Q. Labrador City Terminal Stations: Please: (a) provide a tabulation comparing the 2009 cost estimates included in Hydro's 2009 Capital Budget Application, Table 9.1, as indicated below, with the actual costs,(b) provide explanations for the variances, (c) break down each element (such as cost of transformers and circuit breakers, and need for equipment not included in the original budget) sufficiently to explain cost increases, (d) show how much of the labor costs were overtime differential costs, (e) show how much resulted from non-productive hours due to weather conditions, and (f) show how much resulted from non-productive hours due to other reasons (such as equipment not being ready).

Project Cost (*$ x $1,000*)	2009	2010	2011	Total
Material Supply	50.0	1,919.0	3,409.0	5,378.0
Labour	83.0	231.2	200.5	514.7
Consultant	0.0	0.0	0.0	0.0
Contract Work	83.0	890.0	800.0	1,773.0
Other Direct Costs	15.0	67.5	89.2	171.7
O/H, AFUDC & Escln.	29.1	476.3	864.0	1,369.4
Contingency	23.1	310.8	449.9	783.8
TOTAL	283.2	3,894.8	5,812.6	9,990.6

A. (a)

Project Cost (*$ x 1,000*)	**2009**	**2010**	**2011**	**Total**	**Final**
Material Supply	50.0	1919.0	3409.0	5378.0	4831.9
Labour	83.0	231.2	200.5	514.7	2193.0
Consultant	0.0	0.0	0.0	0.0	117.8
Contract Work	83.0	890.0	800.0	1773.0	7732.7
Other Direct Costs	15.0	67.5	89.2	171.7	501.5
O/H, AFUDC and Escalation	29.1	476.3	864.0	1369.4	1467.0
Contingency	23.1	310.8	449.9	783.8	-
TOTAL	**283.2**	**3894.8**	**5812.6**	**9990.6**	**16843.9**

(b) Please refer to Hydro's responses to PR-PUB-NLH-038, PR-PUB-NLH-039, PR-PUB-NLH-040 and PR-PUB-NLH-041.

(c)

Variances (Contract)	**Budget (x $1000)**	**Actual (x $1000)**	**Variance (x $1000)**
Supply / Install Buildings	400	3158	2758
Civil Work	487	1135	2256
	-	1608	-
Electrical Work	799	1283	484
Fibre Install	83	236	154
Transformer Assembly	-	250	250
		TOTAL	**5902**

Variances (Labour)		**Budget (x $1000)**	**Actual (x $1000)**	**Variance (x $1000)**
Eng Lab	PM/Elec Eng	145	513	368
	PM/Elec Eng OT	0	30	30
	Civil Eng	40	303	263
	Civil Eng OT	0	72	72
	P&C Eng	53	283	230
	P&C Eng OT	0	3	3
	TC Eng	95	45	-50
Int Lab	Telecontrol	46	152	106
	Telecontrol OT	9	68	59
	Operations	137	323	186
	Operations OT	20	398	379

Eng Lab = Engineering Labour

PM = Project Management

Elec Eng = Electrical Engineering

OT = Overtime

P&C = Protection and Control

TC Eng = Telecontrol Engineering

(d)

	Dollars (x $1000)	Hours	Avg Rate ($/hr)
Regular Labor			
Permanent & Temporary	1,582	26639	59.39
Intercompany	33	445	
	1,616	27083	59.66
Overtime Labor			
Permanent & Temporary	571.51	7943	71.96
Intercompany	5.81	76	76.94
	577.32	8018	72.00
Total Labor	2,193	35,101	62.48

Overtime Rate Differential = 72.00 $/hr - 59.66 $/hr = $12.35 $/hr
Overtime Differential = $12.35 $/hr * 8,018 hrs = $99.0k

(e) Hydro is unclear as to what is being sought by the reference "non-productive hours". Hydro's view is that all labour hours (regular and overtime) were appropriate.

(f) Hydro is unclear as to what is being sought by the reference "non-productive hours". Hydro's view is that all labour hours (regular and overtime) were appropriate.