendants in accordance with the Newfoundland and Labrador Occupational Health and Safety First Aid Regulations.

At all other Sites, Contractor is responsible to provide first aid services including facilities, emergency vehicles and qualified first aid attendants in accordance with the Newfoundland and Labrador Occupational Health and Safety First Aid Regulations during Contractor's own Work period.

## 2.11 Security Services

At the Muskrat Falls Site, Company will maintain a security service for the protection of all facilities and property. Regular security patrols will take place within the camp boundaries to protect its facilities, equipment and residents.

Company takes no responsibility for any loss or damage of any kind incurred by Contractor's Personnel.

At all other Sites, Contractor is responsible for Site security provisions during Contractor's own Work period and for any losses or damage to Contractor's personnel, material and equipment.

There is no requirement for an overall gate to Soldiers Pond, Contractor will be responsible for controlling access to its individual Worksite and laydown areas during Contractor's own Work period.

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## 2.12 Telecommunications

#### Muskrat Falls Site

Company will provide Contractor with access to telecommunication systems and services at the Muskrat Falls construction Site for business requirements. Telecommunication systems and services include, but not limited to, the following:

Land Mobile Radio System: Company will deploy a single Land Mobile Radio System for use by Company, and all Contractors and Subcontractors at the Muskrat Falls construction Site. Company will grant access to Contractor and its Subcontractors to the infrastructure of the radio communications system. It will be the responsibility of Contractor and its Subcontractors to acquire at their own cost the mobile and portable radio equipment and accessories (Portable Radios portable, Mobile Radios, antennas, chargers, etc.). The mobile and portable radios will be available from the same Telecommunications Services Provider (TSP) appointed by Company for the LMRS system.

Telephone Services: Contractor shall be responsible to setup service agreement with local Telephony Services Providers and purchase its own telephone sets;

Cellular and Mobile Internet Services: Company is not deploying a cellular and mobile internet solution. However, the local telecommunication company will be deploying in Q2 2014 a new site at the accommodation complex, to improve the capacity and coverage of the existing network; each contractor shall be responsible to purchase its own cellular devices and services from the local services provider;

Internet Services: Company will provide point of presence in different locations for Contractors Internet access (Trailer#3 telecommunication room at Company Laydown, Telecommunication enclosure at Accommodation Complex contractors area and Telecommunication enclosure at the Contractor Laydown; Company shall be responsible to install fiber optic cable between Contractor's facilities and the closest point of presence location; the cable shall be terminated in the dedicated optical digital frame (ODF) or optical patch panel; Company is responsible to distribute this Internet connection to Contractor's offices; Contractor is responsible for Operation, Administration, Maintenance and Provisioning of its internal Local Area Network and end user devices, such as computers and printers, in its designated office area.

Company will provide Contractor staff with quality of life telecommunication systems and services during non-work hours. Recreational systems and services will include, but not limited to, the following:



- Television Services: A television will be provided in each dormitory room and designated public areas of the accommodations complex.
- Telephone Services: Telephone booths will be provided in the recreational designated public areas at the accommodations complex.
- Internet Services: Wireless internet will be provided in the dormitory modules and designated public areas of the accommodations complex.

# Forteau Point / Shoal Cove / Soldiers Pond

At Soldiers Pond, Company is responsible to provide telecommunication facilities. Contractor is responsible to operate, maintain and administer the facilities.

At all other Sites the Contractor is responsible for the provision of telecommunication facilities.

## 3.0 FUEL STATION AND FUEL MANAGEMENT

# 3.1 Fuel Supply

### Muskrat Falls

An Agreement for fuel supply and dispensing services for the Lower Churchill Project has been executed with Woodward's Oil for the **Muskrat Falls Site only**.

Contractor will be responsible for all necessary arrangement with Woodward's Oil Limited for the payment terms, purchase, and distribution of fuel. Arrangements for fuel delivery to stationary equipment—will be coordinated through Woodward's Oil Limited mobile dispensing service

Fuel will be available from the fuel depot at Muskrat Falls Project Site for vehicles and equipment engaged for the Work on the Lower Churchill Project.

Unit Prices for fuel are fixed for the duration of the Agreement between the Company and the service provider. Unit Prices are as indicated in the table below:

Type of Fuel	Fixed Price per Liter
Gasoline	\$1.40
Diesel	\$1.40

Fuel purchased from this facility for the use of the Contractor in the execution of the Work shall not be resold.

Contractor will be required to provide estimates of fuel consumption on the first day (1st) of each month. All estimates shall be submitted to the service provider and include estimated fuel consumption for the next 6 months.

Company assumes no liability relating to the supply of fuel and Contractor is responsible for all cost associated with its fuel requirements.

Contractor is encouraged to use this service.

# Forteau Point / Shoal Cove / Soldiers Pond

At all other Sites Contractor is responsible for fuel arrangements.

## 4.0 CONCRETE SUPPLY AT MUSKRAT FALLS

One of the Company's Other Contractors will install a concrete batch plant at the Muskrat Falls Worksite. At Contractor's sole option, concrete will be provided from this plant at a pre-determined price of CAD 325/M³ delivered on the Muskrat Falls Worksite. However, Contractor remains totally responsible for making arrangements with and payments to Company's Other Contractor as well as ensuring quality of concrete supplied and schedule of concrete deliveries meets Contractor's construction requirements. Contractor is free to seek alternative suppliers as approved by Company and shall indicate in its' bid an alternative source of concrete supply.

At all other Sites no Company contracted concrete providers will be available.

#### 5.0 ACCOMMODATION COMPLEX AT MUSKRAT FALLS WORKSITF ONLY

#### 5.1 Accommodations

An accommodation complex will be made available to Contractor at the Muskrat Falls Site. The accommodation complex is located approximately ten (10) km from Muskrat Falls. Company will provide room and board free of charge at the accommodation complex for the use by Contractor's staff and its Personnel, as approved by Engineer.

The number of employees eligible for lodging services is limited to the resources indicated in the Agreement. Contractor must submit to Engineer at least thirty (30) days in advance, all reasons for any forecasted increases in manpower. Engineer does not undertake to accept such requests; however, Engineer may, at its sole discretion and subject to availability, approve these forecasted increases in manpower.

Contractor's personnel will be mobilized at the Worksite in compliance with Company policy.



Contractor personnel will to be provided with an identification card with photograph issued by Engineer on their first day on Site. This will then permit camp registry and room assignment, free access to the camp cafeteria and main gate ingress and egress when required.

#### 5.2 Rooms

Contractor's personnel will be housed in dormitories with rooms for single occupancy including toilet, washbasin and a double occupancy shared shower. Each dormitory is supplied with heating and indoor and outdoor lighting and is equipped with washers and dryers placed at the disposal of its occupants. The occupants may not use the washers and dryers for cleaning work clothes. Contractor shall provide cleaning services for the work clothes of its personnel.

Company provides free cable service, internet service and a television set for each room. No private satellite television antenna is permitted.

# 5.3 Meals

Two (2) hot meals are served every day in the cafeteria. The cold meal for the middle of the work shift is available to Contractor's employees during the previous meal at the cafeteria.

#### 5.4 Recreation

Recreation facilities will be made available to all camp residents.

## 5.5 Banking Service

An ATM banking machine will be made available to Contractor's personnel.

#### 5.6 Convenience Store

Contractor's personnel will have access to a small convenience store offering a variety of items deemed appropriate for construction Sites. Contractor's personnel are responsible for the cost of all purchases.

#### 5.7 Private Vehicles

Private vehicles are not allowed on the Worksite or accommodation complex.

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# 5.8 Drugs and Alcohol

The Site shall be drug and alcohol free. Every employee of Contractor shall be drug and alcohol free while at work.

In addition, employees and Contractor shall not be permitted to possess or sell prohibited drugs or alcohol or, be in possession of any item or piece of equipment for the use of or administration of a prohibited drug at the Site.

Company's Drug and Alcohol Policy is contained in Exhibit 11.

## 5.9 Prohibition of Commercial Trade

Commercial activities are prohibited on the Worksite.

### 6.0 RESPONSIBILITY OF THE CONTRACTOR

Contractor is responsible for any and all replacement costs of items assigned to Contractor's personnel during its assignment at the Worksites. Contractor is also responsible for repair or replacement resulting from damage caused by Contractor personnel or its Subcontractor's personnel to any property owned by Company or Company's Other Contractors.

# 7.0 TRANSPORT

## 7.1 Access to Work Sites

The Worksites are accessible as follows:

### By Road

## Muskrat Falls Worksite

Muskrat Falls Worksite is located approximately thirty (30) km from the town of Happy Valley-Goose Bay (HV-GB). The route follows the Trans Labrador Highway for approximately ten (10) km south of HV-GB and a gravel road of approximately twenty two (22) km which leads to the accommodations complex. Transport of heavy equipment shall be from Cartwright to the Worksite. A consultant's report detailing available port facilities, roadway conditions (including culverts) and bridges will be made available in 2Q2014. Bridging of culverts that may not have the necessary capacity will be the responsibility of Contractor and its dedicated transport Subcontractor.



#### Soldiers Pond Worksite

Soldiers Pond Worksite is located approximately one and half (1.5) km from the Trans-Canada Highway and is located approximately thirty six (36) km from St John's. Transport of heavy equipment shall be from Bay Bulls to the Worksite. A consultant's report detailing available port facilities, roadway conditions (including culverts) and bridges will be made available in 2Q2014. Bridging of culverts that may not have the necessary capacity will be the responsibility of Contractor and its dedicated transport Subcontractor.

Company will provide a reasonable number of parking spaces for Contractor's use within laydown area. Contractor will be responsible for providing bus transportation to Worksite from an off-site location for its own personnel.

#### Forteau Point

Forteau Point Worksite is situated about 13 km northeast of the Quebec/Labrador border. Forteau Point is situated along the shores of Forteau Bay. Company will provide a reasonable number of parking spaces for Contractor's use. Contractor will be responsible for providing bus transportation to Worksite from an off-site location.

#### **Shoal Cove**

Shoal Cove Worksite is situated about 10 km north of Flower's Cove off of the Viking Trail, NL 430. Company will provide a reasonable number of parking spaces for Contractor's use. Contractor will be responsible for providing bus transportation to Worksite from an off-site location

## **Port Facilities**

## **Muskrat Falls**

The Happy Valley-Goose Bay and Cartwright port facilities are accessible by road to Worksite. Contractor is responsible for obtaining, from the appropriate Authority, the restrictions and requirements in using those facilities and associated services. A consultant's report detailing available port facilities at Cartwright will be made available in 2Q2014.

#### **Soldiers Pond**

The Holyrood, St John's and Bay Bulls port facilities are accessible by road to Worksite.

Contractor is responsible for obtaining, from the appropriate Authority, the restrictions and requirements in using those facilities and associated services. A consultant's report detailing available port facilities at Bay Bulls will be made available in 2Q2014.

# **Bridges**

Contractor is responsible for completing a logistics study to determine any restrictions in shipping material and equipment to and from the Worksite. Company will provide a report by its consultant detailing the capacity of two bridges along the Cartwright to Muskrat Falls roadway, both of which have been identified by earlier studies as being potentially limiting with regard to traversal with heavy loads. The two bridges are the Kenamu Bridge and the Paradise River Bridge. The consultant report will identify the maximum capacity that can be traversed. One of the two bridges will (by initial engineering review) have to be strengthened. This work of strengthening the bridge will be done by Company.

#### By Air

Company has negotiated an agreement with an air transport company to move personnel between hub locations (St. John's, Deer Lake, Halifax, etc.) to work locations. Company encourages Contractor to make use of this agreement to save costs. Contractor is responsible for all airline bookings for all travel needs of Contractor's personnel.

# 7.2 Transportation between the Airport and the Accommodation Complex

Company will provide mandatory bus service between Goose Bay and the Goose Bay Airport and the accommodation complex to transport Contractor's personnel and its personal belongings.

Company takes no responsibility for any inconvenience that may be caused due to normal mechanical failure, adverse weather conditions or other causes out of its control.

Contractor, however, shall be responsible for transportation between the Goose Bay airport and the Worksite for any material, equipment, tools, or other requirements associated with the Work.

## 7.3 Transportation between the Accommodation Complex and Work Locations

Contractor is responsible to provide necessary transportation of Contractor's personnel between the accommodation complex and Work locations.

# 8.0 TRANSPORT AT ALL OTHER WORKSITES

Contractor is responsible for all transportation arrangements at all other Sites for its own personnel.



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