EVERSOURCE

APS 1 - Project Authorization Policy

Appendix 3
Shared Services Project Authorization Form

Shared Services Project Authorization Form

Project Title:	**Project Number:**
Date Prepared: Click drop-down to enter date	**Company:** Choose an item. Choose an item. Choose an item.
Organization:	**Class(es) of Plant:**
Project Initiator:	**Authorization Type:** Choose an item
Project Manager:	**Project Type:** Choose an item
Project Sponsor:	
Estimated in service date: Click drop-down to enter date	**Capital Investment part of original Operating Plan:** Choose an item
Total Capital Request: $	**O&M Expenses part of request:** Choose an item
Estimated Life of Asset (check one)**:** ☐ 5yrs ☐ 10yrs ☐ 15yrs ☐ Other:_____	**Emergency Related Request?** Choose an item

Executive Summary

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

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 thousands
Please use project authorization excel cost tables (located on the HUB Accounting Policies & Procedures page) and paste picture with results as shown below:

Capital Costs	Year 20__	Year 20__	Year 20__+	Total
Direct Capital Costs				
Internal Labor				$ -
Outside Services				$ -
Materials				$ -
Removals				$ -
Risk and Contingency				$ -
Other				$ -
Subtotal	$ -	$ -	$ -	$ -
Indirect Capital Costs				
Indirect/Overheads (including benefits)				$ -
Capitalized interest or AFUDC, if any				$ -
Subtotal	$ -	$ -	$ -	$ -
Total Capital Project Costs	**$ -**	**$ -**	**$ -**	**$ -**

Costs by Entity				Total
Direct Capital				$ -
Indirect Capital				$ -
Removal net of salvage				$ -
Total Capital Project Costs by Entity	**$ -**	**$ -**	**$ -**	**$ -**

O&M Project Costs	Year 20__	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?

Choose an item.

Regulatory Requirements:

If yes, provide a detailed explanation in the appendix section

Choose an item.

Future Costs:

Please use project authorization excel cost tables (located on the HUB Accounting Policies & Procedures page) and paste picture with results as shown below:

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

Choose an item.

Project Justification:

Include a summary of the project details including background and scope

Project Schedule:

Milestone/Phase Name	Estimated Date
Design	
Construct	
Test	
In Service Date	

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.)

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.
Please use project authorization excel cost tables (located on the HUB Accounting Policies & Procedures page) and paste picture with results as shown below:

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***

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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.