

In reference to Schedule “B”, page 77 of 82, Outage Management, project cost \$284,000.00:

Q. Please advise as to how this project cost was estimated.

A. The cost of this project has been estimated on the basis of migrating the existing applications from the OpenVMS platform to a new operating system.

When considering the technology requirements for this project, the Company contacted potential suppliers for general product and pricing information. The information obtained has been used to assess the cost of the technology products that are available to meet the project requirements. Implementation costs have been estimated by Company personnel on the basis of experience in implementing similar projects and in light of relevant benchmarks identified by industry experts.