

PC Data Request 126

Re: Plant Additions.

Please refer to Exhibit No. NCS-3, page 8.4.2 and Exhibit No. NCS-11, page 8.4.2. Please explain, in detail, what caused the following projected changes in the plant addition amounts between the projected amounts identified in the original filing on Exhibit No. NCS-3, page 8.4.2 and the projected plant addition amount in the rebuttal filing on Exhibit No. NCS-11, page 8.4.2:

- (a) Fry Sub Instl 115 kV Capacitor Bank TPL2 (March 2015) - \$6,381,000 compared to \$7,950,000 (increase of \$1,569,000);
- (b) Knott Sub Install 115-12.5kV Transformer – Trans (Dec 2014) - \$3.4M compared to \$4,622,995 (increase of approximately \$1.2M);
- (c) ILR 8.7 Speelyai Hatchery Water Intake (November 2014) - \$2.0M compared to \$2.46M; and
- (d) Orchard and Wiley Substation Capacity Relief (Clinton Feeder) (Nov 2014) - \$880,000 compared to \$1.4M.

Response to PC Data Request 126

- (a) The project cost included in the initial filing was based on a projection of \$6.38 million that was developed before the Company chose a contractor. Following award of the contractor bid in late July 2014, nearly three months after the Company's initial filing, the estimated project cost was updated to \$7.95 million. The selected contractor provided the lowest bid for this project. The Company, however, now anticipates that the Fry Substation project will be placed in service after the rate-effective date in this case. Accordingly, the Company will remove this project from the pro forma adjustment for major capital additions.
- (b) The \$3.4 million amount included with the Company's initial filing was based on preliminary projections and high-level scope for project. Project scoping was further defined, full design achieved, and firm construction bids were received. The revision to \$4.6 million is based on final scope, confirmed material costs, and receipt of firm bid results.
- (c) As discussed in the Company's response to PC Data Request 124, the current estimated in-service date for this project is November 2015. Because the in-service date is past the rate-effective date in this case, the Company will remove this project from the pro forma adjustment for major capital additions..

- (d) The \$880,000 amount included with the Company's initial filing was based on preliminary projections and high level scope for project. Project scoping was further defined, full design achieved, and firm construction bids were received. The revision to \$1.4 million is based on final scope, confirmed material costs, and receipt of firm bid results.

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