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Edward Mountain
Convenor
Net Zero, Energy & Transport Committee
Scottish Parliament
EH99 1SP

27th September 2024

Dear Mr Mountain,

MV Glen Sannox

We are pleased to write to inform you that since our interim update on 12th September 2024 we have bunkered LNG twice and successfully completed the subsequent three-day Builder's LNG sea trials.

It is important to recognise the significant accomplishment in achieving the first such LNG bunkering operation in the UK.

We wish to extend our gratitude to all the personnel in Ferguson Marine, subcontractors and our colleagues at CMAL and CalMac in achieving this milestone.

All our efforts are now focused on Harbour trials and Owner acceptance sea trials scheduled for Monday 30th September 2024.

We are not diminishing the tasks that face us for final acceptance of the vessel after trial completion including:

- Review of any findings from sea trials and bringing these to a satisfactory conclusion
- Demonstration of engine overhaul
- Final sign off of all compartments
- Sign off by MCA and Lloyds

Regarding the cost to complete Glen Sannox, we have reviewed the forecast against progress, and we remain confident of a final cost not to exceed our previously notified figure of £149.1m.

MV Glen Rosa

Glen Rosa is progressing, however it must be noted that there has been an impact on the programme with some key personnel being utilised on Glen Sannox to ensure her delivery.

A different build strategy is being put in place to ensure a much more robust plan. Whilst challenging, this plan can be achieved by implementing fully all of the lessons learned from the build of Glen Sannox. There will be additional workforce shift patterns added to assist with schedule compliance, and to deliver to the previously advised date of end September 2025.

After the delivery of Glen Sannox a week long “lessons learned” exercise will be scheduled with key personnel from all three sides of the triangle (FMPG, CMAL and CalMac) will be in attendance. We also hope to have Lloyds and MCA in attendance if possible.

Weekly status meetings with the major subcontractors are being held to ensure all parties have a clear understanding of their role in the enhanced plan to deliver Glen Rosa.

As an example, one of the main challenges to delivery on Glen Sannox was the installation and commissioning of LNG. This will be completed at a more logical and efficient stage of construction, compared to the installation timing on Glen Sannox.

Forecast cost to complete Glen Rosa remains as previously advised not to exceed £150m.

As before, we can assure you that all parties are striving and doing everything possible to firstly deliver Glen Sannox in the time frame noted in our last interim letter and then focus on the scheduled delivery of the Glen Rosa.

Yours sincerely,

John Petticrew

Interim CEO