

THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE FOR
ADMINISTRATION AND FINANCE
STATE HOUSE ■ ROOM 373
BOSTON, MA 02133

JANE SWIFT
GOVERNOR

STEPHEN P. CROSBY
SECRETARY

TEL: (617) 727-2040
FAX: (617) 727-2779

August 31, 2001

Richard Capka
Chairman
Massachusetts Turnpike Authority
185 Kneeland Street
Boston, Ma 02110

Re: Independent Certification of October Finance Plan

Dear Chairman Capka:

I understand that under the Finance Plan Guidance issued by the Federal Highway Administration in May, 2000 an independent certification needs to accompany the annual Finance Plan on the accuracy of the information submitted.

As you know, the Executive Office of Administration and Finance (A&F) engaged the services of Deloitte & Touche, a consulting and accounting firm, to perform an independent assessment of the Central Artery/Tunnel Project (the Project). Deloitte & Touche was directed to provide a review of the approach and methodology utilized by CA/T management in connection with the Annual Update of the Project Financial Plan.

The Cost/Schedule Update Revision 8 (CSU8), the assessment prepared by the Project, on which your October Finance Plan is based, appears to be consistent with Deloitte & Touche's assessment. The CSU8 concluded that \$13.981 billion with another \$494 million in contingency, totaling \$14.475 billion, is required to complete the Project. Appropriate funding has been identified to satisfy all known costs plus contingency up to the \$14.475 billion.

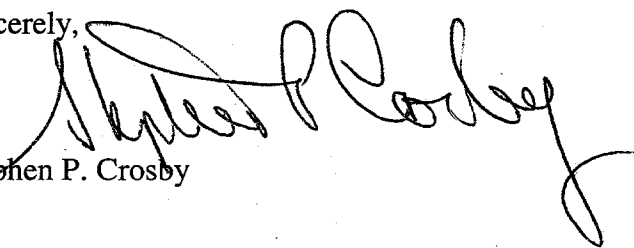
I have directed my staff to work closely with yours in the development of the Project's annual Finance Plan in accordance with the requirements of Section 106, Title 23, and the Financial Plan guidance issued by the Federal Highway Administration. The plan provides detailed cost estimates to complete the project and the estimates of financial resources to be utilized to finance the project.

The cost data in the Finance Plan provide an accurate accounting of costs incurred to date, and include a realistic estimate of future costs based on engineers estimates and expected costs escalation factors. While the estimates of financial resources rely upon assumptions regarding future economic conditions and demographic variables, they represent realistic estimates of available monies to fully fund the project.

To the best of our knowledge and belief, the Finance Plan to be submitted accurately presents the financial position of the Project's cash flows, and expected conditions for the Project's life cycle. The financial forecasts in the Finance Plan are based on our judgment of the expected Project conditions and our expected course of action. A&F believes that the assumptions underlying the Finance Plan are reasonable and appropriate. Further, A&F believes that the Project has made available all significant information that is relevant to the Finance Plan and to the best of our knowledge the documents and records supporting the assumptions and appropriate.

A&F will continue to work with your staff to review and update the Finance Plan on an annual basis.

Sincerely,


Stephen P. Crosby