From: rod.cameron@uk.pwc.com
Sent: 02 March 2006 15:52

To: Fitchie, Andrew; Sharon.fitzgerald@emampx004.pwcglobal.com

Subject: Fw: OBC - Procurement Strategy

Attachments: ETN Feb 2006 OBC Section 5 draft 5.doc

Andrew/Sharon

Stewart would like DLA to review the attached document. In particular it would be very useful to have some input on the risk transfer position between tie and DPOFA and Infraco.

Give me a call if you want to discuss.

Rod

----- End of message text

UK Budget 2006: Our coverage starts here - http://www.budgetpwc.com

This e-mail is intended only for the person to whom it is addressed. If an addressing or transmission error has misdirected this e-mail, please notify the author by replying to this e-mail. If you are not the intended recipient you must not use, disclose, copy, print or rely on this e-mail.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH.

PricewaterhouseCoopers LLP is authorised and regulated by the Financial Services Authority for designated investment business.

PricewaterhouseCoopers LLP may monitor outgoing and incoming e-mails and other telecommunications on its e-mail and telecommunications systems. By replying to this e-mail you give your consent to such monitoring.

Visit our website http://www.pwc.com/uk

From: Rod Cameron Sent: 02/03/2006 02:22

To: <u>Stewart.McGarrity@tie.ltd.uk</u> Subject: OBC - Procurement Strategy

Stewart - see attached.

There are a few questions in red text mainly for you. there are also a number of passages of text which have been struck through. I don't think these passages should be in the document but would welcome your views on that.

I have made one or two references to the market consultation process carried out last year and these will need to be referenced to the paper prepared by James Papps which I think you are intending to include as an appendix?

I have not put anything in on finance/risk transfer other than a short paragraph or two at the end of the infraco contract section. I'm not

sure how you want to deal with this in light of next week's meeting. Perhaps we could discuss tomorrow or Friday?

The main areas which require a bit more information/thought are as follows:

DPOFA contract section - really needs review from IK or someone who knows what's going on with it, if indeed such a person exists!

MUDFA - one final piece of info outstanding but not material so may just leave if John Low doesn't come back to me tomorrow.

Land Issues - Geoff been tied up all week in meetings but has promised to give me something tomorrow.

Tramco contract section - need to confirm tender programme dates with David Powell

Infraco contract section - need to confirm tender programme dates but also think this section needs a bit more attention although its also the one with the least info/clarity at this stage. Given the level of de-risking is not going to be as great as anticipated due to SDS position we probably need to be careful what we say here. And we need to work out what we say on finance.....

I'm planning to come down to Verity House at some sage tomorrow but feel free to call me to discuss this at anytime.

Regards Rod

(See attached file: ETN Feb 2006 OBC Section 5 draft 5.doc)

Rod Cameron
Infrastructure, Government & Utilities

Office -Mobile -

rod.cameron@uk.pwc.com

The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. If you received

this in error, please contact the sender and delete the material from any computer.