Shared Services Project Authorization Form

Project Title: [redacted] **AHU/VAV Replacement Project**	**Project Number:** 247122
Date Prepared: 05/09/2025	**Company:** CL&P Electric Distribution 11 Choose an item. Choose an item.
Organization: Real Estate and Property Management	**Class(es) of Plant: Building Structure**
Project Initiator: [redacted]	**Authorization Type:** Full Funding
Project Manager: [redacted]	**Project Type:** Life Cycle
Project Sponsor: [redacted]	
Estimated in service date: 11/28/2025	**Capital Investment part of original Operating Plan:** Yes
Total Capital Request: $ 1,623,600	**O&M Expenses part of request:** No
Estimated Life of Asset (check one): ☐ 5yrs ☐ 10yrs ☐ 15yrs ☐ Other:_____	**Emergency Related Request?** No

Executive Summary

A project authorization is being requested to fund the replacement of [redacted] The HVAC Equipment is 30+ years old and has been deemed a health risk by a licensed Industrial Hygienist due to the presence of mold found in the Air Handling Units and main duct lines. The replacement of these units will provide improved air quality for the employees within the Facility.

Project Costs Summary

See APS3 and APS8 requirements and consult with Plant Accounting for capital/O&M determination. Use published loaders for benefits, materials, and invoices, maintained by the Director, Budget and Internal Reporting.
Note: Dollar values are in whole numbers.

Direct Capital Costs				
Internal Labor	$ 314	$ 20,000		$ 20,314
Outside Services	$ 6,337	$ 1,265,503		$ 1,271,840
Removals		$ 150,000		$ 150,000
Risk and Contingency		$ 80,000		$ 80,000
Subtotal	$ 6,651	$ 1,515,503	$ -	$ 1,522,154
Indirect Capital Costs				
Indirect/Overheads (including benefits)	$ 362	$ 15,940		$ 16,302
Capitalized interest or AFUDC, if any		$ 85,144		$ 85,144
Subtotal	$ 362	$ 101,084	$ -	$ 101,446
Total Customer Contribution				$ -
Total Capital Project Costs	**$ 7,013**	**$1,616,587**	**$ -**	**$ 1,623,600**

Costs by Entity				**Total**
Direct Capital	$ 6,651	$1,365,503	$ -	$ 1,372,154
Indirect Capital	$ 362	$ 101,084	$ -	$ 101,446
Removal net of salvage	$ -	$ 150,000	$ -	$ 150,000
Total Capital Project Costs by Entity	**$ 7,013**	**$1,616,587**	**$ -**	**$ 1,623,600**

O&M Costs	**Year 2024**	**Year 2025**	**Year 2026**	**Year 20__**
Labor				
Outside Services				
Materials				
Training				
Other				
Total O&M Related Costs	**$ -**	**$ -**	**$ -**	**$ -**

Software as a Service (SaaS):

SAAS*	Year 20__	Year 20__	Year 20__	Year 20__
Capital				
O&M				
Total				

**Identify any vendor software costs in this table and indicate whether or not they are included in the Project Costs Summary above. Identify capital vs. O&M costs based on parameters found in the vendor SaaS calculation document in the appendices. Ensure any future software O&M costs are also disclosed within the Future Costs section below.*

Alternatives Considered:

If Yes to any of the following, please provide a detailed explanation in the appendix section

Were project alternative solutions considered/applicable?
Alternatives were considered (please describe below)
Alternative 1: Replacement of AHU's and main duct lines only. *This option was ruled out since the VAV's, and the branch duct lines will need to re removed and reinstalled to change out the main duct line. The VAV's are 30+ years old and parts are no longer available. It makes sense to replace them now since they will need to be taken down to accommodate the main duct replacement.*

Alternative 2: Clean the mold from the AHU's and main duct lines. *This option was ruled out since there is mold located in confined areas within the Air Handling Units. Also, the main duct lines are acoustically lined on the inside and the mold is present in the acoustical liner. Therefore, the duct must be replaced since the acoustical liner cannot be readily removed with the duct work intact.*

Were Energy Efficiency Design alternatives considered?
Yes - detailed explanation provided in appendix

Were Carbon Reduction Design alternatives considered?
Yes - detailed explanation provided in appendix

Regulatory Requirements:

If yes, provide a detailed explanation in the appendix section
No

If yes, provide a detailed explanation in the appendix section
No

Future Costs:

Future Costs	Year 20__	Year 20__	Year 20__	Year 20__
Capital				
O&M				

Other				
Total Future Costs				

Future O&M represents:

What functional area(s) will these future costs be funded in (include manager and CCC)?

Future Financial Benefits:

If yes, provide a detailed explanation in the appendix section

No - project is not undertaken for financial benefits

Project Justification:

Include a summary of the project details including background and scope

The facility at [redacted] is a combination Electric/Gas Area Work Center, owned by CL&P, where 175 employees report to on a routine basis. This facility also houses a CL&P Emergency Operations Center used during major storm events. The HVAC Equipment is 30+ years old and has been deemed a health risk by a licensed Industrial Hygienist due to the presence of mold found in the Air Handling Units and main duct lines. The report findings have been reviewed and validated by Eversource Health and Safety.

The project scope of work includes:

[redacted]

Project Schedule:

Milestone/Phase Name	Estimated Date
Consultant Review	Oct – Nov 2024
Design	January 2025
Construction	June – December 2025
Test	December 2025
In Service Date	December 2025

Risks and Risk Mitigation Plans

List top risks and mitigation plans associated with this project (from Table in the Appendix). Include any contingency related to each risk.
(Permitting/siting; environmental; outage constraints; customer/community outreach; material delivery; constructability challenges; excavation; etc.)

Schedule may be delayed due to Supply Chain delays – Equipment specified has been reviewed by the Construction Manager and the lead time appears to be reasonable and within the proposed project schedule. VAV's have a 10-week lead time while the AHU's have a 26-week lead time.

Employee Concerns over mold remediation – will work closely with Newtown leadership and Safety to effectively communicate to employees the work being performed. Work inside the building will be performed off hours and/or be physically isolated from occupied areas. An industrial hygienist shall also monitor the work and the surrounding air quality.

Appendices

Reference appendices items in the appropriate section of the PAF and list items in the same order as referenced in the PAF.

Energy Efficiency Design alternatives

- *New air handler units along with VAV's have been designed for energy efficiency which meets and exceeds ASHRAE 90.1 energy code.*
- *All HVAC equipment will be controlled by a Building Management System, reducing the facilities energy consumption.*

Carbon Reduction Design alternatives

- *AHU's are electric cooling and the heat is supplied through a gas fired boiler. Converting to an AHU with Electric cooling and heat would require significantly more funds to upgrade the switchgear to accommodate the electrification and the boiler would still be required for domestic hot water for sinks and showers. Therefore, electrification of the heat side was not considered.*

- ***Future Financial Benefits:***

If the project has future financial benefits, please use the following table to provide the yearly amounts.

Financial Benefits	Year 20__	Year 20__	Year 20__	Year 20__
O&M reductions				
Other (i.e: return on investment, revenues)				
Total Financial Benefits				

Describe the estimated future financial benefits noted above:

What functional area(s) will these benefits be reflected in?_____

A representative from the respective functional area is required to be included as a project approver.

- ***If the project has regulatory requirements, please disclose here***

Analysis of Vendor Software Payments for Cloud-Based Software Applications Hosting Fees ONLY

This document ONLY needs to be utilized if Eversource Energy is entering into a Cloud-Based Application and the Application has Hosting Fees which are also referred to as; Hosted Solution, Cloud Fees, Cloud Solution, Enterprise Agreement (EA), Enterprise License Agreement (ELA), Licensing Fee, RTU's (Rights to Use), Maintenance Agreement, Support & Service Agreement.

Project Name:

Complete the following analysis of vendor software payments for cloud-based software applications for the *hosting fees only* (as defined above):

- Accounting should be determined by Plant Accounting Services during PAF development.
- Attach documentation or information from IT supporting the nature of software payments.
- Also see APS 3 for capitalization policy for software costs.

NOTE: A pro rata portion **of the hosting fees** incurred during the development phase (described below) may be capitalized up to the point when the product goes **in-service**.

Development phase: In accordance with APS 3, SaaS/Cloud projects that do not meet the two capitalization criteria as outlined in APS 3 may have internal and external direct costs during the development phase (**prior to in service date**) that may be capitalized. External direct costs may include the pro-rata portion of an up-front software usage fee applicable to use of the software to develop the project before it is in service. Indicate below pro rata portion of development phase hosting fees requested to be capitalized:

Development phase: # months (provide support) (A) _____

÷ Total hosting contract period: # months (B) _____

= Pro rata portion that may be capitalized (A) ÷ (B) _____%

Total hosting fees over contract period $_____

Development phase amount requested to be capitalized (% x Total fees above) $_____
For costs after development phase, complete PAF break-out of capital/expense.