

Advanced Metering Infrastructure (AMI) Project Budget Changes

AMI Budget Transfer Request \$M	2016 Forecast	2018 Forecast	Change
Total Capital Budget	84.1	101.5	17.4
Meters and Meter Install	61.2	75.9	14.7
Meter purchases w/o tax ¹	50.0	54.1	4.1
Tax on meter purchases ²		5.4	5.4
Other labor/materials for meter installation	2.4	2.9	0.5
Installation: mass deployment (Aclara) ³	8.8	13.4	4.6
Meter base repairs (Aclara)		1.5	1.5
Rebate for volume meter purchase		-2.5	-2.5
Additional meter purchases ⁴		1.1	1.1
Systems, IT and Licensing	4.7	7.4	2.7
Systems Integration/QA	3.6	4.8	1.2
Systems Integration (SeattleIT)	0.3	1.1	0.8
Advanced Grid Analytics	0.8	0.8	0
Add kVAR functionality		0.7	0.7
Other	18.2	18.2	0
AMI program team ⁵	8.4	6.6	-1.8
Customer communications ⁶	2.0	0	-2.0
Consultant costs	4.1	6.1	2.0
AFUDC (Bond Interest)	1.1	1.5	0.4
Contingency	2.6	4.0	1.4

1. 442,000 meters. Average per meter cost was originally assumed at \$113, now estimated at \$122, before tax.

2. Sales tax on 442,000 meters, \$135 average per meter cost including taxes (10.0%).

3. Increased cost due to State L&I supervisor ratio requirements and higher installation/communication costs.

4. 8,000 meters, average per meter cost of \$135 including taxes.

5. Cost savings from streamlining internal staff resources.

6. Not a reduction to customer communication; reflects efficiencies gained by using internal staff and mass deployment contractor (Aclara) for all communications and notifications.