

April 29, 2024

5.1.1 General Estimate Basis

A summary of the project cost estimate is included herein. The Project Cost Estimate is based on the site general arrangement (Appendix A) and multiple contract approach. Pricing for major equipment was obtained from equipment supplier budgetary quotes specific to this project. This includes equipment such as the ESP and fabric filter. Major electrical equipment was estimated using recent project costs for similar equipment. Minor equipment was estimated using recent project costs or in-house estimating methods. The majority of the materials have been estimated using current costs obtained from an in-house database or from recent, similar projects.

Union labor rates from RS Means for Montana were used to estimate the labor rate. The basis for the development of direct field hours is an in-house database, applying a working conditions factor unique to the Colstrip facility. The project is estimated assuming a 50-hour, 5 day work week during construction.

5.1.1.1 Indirect Costs

A percentage of the direct costs are included for Engineering, Start Up, and Commercial costs. An overall project contingency, 20% of the direct and indirect costs, is included in the indirect costs. The Escalation is based on the project starting in the fall of 2024 and the second unit coming on line 42 months later. An annual escalation rate of four percent (4%) on engineered equipment, five percent (5%) on materials and four percent (4%) on labor and subcontracts has been included.

5.1.1.2 Items Excluded from Estimated Costs

No Burns & McDonnell Construction Management has been included in the estimated costs. No construction facilities, parking, laydown, turnstiles, etc., have been included in the estimated costs. No Interest During Construction costs or financing fees are included in the estimate. No costs have been included for hazardous material remediation.

5.1.2 Discipline Information

The following are brief outlines of the information and scope of each discipline considered in developing the equipment cost estimate and quantities.

5.1.2.1 Electrical

For the ESP it was assumed the existing auxiliary electric system could not support the new electrical loading of the added ESP electrical loads. The ESP auxiliary electric systems are derived from the 115kV system east of the Unit 4 scrubber building with a new auxiliary transformer tapped from the existing