

## NEETNY Questions for 5/10/2018 EPSWG

NextEra Energy New York has the following questions that it would like NYISO and its consultant to address at the May 10<sup>th</sup> stakeholder meeting. We respectfully request that NYISO post all questions that it has received from all stakeholders as well as its response to each question rather than paraphrase the question or address the response orally during stakeholder meetings. There should be a specific Q&A document posted. We believe that this will enable all interested stakeholders to see the Q&A which will minimize the duplication of questions and expedite the process.

### 1. 5% synergy savings:

- a. Slide 7 says “synergies were derived by evaluating the average cost of individual cost components of the projects to estimate the potential savings assuming one Developer was awarded both...”
  - i. Includes list of specific items
  - ii. Slide 7 also says that “Each of these items were assessed for economy of scale, utilization of resources, equipment and materials, duplication of services, and replication of engineering designs to estimate the potential savings.”
  - iii. However, March 30<sup>th</sup> presentation slide 49 just says 5% is assumed. The methodology is not discussed in the SECO Report and the word synergy is never mentioned.
    1. Statement at April 6 meeting that the looked at individual components but did not review combinations due to time. Said they did not consider items are scalable.
- b. Questions:
  - i. How did SECO look at individual components to develop the synergy estimate?
  - ii. How did SECO evaluate “average cost of individual cost components” without using actual estimates for projects? Does achieving synergies assume that the schedules of the two projects are synchronized?
  - iii. Did SECO look at a specific combination or multiple combinations for representative examples? Which combinations?
  - iv. If SECO did not look at representative project combinations, how did SECO look at individual components in the abstract?
  - v. Why wasn’t scalability considered? Combinations involving Project 27, 27 is almost double the cost of the Segment B projects 29 and 30.

### 2. Rebuild over gas pipelines

- a. Does the estimate consider permitting and public involvement?
- b. Will an article VII be required to move the gas lines?
- c. How much additional right-of-way does SECO anticipate will be required to relocate the gas pipelines?

### 3. Concrete pole installation cost:

- a. Slide 9 says “Kenny managed installation of more than 3,000 concrete poles, and applied the same methodology in many projects.”
  - i. Slide 28 of the April 19, 2018 presentation says:
    - 1. “These [\$/lb] rates are based on historical data from similar projects constructed by Kenny. Kenny installed 230 kV and 345 kV concrete monopoles for Dominion Power projects, and also installed concrete monopole H-Frames and 3-Pole dead-end structures for a 3.5 mile FirstEnergy transmission project.”
    - 2. In response to questions, Kenny stated that the above quote refers to two projects that were each about 3.5 miles.
- b. Questions:
  - i. What does Kenny mean that it “managed” 3,000 concrete pole installations?
  - ii. If Kenny based its cost estimates on projects that were “constructed by Kenny” as previously explained in the April 19<sup>th</sup> presentation, then what is the relevance of how many pole installations Kenny has “managed”?
  - iii. With respect to Kenny’s experience “managing installation of more than 3,000 concrete poles”, what length and weight were concrete monopoles and for what voltages?
  - iv. How many of the 3,000 concrete pole installations that Kenny managed were direct embed concrete monopoles comparable in size and weight to those proposed in projects TO22 and TO23?
  - v. How many of the 3,000 concrete pole installations that Kenny managed were transmission projects?
    - 1. How many were single piece poles?
    - 2. How many were spun concrete?
    - 3. How many were static cast concrete?
  - vi. When and where were the projects that Kenny managed that comprise the 3,000 concrete pole installations?
  - vii. What does “applied the same methodology in many projects” mean in slide 9?
  - viii. Of the contributing factors associated with the premium for concrete pole installation identified in slide 9, please provide the percentage contribution for each relative to the Labor and Equipment Supply unit cost.
  - ix. In Section 1 of the SECO Report (Clearing and Access), SECO provides costs for matting, work pads and access road construction for each project. The explanation of installation cost in Slide 9 says that the Labor and Equipment Supply Cost in Section 3 (Structures) of the detailed cost estimates also includes costs for these same items. Please explain why additional costs associated with matting and access roads are not included under the costs for matting and access roads.