

New York State Electric & Gas Corporation

Jennison Transmission Solution Project

Exhibit 9

Cost of Proposed Facilities

Confidential Information Has Been Redacted From This Document

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EXHIBIT 9: COST OF PROPOSED FACILITIES

9.1 Introduction

The general capital cost estimate includes items that apply to all of the segments that comprise the Project¹, including the following for the Proposed Lines and the associated improvements to the Proposed Jennison Substation:

- Right-of-Way
- Surveys
- Materials
- Labor
- Engineering and Inspection
- Administrative Overhead
- Fees for Legal and Other Services
- Interest During Construction
- Contingencies

9.2 Capital Cost

A detailed estimate of the total capital costs of the proposed Project facilities is set forth in Table 9-1. The overall estimated capital cost of the Project is the sum of the transmission lines and the substation.

¹ For clarity and consistency, the Application includes a Master Glossary of Terms that defines terms and acronyms used throughout the Application.

Table 9-1: Total Capital Costs Estimate

Item Description	Proposed Substation Cost Estimate	Proposed Reroutes Cost Estimate	Line 946/949 Cost Estimate	Total Cost Estimate
1) Right-of-Way				
2) Surveys				
3) Materials				
4) Labor				
5) Engineering and Inspection				
6) Administrative Overhead				
7) Fees for Legal and Other Services				
8) Interest During Construction				
9) Contingencies				
Totals:				

9.3 Sources of Information

The capital cost estimate presented in Table 9-1 is based on a combination of known and estimated costs. Known costs are based on established MSAs and bids received from suppliers for other projects. Where known capital cost information is not yet available, the experience of the Applicant on the NYSEG Auburn Transmission Project and the RG&E Rochester Area Reliability Project was applied as a best practice for the completion of comprehensive proposed costs. The Applicant has not yet sought or received bids for this Project.

The source of the information used as the basis of the above capital cost estimate is described below by capital cost component:

- Right-of-Way: estimated costs based on best available data.
- Surveys: a blended combination of known and estimated costs based on best available data. Known costs based on established MSAs and corresponding issued Purchase Orders. In instances where established MSA rates are unavailable, unit costing based on historical past projects is utilized.

- Materials: a blended combination of known and estimated costs based on best available data. Known costs are based on established MSAs and bids received from suppliers. In instances where established MSA rates are unavailable, unit costing based on historical past projects is utilized.
- Labor: a blended combination of known and estimated costs based on best available data. Known costs including field construction management are based on established MSAs and bids received from suppliers. In instances including project management, warehousing, construction, and commissioning where established MSA rates are unavailable, unit costing based on historical past projects is utilized.
- Engineering and Inspection: a blended combination of known and estimated costs based on best available data. Known costs based on established MSAs, and bids received from suppliers. In instances where established MSA rates are unavailable, unit costing based on historical past projects is utilized.
- Administrative Overhead: internal and external administrative overheads are based on proportioning relative to historical past projects.
- Fees for Legal and Other Services: based on proportioning relative to historical past projects.
- Interest During Construction: based on proportioning relative to historical past projects.
- Contingencies: based on proportioning relative to other cumulative project costs based on historical past projects.

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