

## Supplementary Questions for Steven Bell

1. By email dated 5 May 2008 (**CEC01294478**) Mr Hickman circulated a schedule (**CEC01294479**) of potential Notified Departures arising from the mismatch at Infraco contract close between the BBS construction programme and the SDS design programme. What consideration was given within Tie, and by whom, before contract close of the potential Notified Departures identified in that schedule? Was there any discussion within Tie (and, if so, between whom) of these potential Notified Departures? Who within Tie was responsible for quantifying these potential Notified Departures?
  
2. Of the approximately 78 potential Notified Departures identified in the schedule, eight are stated to have an impact on the programme, seven are stated to have a potential impact on the programme and the rest are stated not to have an impact on the programme. In relation to the potential Notified Departures that are stated not to have an impact on the programme, was that largely as a result of BBS reprogramming their works in order to avoid such an impact?
  
3. Prior to contract close, was it anticipated that the mismatch between the BBS construction programme and the SDS programme would result in one Notified Departure (e.g. as referred to in the Report on the Infraco Contract Suite, **CEC01338851**, page 4) or multiple Notified Departures (e.g. as listed in Mr Hickman's schedule noted above)?
  
4. In the event, did the mismatch between the BBS construction programme and the SDS programme result in one INTC (Infraco Notice of Tie Change) or multiple INTCs? We understand, for example, that one INTC was intimated as a result of the mismatch at contract close between the construction and design programmes (see INTC1 – **CEC01288310**) and that further INTCs were issued following each revision of the design programme i.e. revisions 32 to 56 (see e.g. the Infraco Change Register, **BFB00003297**, pages 73, 79, 80, 83, 84, 87 and 89). Is our understanding of matters in that regard correct?

**Steven Bell – Answers to supplementary questions**

*Q1:* tie considered that there would be a notified departure generated by the SDS programme dates not aligning with the v26 version of the SDS programme, which was the basis of Schedule Part 4. Whilst it would give rise to an entitlement of a mandatory Tie Change under the Notified Departure mechanism, it would only result in time or money entitlement if it was demonstrated that such relief/Extension of Time and costs were due.

Each of the sub elements on Mr Hickman's schedule were potential items which may have had an impact, but each required individual consideration as **part** of (what was to become) INTC number 1.

My recollection is that they would have been discussed with Susan Clark, Tom Hickman, Dennis Murray, Frank McFadden, Damian Sharp (as SDS Project Manager) and probably Geoff Gilbert (in principle) before he left. I am also sure Andrew Fitchie and Jim McEwan were also fully involved in discussion of principle, although perhaps not in the detailed assessment.

Dennis and the commercial team would have worked with Tom and Susan on time and potential prelims costs.

*Q2:* Of the items identified as not having an impact on Programme (the green items on the sheet) that was primarily as a result of them not being on a critical path and having float of many days or even months and years before the IFC was required for lead in to build. They did not depend on further mitigation by Infracore or by Tie/SDS.

*Q3:* It was anticipated that there would be one Notified Departure for v26 to v31 and that would have sub elements to be evaluated as per Q1 and Q2.

If there were further changes, they may give rise to further departures which would need to be substantiated and evaluated. However, at contract close, SDS and CEC were focused, along with Tie, on achieving the v31 dates. Even if there were further delays to design delivery, only some would be likely to cause impact pre mitigation from BSC and potentially even fewer post mitigation.

*Q4:* To be clear, the entitlement to consider a Notified Departure related to IFC provision arises from SDS deliverables being provided at a different time from v26. If it is early or late, an ND entitlement arises which must then be notified and supporting justification provided regarding time and or cost impact (+ or -).

I believe there were a number of notifications from BSC during the duration of the contract, although, as previously discussed in written questions etc., BSC then either failed to partially or fully justify their claims and significantly over valued their claims.