

1    Q.    **Reference:    Remove Safety Hazards, Volume I, Section D Page D-204 – D-207**

2            Please provide a justification for the \$257,800 project estimate in light of the capital  
3            expenditure history provided in Table 3.

4

5

6    A.    Given the nature of the Remove Safety Hazards program it is difficult to forecast the  
7            scope of work and generate a detailed estimate during the budget preparation  
8            stage. Hydro is requesting \$257,800 in funding for the 2014 capital program. The  
9            budget request considers variations in the size and number of projects which may  
10           arise across the geographic regions serviced by Hydro.

11

12           While the capital expenditure history illustrates that the actual expenditures have  
13           never exceeded the approved budget, Hydro feels that the requested funding  
14           amount is both reasonable and fair. Actual expenditures are subject to the  
15           magnitude of the approved work scopes, in conjunction with the location in which  
16           the work is to be completed – both of which are unknown during the budget  
17           proposal process. The requested funding amount will enable the successful  
18           elimination of safety hazards approved under the program.