

From: [Martin, Craig](#)
To: [Dawn Dalley](#)
Subject: Fw: MF Oversight Committee Report and IE references
Date: Monday, September 28, 2015 6:34:26 PM
Attachments: [IE Reference.docx](#)

Dawn,

Please see the attached from the IE. Nik indicates that the Final report from July visit was issued Sep 11 2015.

We have not received a copy and can't see it in the dataroom.

Need copy ASAP.

Please advise.

Craig

Sent from my BlackBerry 10 smartphone on the Bell network.

From: Nik Argirov <nik@argirovglobal.com>
Sent: Monday, September 28, 2015 6:20 PM
To: Khurana, Harman
Cc: Martin, Craig
Subject: RE: MF Oversight Committee Report and IE references

Harman,

Here it is with some minor additions. Please also note that I have issued the final July site visit report on Sept 11'15.

Regards,

Nik

From: Khurana, Harman [<mailto:HarmanKhurana@gov.nl.ca>]
Sent: Monday, September 28, 2015 10:54 AM
To: 'Nik Argirov'
Cc: Martin, Craig
Subject: MF Oversight Committee Report and IE references

Good afternoon Nik,

Attached are excerpts from the upcoming Muskrat Falls Oversight Committee report for the period ending August 2015 wherein the Independent Engineer is referenced.

Looking to confirm that there are no concerns or issues with any of these references. We are planning to finalize the report for tomorrow and would really appreciate your comments by end of day today, if at all possible. Sorry for the short notice.

Thank you.

Harman

Best Regards,

Harman Khurana

Cabinet Officer
(709) 729 3681

From: Nik Argirov [<mailto:nik@argirovglobal.com>]
Sent: Friday, June 26, 2015 5:11 PM
To: Martin, Craig; 'Krupski, Joseph'
Cc: JamesMeaney@lowerchurchillproject.ca; StevePellerin@lowerchurchillproject.ca; Khurana, Harman
Subject: RE: MF Oversight Committee December 2014 Report and IE references

Craig,
No concerns from me either.

Regards,
Nik

PS. BTW I have issued the report for Andritz – China plant visit.

From: Krupski, Joseph [<mailto:Joseph.Krupski@NRCan-RNCan.gc.ca>]
Sent: Wednesday, June 24, 2015 4:17 PM
To: Martin, Craig; nik@argirovglobal.com
Cc: 'JamesMeaney@lowerchurchillproject.ca'; 'StevePellerin@lowerchurchillproject.ca'; Khurana, Harman
Subject: RE: MF Oversight Committee December 2014 Report and IE references

Craig,
No concerns from Canada. Thanks in advance for providing the report this Friday.

Regards,
Joe

From: Martin, Craig [<mailto:CMartin@gov.nl.ca>]
Sent: June-23-15 6:34 AM
To: Krupski, Joseph; nik@argirovglobal.com
Cc: 'JamesMeaney@lowerchurchillproject.ca'; 'StevePellerin@lowerchurchillproject.ca'; Khurana, Harman
Subject: RE: MF Oversight Committee December 2014 Report and IE references

Nik and Joe,

Attached are excerpts from the upcoming Muskrat Falls Oversight Committee report for the quarter

ended March 2015 wherein the Independent Engineer is reference

Looking to confirm that there are no concerns or issues with any of these references. Planning to finalize the report late this week with planned issuance for early next, so your response would be appreciated no later than Friday June 26, 2015. Please copy Harman Khurana on your reply as I will be out of the office after this Friday until July 7, 2015.

Joe, we will be able to forward you a copy of the report on Friday once we have presented to Cabinet.

Please advise on the references

Thank you.

Craig

Craig Martin, CMA

Executive Director,
Muskrat Falls Oversight Committee

(709) 729-0966

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References to the Independent Engineer for upcoming Muskrat Falls Oversight Committee Report

First Reference

Manufacturing Activities

The six material manufacturing supply and install contracts awarded to date are as follows:

- Turbines and Generators;
- Powerhouse Hydro-Mechanical Equipment;
- HVdc Convertors and Transition Compounds;
- Submarine Cable for the Strait of Belle Isle crossing;
- Generator Step-up Transformers;
- Generator Circuit Breakers;
- AC substations; and,
- Synchronous Condensers for the Soldiers Pond Switchyard

A summary of progress on these manufacturing activities as of the most recent Manufacturing report available:

The **Turbine and Generators** contract continues to track behind the original contract schedule based on the contractor report for **July 2015** – 35.39 per cent (June 33.60 per cent) complete as compared to a planned progress of 48.59 per cent (June 45.29 per cent) representing an increase in variance from the March Report (13.2 per cent in July 2015 vs. 10.01 per cent in March 2015). Nalcor advises that this is within the contract schedule variance tolerances and the equipment remains on track to meet the planned delivery dates. In its Draw Confirmation Certificate dated August 27, 2015, the Independent Engineer continues to note that there is considerable float between the site need date in the Integrated Project Schedule and the contract schedule, and that there is currently no cause for concern; however, the Project team is monitoring manufacturing delivery dates to ensure that the site-need dates are not compromised.

Second Reference

Other Oversight Activities

The Committee provides the following update with respect to additional oversight activities.

Independent Engineer

From March 13 to 16, 2015 the Independent Engineer accompanied Nalcor representatives on a factory visit to the Andritz facility in Chengdu, China where the turbines and generators are being manufactured. Based on the site visit the Independent Engineer concluded that the workmanship of the manufacturing work was very good and the most up-to-date technologies and tools were being used during the manufacturing process. The Independent Engineer also noted that in general good safety procedures were being observed during manufacturing.

Subsequently, On March 19, 2015 the Independent Engineer also accompanied Nalcor representatives on a site visit to the Nexans facility in Futtsu, Japan. The purpose of this visit was to verify the status of work and review the quality of processes for the manufacturing of the submarine cables for the Strait of Belle Isle cable crossing as well as the High-Voltage underground cables. The Independent Engineer found the manufacturing workmanship to be very good and observed that the manufacturing process thus far has been carried out in compliance with very high standards of safety, quality and environmental criteria. The Engineer also reported that the work under this contract appears to be on schedule.

The official reports on both site visits were released in August 2015 and can be found on the Committee's website at: www.gov.nl.ca/mfoversight/engineer/ or, on Nalcor's website at: <https://muskratfalls.nalcorenergy.com/newsroom/reports/>

The Independent Engineer also made a site visit to the Muskrat Falls Generation Facility during July 6 to 8, 2015. Committee representatives accompanied the Independent Engineer on this site visit. The Independent Engineer's report on the site visit is **anticipated in October 2015**. A copy of this report will be made available through the Committee's website as soon as it becomes available.

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Commented [NA1]: Please note that I have already issued (on 11 Sept'15) the final July'15 Site Visit report