

**From:** gbennett@nalcoreenergy.com  
**Sent:** Wednesday, January 7, 2015 12:19 PM  
**To:** Martin, Craig  
**Cc:** Bown, Charles; Paul Harrington  
**Subject:** Re: Meeting this Thursday

This takes me back to my first question - what is the oversight objective?

We can discuss on Thursday...

G

**Gilbert J. Bennett, P. Eng., FCAE**

**Vice President**

**Lower Churchill Management Corporation**

709-737-1836 [gbennett@nalcoreenergy.com](mailto:gbennett@nalcoreenergy.com)

On Jan 7, 2015, at 12:16, Martin, Craig <[CMartin@gov.nl.ca](mailto:CMartin@gov.nl.ca)> wrote:

Gilbert,

Understand that the contracts cover more than one asset as they are Component driven, not sub-asset driven. Interested in seeing what is currently being produced at summary levels to identify the most appropriate to bring into the Oversight reporting at a level down from the current Construction report.

Thinking we can discuss in some more detail in the meeting with Paul tomorrow, but will need to take this a step further to meet with Ed Bush or someone from his shop to see the current info being produced.

Craig

**From:** [GBennett@nalcoreenergy.com](mailto:GBennett@nalcoreenergy.com) [<mailto:GBennett@nalcoreenergy.com>]

**Sent:** Wednesday, January 07, 2015 12:13 PM

**To:** Martin, Craig

**Cc:** Bown, Charles W.; [PHarrington@lowerchurchillproject.ca](mailto:PHarrington@lowerchurchillproject.ca)

**Subject:** Re: Meeting this Thursday

Craig,

Our reporting models are mature and it's important to understand that our contracts cover more than one sub-asset, so our cost reporting by contract does not align with our progress measurement by asset or sub-asset. Cost reporting is done by contract, while project progress is assessed by our field team based on a review of construction deliverables completed in the field.

These are very different measures, but as always, we're happy to discuss.

Gilbert

**Gilbert J. Bennett, P. Eng., FCAE**

**Vice President**

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On Jan 6, 2015, at 14:57, Martin, Craig <[CMartin@gov.nl.ca](mailto:CMartin@gov.nl.ca)> wrote:

Gilbert,

Discussed this in some detail with Paul just before Christmas. From an oversight perspective, the goal here is to land a level of detail similar to the level currently reported on the planned and earned Progress measures. Those provide a granularity lower than the sub-project level,

but at a level of detail that summarizes at the major sub-asset level, which aligns fairly well with the Component view for the contracts.

The current planned and incurred costs reported are on a different basis; cost category rather than sub-asset. Wanted to understand what is being generated internally on a reporting basis to see if we can land at a level that aligns fairly well with the Progress measures.

Hope this clarifies.

Craig

**From:** [GBennett@nalcoreenergy.com](mailto:GBennett@nalcoreenergy.com) [<mailto:GBennett@nalcoreenergy.com>]

**Sent:** Tuesday, January 06, 2015 2:16 PM

**To:** Martin, Craig

**Cc:** Bown, Charles W.; [PHarrington@lowerchurchillproject.ca](mailto:PHarrington@lowerchurchillproject.ca)

**Subject:** Re: Meeting this Thursday

Hi Craig,

In order for us to better understand this request, it would be helpful to understand this request from an oversight perspective. It seems to me that the conversation should be framed as the level of reporting detail necessary to achieve the desired oversight objective...

G

<p>&lt;M2.jpg&gt;</p>		<p><b>Gilbert J. Bennett, P. Eng., FCAE</b></p> <p><b>Vice President</b></p> <p><b>Lower Churchill Management Corporation</b></p> <p>a Nalcor Energy company</p> <p>t. 709 737 1836 f. 709 737 1782</p> <p>e. <a href="mailto:gbennett@lowerchurchillproject.ca">gbennett@lowerchurchillproject.ca</a></p> <p>w. <a href="http://muskratfalls.nalcorenergy.com">muskratfalls.nalcorenergy.com</a></p>
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From: "Martin, Craig" <[CMartin@gov.nl.ca](mailto:CMartin@gov.nl.ca)>  
To: "[PHarrington@lowerchurchillproject.ca](mailto:PHarrington@lowerchurchillproject.ca)"  
<[PHarrington@lowerchurchillproject.ca](mailto:PHarrington@lowerchurchillproject.ca)>  
Cc: "Gilbert Bennett ([gbennett@nalcoreenergy.com](mailto:gbennett@nalcoreenergy.com))"  
<[gbennett@nalcoreenergy.com](mailto:gbennett@nalcoreenergy.com)>, "Bown, Charles W." <[cbown@gov.nl.ca](mailto:cbown@gov.nl.ca)>  
Date: 01/06/2015 02:01 PM  
Subject: Meeting this Thursday

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Paul,

Hope you had a good Christmas and New year. E-mailing to follow up on our conversation just before Christmas regarding the Planned and Incurred costs.

I'm looking to meet with the appropriate person at the Project office regarding Planned and Incurred cost reporting. Specifically want to understand what level of detail at which Internal Reports are currently being produced and review those reports to understand the data level and summary basis. Not sure who the appropriate person would be to discuss this issue with and review the reports with me.

Could you please arrange and advise.

Thanks

Craig

**Craig Martin, CMA**

Executive Director,

Muskrat Falls Oversight Committee

(709) 729-0966

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