

1 Q. **Page E-16, Voltage Conversion – Labrador City, \$3,840,700**

2 Has Hydro encountered issues similar to those reported in relation to the Terminal
3 Station in Labrador City with regard to tenders for this project?

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6 A. The voltage conversion Hydro is carrying out as part of the Labrador City Upgrade
7 has not encountered tender issues similar to those reported in relation to the
8 Terminal Station in Labrador City. These issues have been mitigated due to the
9 following:

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- 11 • Budgets for the Labrador City Voltage Conversion proposal were developed
12 in 2009, utilized actual tender prices being submitted at that time, and to
13 date this historical pricing has generally been realized; and
- 14 • Tenders for Voltage Conversion/Distribution Upgrade projects involve
15 standard recurrent tasks, (e.g. insulator replacement, transformer
16 replacement, stringing conductor, pole installation, structure framing) with
17 little variations, (e.g. conductor size, pole size, operating voltage) which
18 allows the contractors to provide consistent unit prices based on history and
19 region.