From: Ingham, Rupert [Rupert.Ingham@sdgworld.net]

Sent: 20 November 2006 12:39

To: bill.reeve@transportscotland.gsi.gov.uk

Cc: Alasdair Sim; Collins, Jim; Eyles, Leo; Buckman, Leslie; Ryder, Tim; Hewitt, Stephen

Subject: Edinburgh Tram TEE Analysis

Attachments: JRC-F_Mem_TS TEE User Charges Query Response_v01_141106.pdf

Bill,

I am writing further to your conversation with our Jim Collins at the Rail Awards dinner on Thursday evening regarding our work on Edinburgh tram. From talking with Jim, it appears there is a perception within Transport Scotland that SDG has made a significant technical error. I presume this relates to the memo on treatment of User Charge impacts within the appraisal, circulated by Andy Park last Tuesday.

We were surprised that Andy would circulate an e-mail of that nature so widely without discussing the issues with ourselves first and were worried that responding to those comments in a similarly open forum could lead to an unnecessarily confrontational basis for discussion. We therefore produced a memo explaining the approach taken and why the TEE is not in error but issued this only to Andy in the first instance, later on in the same day. This note is attached for your information. We do not accept that the TEE analysis is in error as set out in Andy's original note.

Although the issue appears still to be under discussion, I gather that a good deal of common ground has been established between Andy and Leslie Buckman of SDG.

I believe it would be in all interests for this point to be resolved as soon as possible and with some formality. I do hope you will encourage that to happen and I would be more than happy to discuss this with you if you wished to give me a call.

Best regards,

Rupert

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