

To: Paul Heigl[Paul.Heigl@ofgem.gov.uk]
Cc: Keith Avis[Keith.Avis@ofgem.gov.uk]; Rita Chohan[Rita.Chohan@ofgem.gov.uk]; Michelle Murdoch[Michelle.Murdoch@ofgem.gov.uk]
From: Luis Castro
Sent: 2012-08-15T11:47:27Z
Importance: Normal
Subject: RE: Legal Costs for NIRHI
Received: 2012-08-15T11:47:29Z

Thanks Paul. Would it be possible to look at the specific T&Cs of the £200K legal contingency cost that is described in the feasibility study? It's just a matter of understanding the conditions under which we can use that money. I feel that it will be too risky to reduce the legal cost forecast right now.

Let me know if you need help finding it

Luis

From: Paul Heigl
Sent: 15 August 2012 12:00
To: Luis Castro
Cc: Keith Avis; Rita Chohan; Michelle Murdoch
Subject: FW: Legal Costs for NIRHI

Hi Luis,

Have just had this response from Ruth Lancaster (Legal). This means that legal's costs have risen from £62,000 stated the original FS to £140,817 – an increase of £78,817. We've gone back to her to try to reduce these costs once (1st August) and Ruth is remaining steadfast that this is what it'll cost to provide the legal input at current levels.

This would mean that IT costs (currently still at £143,000 from the original FS) would need to reduce to < £64,183. I'm definitely now concerned.

My recommendation is that we need to fundamentally review what legal input is necessary, currently legal (both Marcus and Will) attend almost every meeting, of which there are many and have significant input into this project – considerably more than Edward Ntephe does for RO. Is it possible for us to find a balance where we reduce our legal input?

Paul

From: Ruth Lancaster
Sent: 15 August 2012 11:45
To: Rita Chohan
Cc: Paul Heigl
Subject: RE: Legal Costs for NIRHI

Hi Rita

I said I would look at the figures again. I have done so and don't see any alternative means of providing the input they require from us, so my costs figures remain as provided in my handwritten breakdown of costs.

Thanks
Ruth

From: Rita Chohan
Sent: 15 August 2012 11:40
To: Ruth Lancaster
Cc: Paul Heigl
Subject: Legal Costs for NIRHI

Hello Ruth
Hope you are well. I just wanted a status update on completing the costs for legal during the development stage. Paul needs to get the Development Phase agreement to DETI by Wed next week the latest and cannot do so without the costs included. Please can you advise of when you think you can provide the costs by.
I look forward to hearing from you.

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