

Table ES-1
Arrowhead-Weston Transmission Line Construction Cost Summary Comparison

PROJECT ELEMENT DESCRIPTIONS	PEI VALUES	R. W. BECK VALUES
TRANSMISSION CONSTRUCTION		
Structures & Foundations	\$120,718,403	\$119,518,403
Foundation Adders	\$6,655,603	\$6,655,603
Counterpoise for Added Grounding	\$953,379	\$953,379 550,500
Wire	\$30,825,867	\$30,825,867
Wetlands Accessibility Adder	\$8,819,326	\$8,819,326
Mobilization and Demobilization	\$1,140,440	\$1,140,440
Environmental Devices	\$1,890,577	\$1,890,577
Miscellaneous Construction Items	\$1,630,237	\$1,630,237
Contractor Field Office Facilities and Personnel	\$4,066,908	\$4,066,908
Construction & Mitigation Plan – Premium & Monitoring	\$6,060,000	\$6,060,000
Construction Management	\$9,226,380	\$9,226,380
TOTAL TRANSMISSION CONSTRUCTION	\$191,987,120	\$191,987,120
COMMUNICATION - OPGW 12-fiber	\$4,312,000	\$4,312,000
CLEARING RIGHT-OF-WAY	\$7,221,722	\$8,546,723
LAND RIGHTS - EASEMENTS		
ROW Acquisition & Legal Assistance	\$23,942,500	\$16,087,908
Railroad & Pipeline Interference Studies	\$1,225,000	\$1,225,000
Namekagon EIS	\$500,000	\$500,000
TOTAL LAND RIGHTS - EASEMENTS	\$25,667,500	\$17,812,908
REMOVAL	\$2,702,778	\$2,702,778
SALVAGE	\$(58,900)	\$0
LOCAL ENGINEERING	\$16,571,841	\$16,571,841
FOREIGN ENGINEERING	\$16,096,620	\$16,096,620
FARM DISEASE MITIGATION	\$15,000,000	\$15,000,000
TEMPORARY LINE CONSTRUCTION	\$2,000,000	\$2,000,000
SUBTOTAL TRANSMISSION LINE CONSTRUCTION	\$281,500,681	\$273,427,111
CONTINGENCY – 15%	\$0¹	\$41,014,066
TOTAL TRANSMISSION LINE CONSTRUCTION	\$281,500,681	\$314,441,178

¹ No contingency was specified except in the values for Land Rights and Substations.

EXECUTIVE SUMMARY

Below is a total project cost comparison without contingency.

Table ES-2
Arrowhead-Weston Cost Summary Comparison Without Contingency

Description	PEI Cost Estimate	R. W. Beck Values
Transmission Line	\$281,500,681	\$273,427,111 ¹ c
Substations	\$56,804,501	\$56,804,501 b
Subtotal Transmission Line & Substations	\$338,305,184	\$330,231,612 d
Licensing	\$8,239,000	\$8,239,000 -
Environmental Impact Fee	\$17,360,966	\$17,020,352 -
AFUDC	\$56,402,332 ²	\$55,250,718 ³ -
Totals	\$420,307,482	\$410,741,682

$49,534,200 \times 15\%$ of 330 million
460,000,000

King-Weston Transmission Line Alternative

The following table details the total costs for transmission line construction evaluated for in the report. The totals evaluated without contingency result in an increase of less than 3%. For a project of this size and scope and the assumptions that were made, the Black and Veatch cost estimate for the alternative King-Weston line route appears reasonable.

¹ In order to compare values on a relative basis, contingency has been excluded. However, given the uncertainty with respect to licensing costs, farm disease mitigation and land rights-easements consideration should be given to include a contingency in the total project cost.

² \$57,912,394 After correcting for apparent interest rate error (15.9% - Transmission line subtotal plus environmental impact fee.

³ 15.9% of transmission line subtotal plus environmental impact fee.