
From: Stewart McGarrity
Sent: 02 July 2009 13:40
To: Gregor Roberts; Michael Paterson; Mark Hamill
Cc: Steven Bell; Dennis Murray; Susan Clark
Subject: Range review - Strictly Private & Confidential
Attachments: Estimate Range Sheet - Position 26th June 2009.xls; P3 0910 Risk Allowance Tracker.xls; P3 0910 Consolidation & Forecast v2.xls

Strictly Private & Confidential

Dear All,

Attached are:

Estimate Range Sheet – Sheet developed by the Commercial and Infraco teams which puts a range of outcomes on the world of the Infraco notices of change and other known commercials issues as they stood last week. There are important exclusions – in a nutshell changes and delay to come which we don't know about yet. I did some work on the presentation of this schedule without changing the numbers and discussed a number of the details with Michael Patterson. At the moment this range document has the status of “scenario planning” to inform an understanding of the nature and extent of our challenge and is not a revised outturn forecast unless and until any of the principles and numbers are agreed with BSC.

Risk Allowance Tracker – Follows the risk allowance through from the original Financial Close (Project Control Budget) £512m to the £527m we have been reporting since March and then onto the scenarios of the “Indicative Update” we provided to CEC on 13th April (risk allowance total £59.9m) and the “QS view” on the Estimate Range Sheet above. I have taken a more conservative view on the allowance required for delay than on the Estimate Range Sheet and the tracker also reflects increases in the risk allowances for SDS and MUDFA based on information to hand.

Consolidation and Forecast – Puts the previous two spreadsheets together with the P3 consolidated costs spreadsheet to show a further range of total outturn costs.

Please get stuck into the detail of these workbooks and challenge anything you don't understand. They must be team products and not something I've rustled up. I'm producing a note of the outputs which will incorporate my understanding and perspective on the discussions I had with Michael yesterday.

Stewart

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