EVERSOURCE

Supplement Authorization Form

Project Title: 2025 Frontier Pole Shifts	Project Number: CD02449
Date Prepared: 01/19/2024	**Company:** Eversource CT
Organization: Electric System Operations	**Project Category:** POLE INTEGRITY PROGRAM
Initiating Organization: Distribution	**Project Type:** Choose an item
Project DDE: [redacted]	**Capital Investment part of 5-year plan?** Yes
Project Manager: [redacted]	**Emergency Related Request?** No
Project Sponsor: [redacted]	**Facility Type** (check all that apply): ☐ PTF ☐ non-PTF ☒ Distribution ☐ N/A (General Plant)
Current Authorized Amount: $450K	**Approved In-Service Date: 12/31/25025**
Supplement Request: $2,170.8K	**Estimated In-Service Date: 12/31/2025**
Total Capital Request: $2,620.8K	**Authorization Type:** Supplement Request
	Reason: Scope Change

1. Project Background

The Frontier Pole Shifts project supports the 45-day PURA-mandated timeframe for Eversource transfers to new pole sets. This project includes the transfer of Eversource equipment onto Frontier Defective Pole Replacements throughout 2025. As Frontier replaces defective poles, Eversource will receive an automatic design request through the Alden One database to create a WR for the equipment transfer.

Between 2018 and 2023, Frontier primarily reinforced decayed or defective poles using C-Trusses rather than replacing them. Starting in 2024, Eversource has noted a reversal in philosophy resulting in replacing defective poles rather than reinforcing them. This change has led to a significant rise in the number of Frontier pole shifts.

Therefore, this supplemental request will address the increase of Frontier shifts in 2025. The original capital request was $450K. The new project capital request is $2,620.8K

2. Supplement Justification Overview

The original budget was developed using historical Work-Order data that no longer reflect today's cost of shifting Eversource facilities to the new pole. A notable shift in pole replacement activity and rising contractor's costs have significantly impacted the scope and scale of work required.

These changes have resulted in an increase in direct and indirect cost, resulting in a 482% budget adjustment in 2025.

3. Supplement Justification Detail

The original $450K estimate was based on outdated historical WO data for 228 shifts at lower unit costs. Due to an increase in both volume and cost, the revised estimate now reflects 728 shifts at a cost of $3,600 per pole shift, raising the total capital request to $2,620.8K, a 482% increase.

OLD

Numbers from CD02110 - 2023 Frontier Pole Shifts	
	Capital
Cost per pole	$1973
# of Poles	228
Total Estimate	$450K

NEW

CD02449 - 2025 Frontier Pole Shifts	
	Capital
Cost per pole	$3600
# of Poles	728
Total Estimate	$2,620.8K

COMPARISON:

Cost Comparison Overview			
Estimate Source	**Cost Per Pole**	**Pole Quantity**	**Total Estimate**
Numbers from CD02110 – 2023	$1,973	228	$450K
Current Project CD02449 – 2025	$3,600	728	$2,620.8K
VARIANCE	**$1,627**	**500**	**$2,170.8K**

4. Supplement Cost Summary (Project Total)

Note: Dollar values are in thousands.

Line-item Category	To Date Spend Year(s)	Prior Authorized Year(s)	Variance (Supplemental Request) Year(s)	New Total Request (Add Prior Authorized and Variance) Year(s)
Internal Labor and Construction Equipment	$1.8	$5.3	$25.6	$30.9
Outside Services	$103.6	$184.5	$890	$1,074.5
Materials	$37.5	$20.3	$97.9	$118.2
Removals	$111.7	$115.1	$555.3	$670.4
Risk and Contingency	$0.0	$0.0	$0.0	$0.0
Other	$0.0	$0.0	$0.0	$0.0
SUBTOTAL DIRECTS W/ RISKS	**$254.6**	**$325.0**	**$1,567.8**	**$1892.8**
Indirect / Overhead (including benefits)	$337.9	$123.5	$595.8	$719.3
AFUDC	$0.8	$1.4	$6.7	$8.1
Subtotal – Indirect Costs	**$338.7**	**$124.9**	**$602.6**	**$727.5**
TOTAL CAPITAL REQUEST	**$593.3**	**$450**	**$2,170.8**	**$2,620.8**
Reimbursables/Customer Contribution	$0.3	$0.0	$0.0	$0.0
PROJECT TOTAL (LESS REIMBURSABLES)	**$593**	**$450**	**$2,170.8**	**$2,620.8**

New Total Request by Year

Note: If multi-year project, include actuals for current and years past, and then show forecasted spend for upcoming years.

Line-item Category	Year 2025	Year 2026	Year 2026+	Total
Internal Labor and Construction Equipment	$30.9	$0.0	$0.0	$30.9
Outside Services	$1,074.5	$0.0	$0.0	$1,074.5
Materials	$118.2	$0.0	$0.0	$118.2
Removals	$670.4	$0.0	$0.0	$670.4
Risk and Contingency	$0.0	$0.0	$0.0	$0.0
Other	$0.0	$0.0	$0.0	$0.0
SUBTOTAL DIRECTS W/ RISKS	**$1892.8**	**$0.0**	**$0.0**	**$1892.8**
Indirect / Overhead (including benefits)	$719.3	$0.0	$0.0	$719.3
AFUDC	$8.1	$0.0	$0.0	$8.1
Subtotal – Indirect Costs	**$727.5**	**$0.0**	**$0.0**	**$727.5**

TOTAL CAPITAL REQUEST	**$2,620.8**	**$0.0**	**$0.0**	**$2,620.8**
Reimbursables/Customer Contribution	$0.0	$0.0	$0.0	$0.0
PROJECT TOTAL (LESS REIMBURSABLES)	**$2,620.8**	**$0.0**	**$0.0**	**$2,620.8**

5. Lessons Learned

The change in Frontier's strategy was not clearly communicated in advance, leading to unexpected adjustments. Receiving a schedule of planned shifts at least six months ahead would enhance coordination and support more accurate planning and budgeting.

6. Attachments

ATTACHMENT – A (PREVIOUSLY APPROVED FULL FUNDING PAF) See next page.

Supplement Authorization Form

Project Title: 2025 Frontier Pole Shifts	Project Number: CD02449
Date Prepared: 03/15/2024	**Company:** Eversource CT
Organization: Electric System Operations	**Project Category:** POLE INTEGRITY PROGRAM
Project Initiator: [redacted]	**Project Type:** Specific
Initiating Organization: Distribution	**Capital Investment part of original Op Plan:** Yes
Project Manager: [redacted]	**Emergency Related Request?** No
Project Sponsor: [redacted]	**Facility Type** (check all that apply): ☐ PTF ☐ non-PTF ☒ Distribution ☐ N/A (General Plant)
Required in service date: 12/31/2025	
Total Capital Request: $450k	**Authorization Type:** Full Funding

1. Executive Summary

The Frontier Pole Shifts project supports the 45-day PURA mandated timeframe for Eversource transfers to new pole sets. This project includes the transfer of Eversource equipment onto Frontier Defective Pole Replacements throughout 2025. As Frontier replaces defective poles, Eversource will receive an automatic design request through Alden 1 database to create a WR for the equipment transfer.

During the last 5 years, the number of Frontier pole shifts has declined due to a change in philosophy by Frontier which now prefers to reinforce poles via C-Truss rather than replace its decayed/defective poles.

The total project capital request is $450K.

2. Project Cost Summary

Note: Dollar values are in thousands.

Capital Costs	Year 2025	Year 2026	Year 2027	Total
Direct Capital Costs				
Internal Labor and Construction Equipment	5.3	0.0	0.0	5.2
Outside Services	184.5	0.0	0.0	184.5
Materials	20.3	0.0	0.0	20.3
Removals	115.1	0.0	0.0	115.1
Risk and Contingency	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0
Subtotal – Direct Costs	325.0	0.0	0.0	325.0
Indirect Capital Costs				
Indirect/Overheads (including benefits)	123.5	0.0	0.0	123.5
Capitalized interest or AFUDC, if any	1.4	0.0	0.0	1.4
Subtotal – Indirect Costs	124.9	0.0	0.0	124.9
Total Gross Capital Costs	**$450.0**	**0.0**	**0.0**	**$450.0**
Customer Contribution	0.0	0.0	0.0	0.0
Total Net Capital Project Costs	**$450**	**0.0**	**0.0**	**$450**

3. Technical Justification

Background, Project Need/Justification, and Project Scope

a. Background

- This project will allow Eversource to remain PURA compliant and decrease the number of double poles in the field.

b. Project Need

- CD02449 is a blanket project that includes the transfer of Eversource equipment onto Frontier Defective Pole Replacements throughout 2025.

  The Frontier Pole Shifts project supports the 45-day PURA mandated timeframe for Eversource transfers to new pole sets.

c. Project Scope

- Frontier will replace their defective poles and make attachers aware of required transfers through the Notify database. Eversource will receive an automatic design request through ALDEN 1 to create a WR for the pole transfer. Frontier has estimated this to occur approximately 240 times throughout 2024 based on historical counts. **During 2022, the Company has noticed a reduced number of Frontier Shifts due to a change in Frontier strategy. Frontier prefers reinforcing rather than replacing poles thus reducing the number of Frontier Shifts & the cost per pole shift.**

4. Alternatives Considered

Were alternative solutions considered/applicable? Include any cost/benefit analysis.

Project is a compliance obligation - no alternatives considered - no financial benefit

5. Project Schedule

Milestone/Phase Name	Estimated Date
Partial Approval	
100% Detailed Engineering Completion	
Fully Funded	January 2025
Construction Start	February 2025
In Service Date	December 2025

6. Regulatory Decisions

Are Regulatory body approvals needed for the project?

No

7. Codes and Standards

N/A

8. Risk and Contingencies

Risk Event	Risk Horizon	Likelihood of Occurrence	Risk Mitigation
Actual cost higher than estimated due to scope changes.	2024-2025	Low	Included historical costs of transfers.
Construction resources / storm delays	2024-2025	Medium	Will use competitive bidding to ensure lowest outside labor cost if internal resources unavailable.
Materials shortage or long lead times	2024-2025	Low	Pre-order long lead time material; minimize the use of non-standard and non-stocked material.

9. References

Cost Estimate and Assumptions:

Historical costs for transfers were used to estimate the work. Per the project scope above, we estimate 240 poles. This estimate is based on conversation with Frontier about the shift forecast.

CD02110 - 2023 Frontier Transfer project Estimate	
	Capital
Cost per pole	$1973
# of Poles	228
Total Estimate	$450K

Defective pole analysis budget

CD02444 Defective Pole Program	Year 2024
Defective Poles CD02444	$7.05M
Frontier Shifts CD02449	$0.45M
Frontier Shifts CD02449	$0.45M
Total 2025 Pole Integrity Budget	$7.5M

*Number of poles subject to change based on the findings from the pole inspection.

10. Attachments (One Line Diagrams, Images, etc.)

N/A