# Shared Services Project Authorization Form

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|---|---|
| **Project Title: Windsor Locks Warehouse Renovation** | **Project Number:** 24798 |
| **Date Prepared:** 10/03/2024 | **Company:** CL&P Electric Distribution 11 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:** Specific |
| **Project Sponsor:** [redacted] | |
| **Estimated in service date:** 12/31/2024 | **Capital Investment part of original Operating Plan:** Yes |
| **Total Capital Request: $ 3,747,960** | **O&M Expenses part of request:** No |
| **Estimated Life of Asset** (check one): ☐ 5yrs x 10yrs ☐ 15yrs ☐ Other:_____ | **Emergency Related Request?** No |

## Executive Summary

Briefly describe (in a few sentences) the overall description of the project (do not include technical details):

This project is to renovate a newly leased 268,497sf facility in Windsor Locks, CT (140 Old County Circle) to accommodate the growing storage needs for Material Logistics. It will provide a secured exterior, accommodate required environmental measures, interior electrical improvements for battery charging and IT network, provisions for emergency power, and interior upgrades for staff assigned to the site.

The overall project also includes the architectural and engineering design required to obtain the building permit and to comply with the lease terms.

Currently, Material Logistics is beyond capacity for warehouse space. Inventory has increased due to the supply chain disruption from the COVID 19 pandemic. Storage is being accomplished in Connex Boxes, Storage Trailers and at third party locations which is not optimal.

## 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 dollars.*

| Capital Costs | Year 2024 General Plant | Year 2024 Bldgs | Year 2025 | Total |
|---|---|---|---|---|
| **Direct Capital Costs** | | | | |
| Internal Labor | $ 2,000 | $ 23,000 | | $ 25,000 |
| Outside Services | $ 190,000 | $ 2,976,700 | | $ 3,166,700 |
| Removals | | $ 80,000 | | $ 80,000 |
| Risk and Contingency | $ 10,000 | $ 365,000 | | $ 375,000 |
| **Subtotal** | $ 202,000 | $ 3,444,700 | $ - | $ 3,646,700 |
| **Indirect Capital Costs** | | | | |
| Indirect/Overheads (including benefits) | $ 1,594 | $ 18,331 | | $ 19,925 |
| Capitalized interest or AFUDC, if any | $ 3,407 | $ 77,928 | | $ 81,335 |
| **Subtotal** | $ 5,001 | $ 96,259 | $ - | $ 101,260 |
| Total Customer Contribution | | | | $ - |
| **Total Capital Project Costs** | **$ 207,001** | **$ 3,540,959** | **$ -** | **$ 3,747,960** |

| Costs by Entity | CL&P Dist 11 | CL&P Dist 11 | | Total |
|---|---|---|---|---|
| Direct Capital | $ 202,000 | $ 3,364,700 | $ - | $ 3,566,700 |
| Indirect Capital | $ 5,001 | $ 96,259 | $ - | $ 101,260 |
| Removal net of salvage | $ - | $ 80,000 | $ - | $ 80,000 |
| **Total Capital Project Costs by Entity** | **$ 207,001** | **$ 3,540,959** | **$ -** | **$ 3,747,960** |

| O&M Costs | Year 2024 | Year 2025 | 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)

Do Nothing. Not completing the work would exacerbate the lack of warehouse storage. There would be no IT network which would impact inventory management controls, overhead doors would remain manually operated leading to potential worker safety concerns as well as greater utility usage (doors being left open) that would increase our carbon emissions at the site. Doing nothing would also leave inventory unsupervised after hours from a security standpoint which could invite theft.

*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*
Yes - detailed explanation provided in appendix

*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 (Clearing Costs) | 642,870 | 662,156 | 682,020 | 702,481 |
| **Total Future Costs** | **642,870** | **662,156** | **682,020** | **702,481** |

**Future O&M represents:**

| |
|---|
| CE_S72:Janitorial |
| CE_S73:Maintain Buildings |
| CE_S75:Refuse Removal and Recycling |
| CE_S76:Snow Removal |
| CE_S78:Natural Gas |
| CE_S81:Water and Sewer |

**What functional area(s) will these future costs be funded in (include manager and CCC)?**
Future costs will be funded through CT Facilities Operations CCC 155 (Manager [redacted]

## 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.*

This project is to renovate a newly leased 268,497sf facility in Windsor Locks, CT (140 Old County Circle) to accommodate the growing storage needs for Material Logistics. It will provide a secured exterior, accommodate environmental requirements, interior electrical improvements for battery charging and IT network, provisions for emergency power, and interior upgrades for staff assigned to the site. The lease for this facility is through year 2033 with multiple renewal options available.

Scope of work to include:

- Architectural/engineering drawings for building permit and landlord lease requirements
- Security including additional fencing and gates, card access control system and video surveillance with connectivity to the Eversource network

- Eversource IT infrastructure for network and Wi-Fi connectivity
- Exterior snow scrapper to clear tractor trailers from snow build up.
- Interior and exterior signage
- Environmental Spill Prevention, Control and Countermeasure (SPCC) requirements
- Electrical improvements to accommodate battery charging for electrified forklifts, motorization of overhead doors, provisions for quick connect emergency generator power, general convenience outlets for identified equipment and workstation support and overall arc flash study for code compliance.
- Plumbing work to change out bathroom fixtures to hands free operation.
- Interior renovations to refresh worn flooring and wall finishes.
- Furniture to accommodate on site staff.

## Project Schedule:

| Milestone/Phase Name | Estimated Date |
|---|---|
| PAF Approval | October 2024 |
| Construction | October 2024 – December 2024 |
| In Service Date | December 2024 |

## 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.)*

**Risk:** Schedule may be delayed due to Supply Chain delays
**Mitigation:** Aside from the automatic transfer switch for emergency power, all other specified materials have been identified as readily available.

**Risk:** Landlord approval delayed or denied
**Mitigation:** Landlord has signed off on conceptual drawings and has been actively involved in the project development

## 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 considered**
Hands free plumbing devices have been incorporated into the design to reduce water consumption. The facility is already outfitted with LED lighting. Since this is a leased facility, building automation was not considered due to the higher investment costs.

**Carbon Reduction Design alternatives considered**
Battery powered forklifts have been procured for this site. The site is also being considered for an all electric tractor trailer charging location.

**Regulatory Requirements**
There is a regulatory requirement in CT that power be restored within 96 hours otherwise, Eversource could be subjected to penalties/fines. One of the main drivers of increased inventory is to ensure material is on hand to adequately respond to restoration events to avoid penalties and to also increase trust with our customers.

- ***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.