

[REDACTED]

From: Wilcock C (Chris)
Sent: 01 July 2019 15:09
To: [REDACTED]; Rennie M (Michelle)
Cc: [REDACTED]; James A. McColl; DG
Subject: Economy
RE: Actions following Today's discussion

Good afternoon [REDACTED],

Thanks for this and for the earlier call. We are reviewing the information that was received on Friday and note there is further information being prepared that will be with us later today.

We note the changes in the cardinal date programme, cost to completion and required equity investment in the revised model proposed compared to the proposal discussed earlier in the week. Our assumption is that these changes result primarily from factors mentioned in the meeting on Thursday i.e. cancelling purchase orders and the need to remobilise staff. I understand PWC have already asked for further explanation and it would be helpful to have this today as suggested.

As noted in our call there are two areas where we wanted to clarify the position from FMEL/CBC:

- Firstly, in relation to our request around diligence that would be required, we would be grateful if you could confirm urgently that PWC can engage with FMEL management to begin work on this process. As noted, it is our view that this would be required in any of the scenarios envisaged and it will be important to commence this as quickly as possible.
- Secondly, as noted in exchanges last week with PWC, the bond holder (HCCI) has now indicated that a 30 day extension to the bond for 801 could be put in place at no cost to FMEL. We would be grateful if you could let us know whether this will be requested by FMEL to allow this to be put in place. Although the bond expires at the end of the month, you will be aware that there are processes that would need to be completed well before then if it were to be exercised. Enabling the extension of the bond will provide us all with more time to secure the best outcome. We will require confirmation by lunchtime tomorrow that an extension has been agreed and documented.

If you could confirm these points as soon as possible that would be helpful in our considerations and preparation of advice to Ministers. As noted, it is likely that a further meeting will be required at short notice over the coming days and we will contact you on this in due course.

Regards

Chris

Chris Wilcock







