From:Geoff GilbertSent:14 January 2008 19:19To:Alastair Richards - TEL; 'Fitchie, Andrew'Subject:FW: Contract Issues - Closure Of the Infraco Suite

Importance:

High

Fyi (Matthew issued this at my request)

From: Matthew Crosse
Sent: 14 January 2008 18:03
To: Scott.McFadzen@bilfinger.co.uk
Cc: <u>Richard.Walker@bilfinger.co.uk</u>; Flynn, Michael (Siemens TS); Geoff Gilbert; Willie Gallagher; Steven Bell
Subject: Contract Issues - Closure Of the Infraco Suite
Importance: High

Scott

We have I believe made good progress in respect of the remaining big ticket contract issues have settled (I think) the consents and TPAs issues in a mutually acceptable fashion. We have also made good progress on closing the flow through of Tramco liability caps and LDs to Infraco.

However, I'm mindful that Bilfinger and Siemens are likely to be briefing their senior management in the next few days. I understand from Geoff that there remains a significant volume of contractual issues to resolve and that the SDS and Tramco novation arrangements are not settled. We have as you know briefed CEC before Christmas on the expected risk balance positions at the close of contracts, consistent with the approved strategy. CEC approval has been given on this basis. This position we will need to confirm as remaining the case in order to achieve an award.

I write to remind you of this in order to aid your approval process and ensure that you are clear on our position.

Regards

Matthew

Matthew Crosse Project Director

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