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28th June 2024

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

Dear Mr Mountain,

I write to update you on the current progress for both vessels namely the Glen Sannox and the Glen Rosa.

Glen Sannox

The LNG system has been well documented as the biggest challenge we were facing since our last report. It has proved even more difficult and has impacted the progress in other areas, namely the engine compartments.

We still have a small portion to complete in the commissioning, but this has been moved to an alternate shift so as not to have further interference with other critical activities.

This has resulted in a movement of the schedule causing a slight delay with delivery now being week commencing 19th August 2024.

We are working with CalMac and CMAL at the highest level to ensure there will be no further delays.

Regarding the final cost to go we have reviewed the status and even with the revised delivery date, we remain confident within the range previously forecast, namely the £145.5m to £149.1m.

Challenges to complete

- Completion of the final portion of LNG testing. (target within the next week)
- Completion of steam cleaning and painting of engines spaces. (this has now commenced)
- Compartment sign off.
- Commissioning and piping system sign off.
- Inclining trials.
- Acceptance trials.

- In preparation for these activities to support the initial acceptance trials, such as loading of nitrogen and LNG. Attendance from Lloyds has been confirmed for sign off.
- Sign off by Lloyds and passenger certificate from MCA.

Support teams from Engineering and Quality have been relocated to Inchgreen to ensure no time lag in any sign off or information requests.

As noted above we are working with CalMac, and they have placed several members of their crew onboard to assist where possible and at the same time familiarise themselves with the vessel. CMAL are offering any technical assistance and coordination when needed.

Glen Rosa

Again, as with Glen Sannox we are monitoring the costs on Glen Rosa, and our view remains the same that we will be within the parameters not to exceed £150m.

The final schedule is nearing completion and there has been a significant increase in activity onboard the vessel however, it is still not at the rate we would like to see.

The delivery of Glen Sannox will release several key members of staff who will bring their experience and lessons learned to the fore on Glen Rosa.

Several large subcontractor packages will be given final approval after a thorough review of scope and price.

As noted previously the team is focused and understand the need for the completion of both vessels to support the CalMac operations.

Regards,

John Petticrew

Interim CEO