

1 Q. **Reference: Application, Schedule 1, page 26, section 5.3, footnote 54; Schedule 5, Appendix A**

2 Hydro states: *“Hydro’s analysis has determined that its average variance is 1.4%, with a*
3 *standard deviation of approximately +/-60%. Therefore, Hydro’s expected estimated accuracy*
4 *range is approximately +61%/-59%.”* Footnote 54 states: *“This excludes projects and programs*
5 *that have a modified scope or cancelled scope, scope of work associated with Hydro’s In-Service*
6 *Failure programs, and supplemental projects.”*

- 7 a) Please provide, in native Excel format, the observation-level dataset and formulas
8 supporting the analysis, including project, estimate, actual or forecast cost, sign
9 convention, variance, and included or excluded status with reason. Reproduce the results
10 with the excluded populations included.

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13 A. Please refer to CA-NLH-017 Attachment 1, provided as an excel native file, which provides the
14 observation-level dataset and formulas supporting Newfoundland and Labrador Hydro’s
15 (“Hydro”) statistical analysis of variances, including project, estimate, actual cost, sign
16 convention, variance, and included or excluded status with reason. The results are reproduced
17 with the excluded populations included.

18 This analysis is intended to inform the accuracy of estimates of known scopes of work estimated
19 through Hydro’s regular estimating process for each annual Capital Budget Application (“CBA”).
20 Projects and programs generally excluded from the analysis are those which are not reflective of
21 Hydro’s CBA Estimation Accuracy, including:

- 22 • Supplemental projects for unplanned, urgent break-in work;¹
23 • Programs with allowances for unknown scopes of work at the time of estimating, such
24 as Hydro’s in-service failures programs; and
25 • Projects and programs that experienced significant scope change after the original
26 estimate was prepared.

¹ This includes projects completed under the Allowance for Unforeseen.