

1 General – Unit Cost Data

2 Q. NLH was asked in PUB 17, PUB 18, PUB 19, PUB 20, and PUB 28 to
3 provide unit cost data relevant to the respective project being examined. In
4 each response NLH repeatedly asserts that the average cost data “may not
5 be meaningful”.

6 Is it NLH’s position that unit costs data is not useful in an analysis of capital
7 expenditure programs? If so, explain why.

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10 A. It is Hydro’s position that unit cost data is often not useful in an analysis of
11 capital expenditure programs because the scope of work required may vary
12 significantly from one project to another. For example, different feeders
13 require different numbers of poles, insulators, hardware or conductor
14 replacements per kilometer. This varied scope of distribution work is such
15 that calculating unit costs is not useful. Likewise for diesel plants, each
16 project is individually evaluated and estimated, and here also unit costs are
17 not meaningful.