

To: Keith Avis[Keith.Avis@ofgem.gov.uk]
Cc: Johan Brand[Johan.Brand@ofgem.gov.uk]; Richard Kayan[Richard.Kayan@ofgem.gov.uk]
From: Andy Luckhurst
Sent: 2012-12-17T18:36:29Z
Importance: High
Subject: RE: RHI NI Release
Received: 2012-12-17T18:36:32Z

Keith,
I have invited you to a meeting tomorrow at 4:30 (I struggled to find slots that were suitable for you, Johan, Sophie and me before that time).
My latest (provisional and rough) forecast tells me that we may have spent the £190,000 budget by the end of December, so I do need to ensure that you have adequate visibility of the changes that have been identified. The latest information I have tells me it is likely that we will need to seek additional budget of £30K.
Regards,
Andy

From: Andy Luckhurst
Sent: 13 December 2012 18:13
To: Keith Avis
Cc: Luis Castro; Mary Smith; Johan Brand; Richard Kayan
Subject: RE: RHI NI Release

Keith,
I fully understand your concern and once I have more tangible data I will of course discuss it with you in person.
Regards,
Andy

From: Keith Avis
Sent: 13 December 2012 17:40
To: Andy Luckhurst
Cc: Luis Castro; Mary Smith; Johan Brand; Richard Kayan
Subject: RE: RHI NI Release

Andy
The bottom line is that information provided last week for Matthew prior to his conversation with DETI and the discussion at the RHI Implementation Board last week reflected us being within the £190k budget, so you will appreciate my concern when a figure at £47k over that is mentioned a few days later. I'll await your further projections and I am sure we will wish to discuss further.
Keith

From: Andy Luckhurst
Sent: 13 December 2012 16:24
To: Keith Avis
Cc: Luis Castro; Mary Smith; Johan Brand; Richard Kayan
Subject: RE: RHI NI Release

Keith,
I think you are misunderstanding. I am reminding you what the original estimate was for a standalone release, which was £178,565 (originally with 100% contingency on top).
However, when the Feasibility Study was sent to DETI, Bob's letter stated that IT costs would be £143k (plus contingency of 100%). This was based on the assumption that the GB release would take place at the same time (which was the other scenario for which we provided costs within the Feasibility Study).
So what I'm saying is that trying to deliver a standalone release for £143K plus £47K contingency was always going to be extremely challenging, and unfortunately IT were forced into having to do so. This is why it has been one of the main risks throughout. The reason for building contingency into our estimates is to allow for the changes in scope which inevitably occur due to the levels of uncertainty which exist at the beginning of a project.
At this stage I think the best thing is for me to obtain more accurate projections so that we are all clear where we stand. Happy to discuss in more detail once I have this information.
Regards,
Andy

From: Keith Avis
Sent: 13 December 2012 14:16
To: Andy Luckhurst
Cc: Luis Castro; Mary Smith; Johan Brand; Richard Kayan