

1    Q.    **Tab 35; Volume III: Replace Personal Computers**

2            The category, quantity and estimated cost for equipment under the Personal  
3            Computer Replacement program for 2016 is provided on page 2 and totals  
4            \$330,450. Table 2 on page 8 indicates a Material Supply estimate of \$535,100.  
5            Please explain the variance between these two numbers.

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8    A.    The following information was unintentionally omitted from the project proposal as  
9            it relates to the variance referenced above. The category, quantity and estimated  
10           costs specified on page 2, which totals \$330,450 is for PC hardware to be replaced  
11           only. The variance of \$204,650 consists of accessories for the hardware being  
12           replaced (78 monitors and 144 docking stations), 30 laptops for both the  
13           establishment of a PC loaner pool (discussed below) and laptops for longer term  
14           contractors. The final component of the variance is for the purchase of ruggedized  
15           laptop computers for field technicians (approximately \$5,000 per), where 16  
16           technicians will get a ruggedized laptop as a replacement, and there are 12  
17           ruggedized laptops allocated to be part of tool sets for other work groups.

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19           Due to laptop failures as they approach the end of their service life, Hydro requires  
20           loaner laptops to minimize employee down time and maintain productivity.  
21           Historically, a brand new laptop, one that is scheduled to replace another laptop as  
22           part of the replacement program, is temporarily assigned as a loaner delaying  
23           deployment of the new laptop to its intended recipient. The establishment of a  
24           loaner pool eases the distribution of loaner laptops for users affected by hardware  
25           failure as well as those requiring temporary use for travel or training.