

**From:** [Richard Noble](#)  
**To:** [David Steele](#)  
**Subject:** Re: getting concerned  
**Date:** Thursday, December 4, 2014 5:48:22 PM

---

Yep... the report is basically a shoddy lash-up restating Management's half baked and possibly dubious data... we really should avoid our name on it.

OC has "spit the bed" on this one... would honestly be better to say "we're getting back to you in the new year"... cos as it stands, they're saying nothing and spending the electorates money to do so.

I also think Nalcor will kick like a mule... there's a while till we're on-site yet methinks.

Aye.

R

Sent from my BlackBerry 10 smartphone on the Bell network.

---

**From:** David Steele  
**Sent:** Thursday, December 4, 2014 11:51 AM  
**To:** Richard Noble  
**Subject:** getting concerned

---

Rich,

This should be interesting. I believe that if we aren't able to execute this project in the new year with the level of transparency and cooperativeness we expect, we should consider resigning from this engagement. We can assess this in the new year when we are crossing that bridge.

Secondly, the next SOW I think we should write up and propose is to do a deep dive performance review of the Astaldi contract. Some of the information Craig was providing to me just now are pointing to significant labor issues and progress issues. They are not going to make up ground over the winter months give the units haven't been constructed, and if anything, it will likely slip further. If we can't get out ahead of this in the new year and perform such a review, it is only a matter of time (likely in May or June) that Nalcor will make the announcement that there is another 1B added to the cost estimate. And we will be there looking like idiots... the advisors to the OC who didn't catch anything.

Just some thoughts.

Regards,

Dave

**David Steele** | Partner | Advisory Services

Ernst & Young LLP

Cell: +1 709 769 2080 | [David.Steele@ca.ey.com](mailto:David.Steele@ca.ey.com)