Shared Services Project Authorization Form

Project Title: Connecticut EL (CL&P-D) Buildings & General Plant 2023 Line of Business (LOB)	**Project Number:** 23703
Date Prepared: 11/01/2022	**Company:** CL&P Electric Distribution 11 Choose an item. Choose an item.
Organization: Real Estate & Property Management	**Class(es) of Plant:** Building Structures & General Plant
Project Initiator: [redacted]	**Authorization Type:** Full Funding
Project Manager: [redacted]	**Project Type:** Annual/LOB
Project Sponsor: [redacted]	
Estimated in service date: 12/31/2023	**Capital Investment part of original Operating Plan:** Yes
Total Capital Request: $ 4,777,750	**O&M Expenses part of request:** No
Estimated Life of Asset (check one): ☐ 5yrs ☐ 10yrs ☐ 15yrs ☐ Other:_____	**Emergency Related Request?** No

Executive Summary

This funding is requested to cover emergent facility capital work that is required across CL&P-D's 14 facilities which are made up of approximately 786,000 sf of building space. These projects will typically include building system failures that require immediate replacement (such as: HVAC systems and electrical transformers/gear, etc.). In addition, this funding will also be used to rectify code compliance/safety issues that arise throughout the CL&P-D facilities.

The projects are generally related to safety issues, building code requirements, security issues, and lifecycle replacements (upgrading systems/structures, furniture, and equipment).

The projects are generally related to safety issues, building code requirements, security issues, and lifecycle replacements (upgrading systems/structures, furniture, and equipment). All projects are under the $500,000 individually and do not require their own PAF.

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

Capital Costs	Year 2023	Year 2024	Year 2-__+	Total
Direct Capital Costs				
Internal Labor	$ 159,750			$ 159,750
Outside Services	$ 4,218,274			$ 4,218,274
Vehicles	$ 106,000			$ 106,000
Removals	$ 222,014			$ 222,014
Risk and Contingency				$ -
Other				$ -
Subtotal	$ 4,706,038	$ -	$ -	$ 4,706,038
Indirect Capital Costs				
Indirect/Overheads (including benefits)	$ 38,420			$ 38,420
Capitalized interest or AFUDC, if any	$ 33,292			$ 33,292
Subtotal	$ 71,712	$ -	$ -	$ 71,712
Total Customer Contribution				$ -
Total Capital Project Costs	**$ 4,777,750**	**$ -**	**$ -**	**$ 4,777,750**

Costs by Entity	CL&P Dist 11			Total
Direct Capital	$ 4,484,024			$ 4,484,024
Indirect Capital	$ 71,712			$ 71,712
Removal net of salvage	$ 222,014			
Total Capital Project Costs by Entity	**$ 4,777,750**	**$ -**	**$ -**	**$ 4,555,736**

O&M Costs	Year 2023	Year 20__	Year 20__	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:

Were alternative solutions considered/applicable?

Alternatives were considered (please describe below)

Alternatives and risks, including not doing a project, are addressed as part of the prioritization process. Alternatives are evaluated and generally the least-cost solution is implemented, considering into account the lifecycle cost of operating and maintaining the respective facilities. The Eversource Procurement Policy will be followed for all projects. Some projects may require more spending than anticipated. However, overall Facilities spending (under this and other Facilities authorizations) will be maintained at the same level by achieving cost savings and may sometimes result in the underspending on other projects as needed.

Regulatory Requirements:

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:

Project Need Statement *(Description of Issue)*

The projects are generally related to safety issues, building code requirements, security issues, and lifecycle replacements (upgrading systems/structures, furniture, and equipment).

Project Scope

Projects are identified by Facilities Management and other organizations and tracked on the Facilities Capital Plan Master Worksheet. During the budgeting process for 2023, Facilities justified and was approved for a specific level of funding. As discussed below, the Facilities Department may substitute other similar projects for the budgeted projects as priorities change throughout the year. Facilities will manage the expenditures to the total authorized amount. At year end, Facilities will provide a summary of projects completed under this authorization along with actual costs. The Capital Plan worksheet is used to prioritize the projects based on safety, building code requirements, lifecycle replacements, etc. and to fund projects within the approved budgeted dollars. The Capital Plan worksheet list is reviewed monthly to add higher priority work that may arise, resulting in some projects dropping to a lower priority.

Project Objectives

Each year, capital dollars are allocated to the Facilities organization to replace, improve, or upgrade Facility land, buildings, systems, equipment, and furniture.

Any projects to be done that will exceed $500,000 will have a Project Authorization Document written and approved.

Project Schedule:

Milestone/Phase Name	Estimated Date
Various Projects Under $500,000	01/01/2023-12/31/2023

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.)

Environmental and safety plans will be developed through the environmental screening tool and job briefings. Any IT impacted projects will be processed through Change Management.

Appendices

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

- ***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.

- ***Local municipal building permits***

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.