

Undertaking - Hydro VHF Mobile Radio System

Increase in cost from filed to October 31/01 Revision.

Line Item	Estimate		Difference	
	Original	Revised		
Equipment Contract	\$6,200,000	\$5,830,000	-\$370,000	Note 1.
Materials Supply	\$102,000	\$450,000	\$348,000	Note 2.
External Engineering	\$145,000	\$0	-\$145,000	Note 2.
Internal Engineering	\$200,000	\$370,000	\$170,000	Note 2.
Corporate Overhead	\$439,000	\$439,000	\$0	
IDC	\$205,000	\$444,000	\$239,000	Note 3.
Contingency	\$665,000	\$665,000	\$0	
Escalation	\$417,000	\$523,000	\$106,000	Note 3.
TOTAL	\$8,373,000	\$8,721,000	\$348,000	Note 3.

Note 1. Latest estimate based on manufacturer information.

Note 2. The change is a result of Hydro doing the work internally.

Note 3. Increase in costs as a result of changing from a one (1) year project to a two (2) year project.

Equipment Contract Breakdown (Revised Estimate)

Dual Redundant Switch	800,000
Site Equipment (Repeater, Antenna, etc.)	2,100,000
Radios (mobiles, portables,base stations)	778,500
Paging system Upgrade	196,500
Tower Infrastructure for additional coverage	450,000
Contract Miscellaneous (Design, training, testing, etc.)	<u>1,505,000</u>
Total	5,830,000