

1 **Interrogatory 29**

2 **Request**

3 **With respect to operation, maintenance and administration costs, please indicate**
 4 **whether the applicant's stated OM&A costs are estimated on a standalone basis (i.e. the**
 5 **full OM&A costs of the line) or on a net basis (i.e. excluding costs incurred by affiliates**
 6 **or other regulated utilities providing services to the applicant). If on a net basis, please**
 7 **provide in detail the applicant's estimated OM&A costs on a standalone basis.**

8 **Response**

9 The OM&A budget included in EWT LP's designation application (Part B, Exhibit 8,
 10 section 8.12) was prepared on a standalone basis and assumes that EWT LP does not
 11 contract for any services from either HONI or GLPT.

12 EWT LP has provided below a comparison of its OM&A budget assuming certain
 13 services are contracted to HONI and GLPT and the budget filed in its application.

14 Both budgets include all the OM&A costs for which EWT LP would seek recovery.

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Item	Standalone – no contracting of services from GLPT or HONI	Standalone – services contracted from GLPT and HONI	Explanation for cost reduction
Operations	\$1.80m	\$0.51m	New control room eliminated. Economies of scale through sharing existing staff and resources. Reduced staff numbers.
Maintenance	\$2.25m	\$1.8m	Economies of scale, particularly in RoW maintenance planning
Regulatory Expenses	\$0.25m	\$0.25m	No change
Administrative & General	\$1.62m	\$1.23m	Shared back office allows for reduced staff numbers
Contingency	\$1.19m	\$0.38m	Fixed price contracting with GLPT/HONI reduces price uncertainty – contingency reduced from 20% to 10%
Total	\$7.12m	\$4.17m	

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