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Infrastructure Services

Ref: AMIS/ie/letter/AM/Projects/259

19th June 2007

Mr. Graeme Barclay
MUDFA Utilities Project Manager
MUDFA Limited.
Verity House,
19 Haymarket Yards,
Edinburgh.
EH12 5BH

Dear Graeme,

Subject: MUDFA Alfred McAlpine Infrastructure Services (AMIS) – Contract A150
AMIS MUDFA – SDS Provider Utility Designs & Associated Design Information
to Support Construction Services in According with Programme Revision 05

I refer to previous AMIS MUDFA correspondence relating to SDS Provider utility designs, associated design information and programme performance related issues, and take this opportunity to "Check for Clarification" with MUDFA Limited as MUDFA Utility Project Manager prior to the issuing and receipt of the first batch of Issued for Construction (IFC) utility designs by SDS Provider.

For the avoidance of doubt, AMIS MUDFA is anticipating receipt of the following design information for each of the utility diversion designs and drawings at the Issued for Construction (IFC) status, namely :

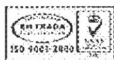
1) Utility Design Information to Directly Support AMIS MUDFA Construction Services

1A) SDS Provider – Approved / Issued for Construction Drawings (IFC's)

The SDS Provider utility design drawings will totally capture the outline design details provided through the AMIS MUDFA thumbnail sketches, ongoing SDS design development (including Aiden surveys data, etc), feedback provided via the regular SUC interface meetings, value engineering analysis and be fully configured as composite design drawings for Lead Designer approval at Issue for Construction (IFC) status. The same drawings will be endorsed by MUDFA Limited prior to issue to AMIS MUDFA and inclusion within the respective work order packages.

1B) SDS Provider – Bill of Materials (BOM's)

The SDS Bill of Materials (BOM's) will be generated in schedule, itemised and detailed format for each of the design drawing diversions and be directly correlated to the relevant utility specifications for the MUDFA project. It is anticipated that the BOM schedules will be issued as 1st Material Take-Off (MTO), 2nd Material Take-Off and 3rd/Final Material Take-Off such that AMIS MUDFA is able to take advantage of "Economies of Scale" (EOS) throughout the procurement and supply framework agreements currently being arranged.



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1C) SDS Provider – Diversion Conflicts Register

The conflicts registers will provide diversion specific, detailed and supplementary information to support the relevant IFC drawings and will include prescriptive and detailed scope of work definitions (including setting-out parameters) to assist in the correct reading and interpretation of the IFC utility design drawing by SDS Provider.

1D) SDS Provider – HAZID Log & Residual Risk Register

The HAZID Log and residual Risk Register will under the CDM Regulations and Planning Supervisors jurisdiction provide advanced hazard and residual risk notification to AMIS MUDFA to enable accurate and comprehensive risk appraisal and assessments to be carried out as part of the pre-planning and work ordering process for the Limited approval.

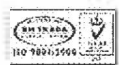
2) Supplementary Utility Design Information to Directly Support AMIS MUDFA Construction Services

2A) SDS Provider – Procurement Specifications

To date and according to AMIS MUDFA project records there have been no "Technical Requisitions" (TR's) issued to support the AMIS MUDFA procurement of multi-utility materials, fitting, cables, fixtures, consumables and the like. It is imperative that these technical requisitions are received in good time to allow sufficient time for enquiry and tendering in conjunction with the 1st and 2nd material take-off's (See item 1B previous). It has been placed on record many times that AMIS MUDFA will not procuring materials at commercial risk or exposure.

2B) SDS Provider – Installation, Testing & Commissioning Plans (Including Certification)

To date and according to AMIS MUDFA project records there has been no utility installation, testing or commissioning plans or design documents issued for review, reconciliation and implementation by the utility contractor. This information is considered key in terms of checking and verifying MUDFA acceptance and workmanship standards to ensure work sector stage and final acceptance certificates and handover is achieved in a controlled and progressive manner. This again has been subject to previous correspondence and a formal response would be gratefully appreciated.



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2C) SDS Provider – Interface Specifications

To date and according to AMIS MUDFA project records there has been no existing to new utility interface specifications issued for review and consideration in our pre-planning (including contingency planning), materials purchasing and work order preparations. This is of particular concern in relation to power and electrical systems where voltages, power capacity and duty demands are required for health, safety and permitting operations over and above the technical aspects of system integration.

3) Summary & Planning for Success

AMIS MUDFA given the current situation and performance in relation to finalising, approving and issuing of SDS Provider IFC utility diversion designs believe it is time to instigate "REVOLUTION" as opposed to progressive "EVOLUTION" in order to secure sustainable and productive construction services work.

AMIS MUDFA under separate correspondence will re-issue the various utility design process and management proposals for the current tie Limited project team to review and re-consideration, and would welcome an opportunity to openly discuss a new way ahead under the control of the newly appointed tie Limited Utility Design Project Manager (i.e. Validation of Design Clinics, etc).

AMIS MUDFA looks forward to receiving your considered responses and confirmation of our understanding to each of the above points.

Yours sincerely,

For and on behalf of **Alfred McAlpine Infrastructure Services Ltd**



Andrew Malkin
MUDFA AMIS Project Director



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