

1 Q. **Reference: Application, 2024 Capital Expenditures Overview, page 9**

2 It is stated *“The forecasted variance in the overall project expenditures is attributed to*
3 *construction contract pricing that is higher than the original budget estimate.”* Is higher than
4 anticipated contract pricing the sole reason for the cost increase of 80%?

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7 A. The project titled “Replace Underground Firewater Distribution System (2022–2023) –
8 Holyrood” is forecast to exceed the approved budget by 80%. The higher-than-anticipated
9 contract pricing accounts for a forecast cost increase of 76%. The remaining 4% cost increase is
10 attributed to higher-than-anticipated external engineering consultant costs for the design of the
11 firewater piping tie-ins inside the powerhouse.