



Cassadaga Wind Project

Case No. 14-F-0490

1001.14 Exhibit 14

Cost of Facilities

EXHIBIT 14 COST OF FACILITIES

(a) Total Capital Costs

The Applicant has provided an estimate of the total capital costs of the Facility; however, this information has been submitted under separate and confidential cover. Construction and turbine costs vary year to year based on, but not necessarily limited to, availability, competition, commodity pricing and turbine model specification changes. A turbine order for the Facility is not likely to be placed until end of year 2017. Therefore, all costs presented are an estimate based on the Applicant's current knowledge of market prices and historical experience. Total estimated capital and intangible costs are provided in a range, which encompasses the estimated cost per kilowatt of turbine models presented in the Application¹. Capital costs include development costs, construction design and planning, equipment costs, and construction costs, and are broken down by:

- Turbine
- Civil and electrical (engineering)
- Construction contingency
- Development
- Insurance
- Legal
- Development contingency

(b) Source of Cost Estimates

The cost estimate is based on the following sources:

- Wind industry standards
- Applicant experience
- Historical and current price quotes

¹ The costs presented represent the estimated upper and lower bounds of turbine model costs presented in the Application. The current estimated range of turbine model cost of those presented in the Application is 1,100/kW to 1,300/kW. The cost estimate provided a total cost using the lower and upper bounds of this range while keeping the rest of the cost components consistent. Development, legal and insurance costs are not expected to change based on the turbine model selected. Engineering and turbine related construction costs will vary depending on the turbine model ultimately selected due to foundation specifications, number of turbine locations constructed, access road specifications, etc.

The cost estimate is provided in 2015 dollars.

(c) Work Papers

The Applicant has provided an internal work paper that describes the assumptions in estimating the total capital costs as described above in 1001.14 (a). However, this information is proprietary, confidential and consists of Company trade secrets that are not typically provided to the public. Therefore, the Applicant has submitted this under separate and confidential cover, and has sought the requisite trade secret protection for this information pursuant to NY Public Officer's Law Section 87(2)(d) and 16 NYCRR 6-1.4.