From:	
Sent:	
To:	
Subject:	

ronpower@lowerchurchillproject.ca Thursday, November 7, 2013 2:53 PM scotto'brien@lowerchurchillproject.ca Fw: Astaldi progress question

fyi

----- Forwarded by Ron Power/NLHydro on 11/07/2013 02:52 PM -----

From: Paul Harrington/NLHydro

- To: Ed Martin/NLHydro@NLHydro,
- Cc: Gilbert Bennett/NLHydro@NLHydro, Ron Power/NLHydro@NLHydro
- Date: 11/07/2013 02:03 PM

Subject: Re: Astaldi progress question

Ed

They are still the right contractor, they can pick up speed, we are doing all we can.

You could include the key message I highlighted into any phone call with Astaldi at that senior level, be positive but also very concerned that we do not see the full A team yet and we need to see better progress with the best Startup team they can muster. They may push back on you that we have not signed the contract so they cannot attract the best people- so be prepared for that

Paul Harrington Project Director PROJECT DELIVERY TEAM Lower Churchill Project t. 709 737-1907 c. 709 682-1460 f. 709 737-1985 e. PHarrington@lowerchurchillproject.ca w. muskratfalls.nalcorenergy.com

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Ed Martin---11/07/2013 01:57:44 PM---1. Still the right contractor? 2. Can these things be fixed in time?

- From: Ed Martin/NLHydro
- To: Paul Harrington/NLHydro@NLHydro,
- Date: 11/07/2013 01:57 PM

Subject: Re: Astaldi progress question

- 1. Still the right contractor?
- 2. Can these things be fixed in time?
- 3. Anything else we need to be doing?
- 4. Anything I can do?

Ed

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Paul Harrington---11/07/2013 01:22 PM NST---Ed here is an update from our team regarding your questions- I have highlighted what I believe to b

From:	Paul Harrington
То:	Ed Martin
Cc:	
Date:	11/07/2013 01:22 PM NST
Subject:	Astaldi progress question

Ed

here is an update from our team regarding your questions- I have highlighted what I believe to be the main issue

1 Astaldi needs a robust startup team to support the LNTP and Readiness requirements. There are gaps in both the individuals and in the positions. Astaldi's corporate processes need to be brought to bear on the readiness initiative through that startup team

CIMFP Exhibit P-03707

2 Nalcor continues to be supportive of Astaldi's efforts in early works under the LNTP and remains committed to collaboration. Nalcor's team members continue to meet with Astaldi at the working level on all aspects; safety requirements and risk assessment, environment and regulatory requirements, execution planning, etc.

3. Nalcor sees Astaldi as slow to move many of these issues forward, in particular deliverable production necessary to support the execution in accordance with the requirements of the LNTP.

- Nalcor recognizes there are numerous work fronts, especially with respect to Astaldi's required work with it's nominated subcontractors

- Astaldi needs to focus on the project's broader requirements for execution, and to the requirements described by Nalcor in the sessions held with the project teams

- Astaldi needs to buoy up the provincial / local knowledge base to support the early works. This is a particular challenge for regulatory compliance and could impede Astaldi's ability to execute early works.

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