

LCN Fund Full Submission

Supplementary Answer Form

Tick if this answer is Confidential: ☐

Tick if this answer has been provided verbally: ☐

| | | | |
|--|---|-----------------|------------|
| Project code: | WPD-T2-04 | Question Number | WPD029 |
| Question date | 18.09.2012 | Answer date | 20.09.2012 |
| Submission section question relates to | Appendix J3 | | |
| Topic | Financial Benefit of Project Gamma | | |
| Question | Please explain the basis for the unit cost estimates of £30k per switchgear item and £350/m for upgrading 11kV cable. | | |
| Notes on question | | | |
| Answer | <p>The unit cost of £30k per switchgear item is based on:</p> <p>£20k Switchgear item</p> <p>£5k Civil works</p> <p>£5k Labour costs</p> <p>The estimates are representative of the installation costs for the Trial area, a dense urban environment. This is because the cost of installation and the required civil works are more onerous than in other, less dense, network environments.</p> <p>The benchmarked cost for 11kV switchgear installation within the West Midlands for DPCR5 is £37.7k. This figure is an average value, allowing for instances of asset replacement (below average cost) or new switchgear build (above average cost). Therefore a more conservative value has been used as the base case solution would be asset replacement (i.e. utilising existing housing and ancillary arrangements).</p> | | |

| | |
|---|--|
| | <p>The unit cost of £350 per metre for upgrading 11kV cable is based on:</p> <p>£100 per metre of cable</p> <p>£160 per metre labour cost</p> <p>£90 per metre traffic management requirement</p> <p>The estimates are representative of the installation cost for the Trial area, a dense urban environment, where the labour costs will be significantly higher, than in other areas, due to the prescribed working arrangements imposed (i.e. night working). Significant traffic management regimes are also likely to be enforced as the work will predominately be within a city centre environment.</p> |
| Attachments | |
| Verbal Clarifications (Consultants) | |