
From: Stewart McGarrity
Sent: 22 February 2010 15:24
To: Dennis Murray; Gregor Roberts
Subject: Pricing make-up
Attachments: BB-S PB Grand Summary Phase 1a.pdf; 01 BB Stage PB Section A.pdf; 02 BB Stage PB Section B.pdf; Siemens Price Analysis.PDF; MS allocation pitchfork.xlsx

Dennis/Gregor,

1. This is really an aide memoir to myself and a dump in one email and attachments of everything I know or have about BB and S pricing make-up. The pricing make up we have is based upon the attached 3 BB documents sent to Dennis by Scott McFadzen in Feb 2008. They are all password protected and the password is **vierendeel**. The total of the schedule is **£218,262,426.00** – ie the price after Weisbaden.
2. The basic Civils price per this analysis is **£135.944m** split **£89.073m** on Airport to Haymarket and **£46.922m** on Haymarket to Newhaven. This is before adjusting for various other items such as VE taken into the price and adding in the provisional sums. I don't know if we have ever done an attribution of these items to each of Civils and Systems and/or between the on and off street sections?
3. The easy reconciliation from Weisbaden to the Construction Works Price in Schedule Pt 4 is....

Price after Weisbaden 20/12/07	218,262,426
Rutland Square Price Increases	3,800,000
Price after Rutland Square 07/02/08	222,062,426
7th March 08 Price Increases	8,600,000
Power for Commissioning taken back out of scope	(1,330,000)
VE item on Power for Commissioning taken out	300,000
Other VE items adjusted	800,000
Further Provisional Sums added (mostly 3rd party works)	5,375,238
9th May 08 Price Increases (termed incentivisation bonus for achieving sectional completion dates)	4,800,000
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	240,607,664
Deduct sum provisionally included for SDS design post close	(2,000,000)
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Price from Sch Part 4 of contract 14 May 08 (CWP)	238,607,664

Again I am not aware of us having done an attribution of these deltas to the each of Civils and Systems and/or between the on and off street sections?

4. The Siemens price per the schedule is **£91,510,000**. The Siemens price make up I have is attached – it totals to **£96,917,006.78**. I can't reconcile from one to the other but the differences will again be VE, Provisional Sums and Siemens share of the various pre-contract increases.
5. A straight analysis of the Milestone Schedule (also attached) shows that the Construction Works Price excluding the Provisional Sums is **£219.162m** divides up **£123.184m** to BB and **£95.978m** to Siemens.
6. All of the above is before allocation to each of Civils and Systems and/or between the on and off street sections of the changes which have been approved/agreed since contract close and the final accounting for the PSSA.

Stewart

Stewart McGarrity
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From: Scott.McFadzen@bilfinger.co.uk [mailto:Scott.McFadzen@bilfinger.co.uk]
Sent: 22 February 2008 11:03
To: Dennis Murray
Cc: Bob Dawson; Steven Bell; Valerie Clementson; UK MB INFRACO; Richard.Walker@bilfinger.co.uk; Gary.Dalton@bilfinger.co.uk; flynn.michael@siemens.com; herbert.fettig@siemens.com; Roland.Halliday@bilfinger.co.uk; Tom.Murray@bilfinger.co.uk; roland.brueckmann@siemens.com; Alison.Young@bilfinger.co.uk; ian.laing@pinsentmasons.com; suzanne.moir@pinsentmasons.com
Subject: ETN, Pricing Schedules

FAO Dennis Murray

Dear sirs

ETN, Pricing Schedules Schedule 5 of Infraco Contract

Please find enclosed our Pricing Schedules (password protected) for inclusion in Schedule 5 of the Infraco Contract. We will advise the password shortly.

The Anticipated Contract Sum (Final Deal) does not include the price increase negotiated on 6 February 2008 and noted in Clause 2 of the Agreement dated 7 February 2008.

For the avoidance of doubt, it does not include;

- 1) For a price adjustment in respect of Clause 1.2 of the Agreement dated 7 February 2008 i.e the Programme for the Project is moved out by 3 months, as discussed at the recent Preferred Bidder weekly meetings.
- 2) For the resolution of the SDS Residual Risk Issue, as noted in Clause 2.1 of the Agreement dated 7 February 2008 and for which we notified a cost of £2.8M at the meeting on Wednesday 6 February 2008.

Please acknowledge receipt.

Your faithfully

Scott McFadzen
Project Director
for Bilfinger Berger Siemens Consortium

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