

1 Q. (Re: September 2014 Report submitted as part of Application, page 5, Table 1)
2 What level of accuracy was the original project budget, and what level of accuracy is
3 the current project cost estimate?

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6 A. In 2008, projects were estimated to Class 5 accuracy and therefore this project was
7 budgeted to that level of accuracy. The level of accuracy of the current project
8 estimate is Class 2. These designations are defined by AACE International
9 Recommended Practice No. 17R-97 "Cost Estimate Classification System." Please
10 refer to Table 1: Estimate Classification below for estimate class matrix.

Table 1: Estimate Classification

Estimate Class	Level of Proj. Definition	End Usage	Methodology	Expected Accuracy Range
5	0 - 2%	Screening/ Feasibility	Stochastic/ Judgment	L: -20% to -50% H: +30% to 100%
4	1% – 15%	Concept Study	Primarily Stochastic	L: -15% to -30% H: +20% to +50%
3	10% - 40%	Budget/ Authorization	Semi-detailed Unit Costs/Mixed/Primarily Stochastic	L: -10% to -20% H: +10% to +30%
2	30% – 75%	Control, Bid/Tender	Detailed Unit Costs /Primarily Deterministic	L: -5% to -15% H: +5% to +20%
1	50% - 100%	Check Estimate	Deterministic	L: -3% to -10% H: +3% to +15%