

1    Tab H, Section 7 – Application Enhancements 2006 Cost/Benefit Analysis

2    Q.    Ref: Cap/M Software - NLH is projecting an annual cost savings of \$22,168,  
3           increasing by 15% per year, attributed to the elimination of maintenance fees  
4           related to the current software product being used. Please explain why a  
5           similar expense will not accompany the implementation of the new software.

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8    A.    It is anticipated that this project can be implemented by eliminating one piece  
9           of software, which has annual operating costs of \$22,168, and by using other  
10          applications currently owned by NLH to provide the same functionality.