

2008/92

**Ysella Jago**

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**From:** Alan Coyle  
**Sent:** 16 April 2008 10:36  
**To:** Gill Lindsay; Colin MacKenzie  
**Subject:** RE: Pricing - COMMERCIALY CONFIDENTIAL

Gill

The previous statement provided on the QRA by Stewart McGarrity was approximate at £32m, therefore this still stands. What this does is increase base costs above the previous figure.

Alan

-----Original Message-----  
**From:** Gill Lindsay  
**Sent:** 16 April 2008 09:31  
**To:** Alan Coyle; Gill Lindsay; Colin MacKenzie  
**Subject:** RE: Pricing - COMMERCIALY CONFIDENTIAL

Thanks Alan. Will it be appropriate to get a revised statement from Tie confirming the risk allowance is still sufficient.

Gill

-----Original Message-----  
**From:** "Alan Coyle" <Alan.Coyle@edinburgh.gov.uk>  
**To:** "Gill Lindsay" <Gill.Lindsay@edinburgh.gov.uk>; "Colin MacKenzie" <Colin.MacKenzie@edinburgh.gov.uk>  
**Sent:** 16/04/08 09:19  
**Subject:** FW: Pricing - COMMERCIALY CONFIDENTIAL

See Stewart's answer to my query.

Alan

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**From:** Stewart McGarrity [mailto:Stewart.McGarrity@tie.ltd.uk]  
**Sent:** 15 April 2008 14:57  
**To:** Alan Coyle  
**Cc:** Graeme Bissett; Andy Conway; Rebecca Andrew  
**Subject:** RE: Pricing - COMMERCIALY CONFIDENTIAL

Alan,

You got it in one. We had a £1m increase in Tramco costs comprising £0.3m incremental cost for resetting the currency hedge to a new profile (one month later start and corresponding adjustment to all future payments) and £0.7m for depot equipment to be procured via Tramco following clarification of what we need and what is to be delivered by each of Tramco and Infraco. The corresponding adjustment is a reduction in the Risk Allowance and it came out of the general Unspecified Risk pot of £1.3m we had previously established.

The above was reflected in the P13 cost forecasts you saw us compiling and in the last draft of the close report you will have seen. I also verbally explained this to TPB last week.

Give me shout for anything else.

Stewart

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From: Alan Coyle [mailto:Alan.Coyle@edinburgh.gov.uk]  
Sent: 15 April 2008 14:36  
To: Stewart McGarrity  
Cc: Andy Conway - CEC; Rebecca Andrew  
Subject: RE: Pricing - COMMERCIALY CONFIDENTIAL

Stewart

Quick question regarding price. I notice Tramco has moved from £56.979m to £58.040m, therefore how can the £508m hold true, other than the fact the QRA has reduced from £33.281m to £32.348m?

Regards

Alan

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From: Stewart McGarrity [mailto:Stewart.McGarrity@tie.ltd.uk]  
Sent: 15 April 2008 13:46  
To: Alan Coyle  
Cc: Andy Conway; Rebecca Andrew  
Subject: Pricing - COMMERCIALY CONFIDENTIAL

COMMERCIALY CONFIDENTIAL

Alan,

Attached are two files:

1. The cost analysis spreadsheet which you know and love and which I have updated to reflect the very last knockings on Infraco price but which does not change the budget
2. Part 4 of the Schedule to the Infraco contract re Pricing - since it is the where the numbers go it's where all the last minute tweaking happens so there are still a couple of things to be incorporated which are being discussed and agreed today.

I'm sending this to you, Andy and Rebecca - can I ask that if distribute this to anyone else at CEC that the confidentiality of the information is absolutely preserved.

I'm on the end of the phone or email if you have questions.

Stewart

Stewart McGarrity  
Finance Director

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[www.tie.ltd.uk](http://www.tie.ltd.uk) <<http://www.tie.ltd.uk>>

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