

1 Q. The Island Pond 2006 study shows a capital cost estimate of \$173,592,362, the  
2 AFUDC and Escalation Calculation (Batch 06 NHI-Nalcor-49.3 AFUDC and Escalation)  
3 shows a “Cap Cost In” of \$166,220,000. Please show how these individual costs are  
4 derived.

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7 A. Referring to the response to MHI-Nalcor-121, the direct cost for Island Pond in  
8 2006\$ is \$150,308,033. This amount is then escalated to 2010\$ to derive the \$166.2  
9 million used as an input to Strategist. As indicated in MHI-Nalcor-121 there is a  
10 minor rounding difference.