

LEAPS Project**General Assumptions**

\$ in '000s unless noted

Project Cost**EPC Costs**

LEAPS EPC Cost	850,000
Gen-Tie EPC Cost	417,000
Additional Contingency	-
Total EPC Costs	1,267,000

Other Project Costs

Site Acquisition	17,500
Title Insurance	2,000
Insurance During Construction	3,000
Mitigation Costs	16,420
Property Taxes During Construction	3,000
Costs During Construction	9,354
Initial Spare Parts Inventory Budget	6,000
Other Project Costs	57,274

Development Costs

Dev't Costs to date	34,837
Expenses to Complete Dev't	7,195
Development Fees	50,680
Other	-
Return on New Dev Capital	1,634
Other	-
Dev't Cap Advisory Fee & Retainer	1,414
Total Development Costs	95,761

Financing Costs

Interest During Construction	142,716
Commitment Fees	19,083
Fin Advisor Long Term Financing Fee	8,475
Bank Upfront Fees	18,425
Lender's Engineer	-
Owner's Engineer	-
Initial Working Capital (for operation)	11,050
Total Financing Costs	199,749

Project Cost	1,619,783
---------------------	------------------

Debt Service Reserve ("DSR")	-
Total Project Cost	1,619,783

LAKE ELSINORE ADVANCED PUMPED STORAGE PROJECT

HIGH LEVEL COST ESTIMATE

2/14/2008

DESCRIPTION	QUANTITY	UNIT	TOTAL
SITE PREPERATION	1	LS	\$ 6,400,000
TRAFFIC MAINTENTANCE	1	LS	
LOWER INTAKE SITE STORAGE	1	LS	
ACCESS ROADS	1	LS	
LOWER RESERVOIR			\$ 24,460,400
INSTALL & REMOVE COFFERDAM	1	LS	
DREDGING	84,000	CY	
DEWATERING	1	LS	
INTAKE EXCAVATION	49,500	CY	
LOWER INTAKE STRUCTURE GROUND SUPPORT	1	LS	
INTAKE CONCRETE/INCL REBAR	4,778	CY	
TRANSITION FROM TUNNEL TO STRUCTURE	500	CY	
INTAKE BACKFILL	36,750	CY	
INTAKE GATES	3	EA	
MISC MECH/ELECT/HOIST/RAKES	1	LS	
TRASH RACKS	110,000	LBS	
POWERHOUSE CAVERN	1	LS	\$ 76,070,500
CAVERN EXCAVATION	141,000	CY	
TRANSFORMER GALLERY EXCAVATION & SUPPORT	55,700	CY	
TRANSFORMER GALLERY/ GATE SHAFTS CONCRETE	3,600	CY	
SHOTCRETE	1,335	CY	
POWERHOUSE ROOF	40,000	SF	
POWERHOUSE CONCRETE	20,000	CY	
MISC EMBEDS	275,000	LBS	
P.H. STRUCTURAL STEEL	3,180,000	LBS	
P.H. ARCHITECTURAL	1	LS	
MAINTENANCE FACILITY	3,200	SF	
ADMIN BUILDING	9,600	SF	
TUNNEL/SHAFTS	1	LS	\$ 219,362,100
ACCESS SHAFTS & CONSTRUCTION ADITS	114,520	CY	
POWER SHAFT INTAKE	1	LS	
POWER SHAFT INTAKE EXC. & LINING	1,275	LF	
CONSOLIDATED GROUTING	30	DAY	
PRESSURE TUNNEL EXCAVATION (4203 LF)	96,000	CY	
PRESSURE TUNNEL SHOTCRETE	2,000	CY	
CONSOLIDATED GROUTING	30	DAY	
PENSTOCK EXCAVATION	2,400	CY	
PENSTOCK ROCKBOLTS	3,000	LF	
PENSTOCK SHOTCRETE	75	CY	
PENSTOCK LINER	1,150,000	LBS	
CONSOLIDATED GROUTING	10	DAY	
PENSTOCK CONCRETE	4,050	CY	
TAILRACE TUNNEL EXCAV (4600 LF)	83,630	CY	
DRAFT TUBE TUNNEL EXCAV	4,465	CY	
DRAFT TUBE TUNNEL ROCKBOLTS	4,830	LF	
DRAFT TUBE TUNNEL SHOTCRETE	100	CY	
DRAFT TUBE TUNNEL LINER	660,000	LBS	
DRAFT TUBE TUNNEL CONCRETE	2,600	CY	
PRESSURE SHAFT & TAILRACE SHAFT FAULT CROSSINGS	115	DAY	

DESCRIPTION	QUANTITY	UNIT	TOTAL
UPPER RESERVOIR			\$ 223,484,800
CLEARING	130	ACRE	
DAM #1 ROCKFILL W/ CONCRETE FACE	5,320,000	CY	
DAM #1 SPILLWAY	468,121	CY	
POWERHOUSE AUXILIARY: MECH			\$ 28,357,500
DEWATERING SYSTEM/EQUIPMENT	1	LS	
HVAC	1	LS	
VENTILATION	1	LS	
FIRE PROTECTION	1	LS	
STATION DRAINAGE/SUMPS/PUMPS	1	LS	
WATER SUPPLY	1	LS	
ISO PHASE BUS DUCTS	1	LS	
ELECTRICAL CABINETS/MISC	1	LS	
LIGHTING	1	LS	
GROUNDING	1	LS	
COMMUNICATIONS/FIBER OPTICS/MICRO	1	LS	
INSTRUMENTATION	1	LS	
STATION BATTERY SYSTEM	1	LS	
DIESEL POWER SYSTEM	1	LS	
POWERHOUSE BRIDGE CRANE	1	LS	
POWERHOUSE TURBINE/GENERATORS			\$ 180,000,000
WATER TO WIRE PACKAGE	1	LS	
JOBSITE INDIRECT & ENGINEERING DESIGN			\$ 100,000,000
JOBSITE INDIRECT	1	LS	
ENGINEERING & DESIGN	1	LS	
SIEMENS AG TUNNEL WORK			\$ 37,830,000
GIL SHAFT 12' DIAMETER	1,500	VF	
GIL POWER TUNNEL	3,500	LF	
GIS SHAFT FOR INTERCONNECT GIL TUNNEL	300	VF	
GIS SHAFT FOR AIR VENTS	300	VF	
GIL INTERCONNECT TUNNEL	8,800	LF	
TOTAL LEAPS CONSTRUCTION COST			\$ 895,965,300

Lake Elsinore Advanced Pumped Storage
Primary Line Cost Estimate

(\$mm)	Primary Line Configuration Alternatives			
	Total Gen-tie	Gen-Tie to SCE (North)	Gen-Tie to SDG&E (South)	Gen-Tie (North and South)
<i>Substations:</i>				
Lake Switchyard	✓	✓	--	✓
Santa Rosa	✓	✓	✓	✓
Case Springs	✓	--	✓	✓
Overhead Line (miles)	32	13	19	32
Underground Component	✓	✓	✓	✓
Approximate EPC Hard Costs (\$mm)	\$438	\$254	\$351	\$438
Substations	\$189	\$82	\$166	\$189
Overhead Lines	\$89	\$37	\$52	\$89
Gas Insulated Line (GIL)	\$53	\$52	\$52	\$53
Underground Component	\$58	\$49	\$40	\$58
Engineering Design	\$29	\$21	\$24	\$29
Contingency and Other	\$21	\$12	\$17	\$21
Cost Recovery	Rate-Base	Incorporated in rates charged by LEAPS		
EPC Hard Cost	\$438			
Other Project Costs	\$79			
Total Financing Costs	\$56			
Regulatory Asset Adj.	\$45			
Estimated Rate Base	\$618	na	na	na

Substations	Cost (\$mm)			
Lake Switchyard	\$23	\$23	\$0	\$23
Santa Rosa	\$59	\$59	\$59	\$59
Case Springs	\$106	\$0	\$106	\$106
Total Substations	\$189	\$82	\$166	\$189

Overhead Line (OHL)

Northward (to SCE)	Miles				
OHL Valley Serrano - Lee Lake	4	\$11	\$11	\$0	\$11
OHL Lake Switchyard to GIL North Transitor	9.4	26	26	-	26
Total to SCE	13.4	\$37	\$37	\$0	\$37
Southward (To SDG&E)					
OHL GIL South Transition to Case Springs Su	18.8	\$52	\$0	\$52	\$52
Total Overhead Lines	32.2	\$89	\$37	\$52	\$89

Gas Insulated Line	52.6	52.5	52.5	52.6
Tunnels	58	49	40	58
Santa Rosa 115 kV Expansion Project	-	-	-	-
Case Springs substation	-	\$0	\$0	-
Geotech	2	2	2	2
Engineering Design	27	19	22	27
ACCESS ROADS	2	2	2	2
Environmental	1	1	1	1
Contingency	-	0	0	-
Total	\$420	\$244	\$336	\$420