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**From:** Mark Hamill  
**Sent:** 11 February 2008 08:54  
**To:** Stewart McGarrity  
**Cc:** Steven Bell  
**Subject:** RE: Scores on the doors  
**Attachments:** 08.02.08 Risk Review.xls

Stewart,

The sheet which is titled 'Summary P11' contains information relating to the risk allowance which I am not aware of.

You are more involved in the negotiations than me therefore I assume that where you have reduced the risk allowance you are content or have been assured that this is correct? I reviewed those risks which are included in the QRA on Friday and input will be required from others before we can amend these risks.

I've attached the QRA with my comments and you'll notice at the end a number of queries regarding potential 'new risks'. Again, I would prefer someone to let me know if these issues need to be catered for in the risk allowance.

Stewart, my main concerns here are that (a) we are reducing the risk allowance while the risk has not actually been transferred or closed and (b) the new risk allocation is not sufficient for the risks which **tie** will retain. I cannot overstate how anxious I am to ensure that the final QRA truly reflects the actual risk profile at financial close.

Perhaps you have the information required to deal with the points raised above – if you want to meet to discuss then please let me know. I believe you, Steven and I (as a minimum) must fully understand what we are entering into at financial close.

Regards,

Mark

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**From:** Stewart McGarrity  
**Sent:** 11 February 2008 08:14  
**To:** Steven Bell; Graeme Bissett; Geoff Gilbert; Alastair Richards - TEL; Jim McEwan; Dennis Murray  
**Cc:** Miriam Thorne; Elliot Scott; Mark Hamill; Eric Smith  
**Subject:** Scores on the doors

#### IMPORTANT

All,

The attached spreadsheet has the numbers which I intend presenting to TPB on Wednesday as showing where we will stand on our budget at financial close. I propose issuing the first three tabs of the spreadsheet as handouts with appropriate supplementary notes. Please can you look carefully at the numbers (which reflect the latest negotiation concluded with BBS last week).

Note that there are still a couple of things not reflected –

- Transfer of depot equipment from Infraco to Tramco and the cost delta which arises in doing so.
- Any other transfers of scope between contracts (except the scope of the utilities work at Picardy Place - £3m – which is already included in the Infraco provisional sums)
- Update to QRA based on risk allocation at Fin Close

Regards,

Stewart

Stewart McGarrity

Finance Director

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