

1 Q. (Re: September 2014 Report submitted as part of Application) It is 3 stated (page 3  
2 lines 21 to 22): "*The scope of the project and continued load growth was*  
3 *underestimated and contributed to increased costs due to a higher quantity of*  
4 *materials than budgeted*". Please identify the specific changes in the project scope  
5 since the project was initially approved and provide an explanation of the cost  
6 increase owing to each change in scope.

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9 A. The scope of the project did not change. During project estimation for the scope of  
10 the project, the volume of materials was not fully captured. The volume of material  
11 required and the associated shipping cost is now fully understood and captured in  
12 this revised materials estimate. The increase in materials required is the most  
13 significant component of the requested increase in budget.

14  
15 Please see Table 1: Material Procurement Costs below for a breakdown of material  
16 cost increases.

17 **Table 1: Material Procurement Costs**

Item	2009 Budget	2013 Actuals
Transformers	\$2,054,000	\$3,039,000
Wood Products	\$225,000	\$361,000
Hardware	\$390,800	\$783,700
Major Equipment	\$155,000	\$261,600
Conductor	\$150,000	\$187,300
Other	\$75,200	\$528,600
<b>Total</b>	<b>\$3,050,000</b>	<b>\$5,161,200</b>