

MEMORANDUM OF UNDERSTANDING

concerning

UTILITIES DIVERSIONS FOR EDINBURGH TRAM NETWORK

between

SP DISTRIBUTION LIMITED, SP TRANSMISSION LIMITED AND

SP POWER SYSTEMS LIMITED (collectively "SP")

and

tie LIMITED ("tie")

MEMORANDUM OF UNDERSTANDING

1. INTERFACE

- 1.1 The City of Edinburgh Council is currently promoting two private bills introduced to the Scottish Parliament on 29 January 2004, Edinburgh Tram (Line One) Bill and Edinburgh Tram (Line Two) Bill (the "**Bills**"). Both Bills have achieved approval in principle and there are no utilities objections to the Bills. The tram lines form the proposed Edinburgh Tram Network.
- 1.2 **tie** has been appointed by CEC to act as agent for CEC in respect of the application for legal powers under the Bills and the procurement of the funding, construction, commissioning, operation and maintenance of the Edinburgh Tram Network. Certain utility diversion works in respect of SP's equipment and apparatus will be required in order to implement the project as authorised by the Bills.
- 1.3 The Parties recognise that the interface of their respective interests will be served efficiently by a co-ordinated approach to programming and implementation of identified diversionary works ("SP Diversionary Works") and any agreed protective measures for SP equipment and apparatus.

2. PURPOSE

- 2.1 The purpose of this Memorandum of Understanding is to record the Parties' intention to enter into an agreement dealing with the detailed arrangements under which SP equipment and apparatus which would otherwise be affected by the construction, operation and maintenance of the Edinburgh Tram Network will be diverted and protected.
- 2.2 The Parties are agreed upon the principle of a framework contractor undertaking the SP Diversionary Works and any agreed protective measures (and also other utilities diversion works) under contract to and managed by **tie**.
- 2.3 The Parties agree that preparation for the selection of a framework contractor to carry out the SP Diversionary Works and any agreed protective measures entails competitive procurement started by the issue of an OJEU Notice by **tie** to invite expressions of interest and followed by pre-qualification process, in parallel with the

Parties' conclusion of their formal agreement covering rights and obligations regarding the SP Diversionary Works and any agreed protective measures. The Parties are committed to concluding their agreement within a timescale aligned to full support for tie's conduct of the framework contractor tendering and appointment process.

2.4 The Parties agree to negotiate and settle their agreement in good faith, based upon the draft agreement annexed to this Memorandum of Understanding and to commit adequate resources to this process in order to achieve an efficient and timely outcome: IN WITNESS WHEREOF

EXECUTED for and on behalf of **SP DISTRIBUTION LIMITED** at

on _____ 2005 by:

Authorised Signatory

Full Name

Witness Signature

Full Name

Address

EXECUTED for and on behalf of **SP TRANSMISSION LIMITED** at

on _____ 2005 by:

Authorised Signatory

Full Name

Witness Signature

Full Name

Address

EXECUTED for and on behalf of **SP
POWER SYSTEMS LIMITED** at

on _____ 2005 by:

Authorised Signatory

Full Name

Witness Signature

Full Name

Address

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EXECUTED for and on behalf of **TIE
LIMITED** at

on _____ 2005 by:

Authorised Signatory

Full Name

Witness Signature

Full Name

Address

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