

1 Q. **B-14, Upgrade Burnt Dam Spillway \$1,703,000**

2 In the 2011 Capital Budget the forecast expenditure for 2012 was \$692,000, while
3 the forecast amount in the 2012 Capital Budget is \$1,702,800. Please explain this
4 variance.

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7 A. The forecast expenditure put forth in the 2011 Capital Budget for 2012 was a
8 preliminary high level estimate with consideration to information provided in the
9 Hatch report prepared in 2009. The Hatch report was based on a high level
10 engineering assessment providing estimates +40/-20 % (Class 5). When the 2012
11 capital budget proposal was prepared in 2011 a more detailed scope of work was
12 established along with a more accurate estimated cost to complete the work in
13 2012 (Class 3). For assistance in preparing the cost estimate, Hydro consulted with a
14 service company that specializes in hydraulic gates refurbishment - Weir Power and
15 Industrial Services. A breakdown of the cost estimate for the total 2012 project is
16 provided in response to PUB-NLH-47. The above classes are derived from the
17 American Association for the Advancement of Cost Engineering (AACE). Please see
18 response to PUB-NLH-22 for more details.