Operations Project Authorization Form

Date Prepared: July 14, 2019	**Project Title: 2020 Frontier Pole Shifts**
Company/ies: Eversource CT	**Project ID Number: CD01302**
Organization: Distribution	**Class(es) of Plant: Distribution**
Project Initiator: [redacted]	**Project Category: Pole Integrity Program**
Project Manager: [redacted]	**Project Type: Specific**
Project Sponsor: [redacted]	**Project Purpose: System Resiliency**
Estimated in service date: 12/31/2020	**If Transmission Project: PTF? N/A**
Eng. /Constr. Resources Budgeted? Y	**Capital Investment Part of Original Operating Plan? Y**
Authorization Type: Preliminary Engineering	**O&M Expenses Part of the Original Operating Plan? Y**
Total Request: $4,188,608	

Financial Requirements:

Project Authorization

ERM: _____

FP&A: _____

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 2020. As Frontier replaces defective poles, Eversource will receive an automatic design request through Alden 1 database to create a WR for the equipment transfer.
This project also includes transfers for a backlog of poles in an Eversource Transfer status that are not currently in construction.

Project Costs Summary

	Prior Authorized*	Additional Request	2020	2021+	Total **
Capital Additions Direct	$0	$0	$ 1,067,228	$ -	$1,067,228
Less Customer Contribution	$0	$0	$ -	$ -	$0
Removals Net of Salvage	$0	$0	$ 567,906	$ -	$567,906
Total - Direct Spending	$0	$0	$ 1,635,134	$ -	$1,635,134
Capital Additions - Indirect	$0	$0	$ 820,210	$ -	$820,210
AFUDC	$0	$0	$ 10,634	$ -	$10,634
Total Capital Request	$0	$2,465,978	$ 2,465,978	$ -	$2,465,978
O&M	$0	$1,722,630	$ 1,722,630	$ -	$1,722,630
Total Request	**$0**	**$4,188,608**	**$ 4,188,608**	**$ -**	**$4,188,608**

* Amount currently approval in PowerPlan

** Total authorization needed in PowerPlan based on ACT

Financial Evaluation

Direct Capital Costs	2020	2021	2022	Total
Straight Time Labor	$ 143,068	$ -	$ -	$ 143,068
Overtime Labor	$ 98,341	$ -	$ -	$ -
Outside Services	$ 1,437,785	$ -	$ -	$ 1,437,785
Materials	$ 141,711	$ -	$ -	$ 141,711
Other, including contingency amounts	$ (185,772)	$ -	$ -	$ (185,772)
Total	$ 1,635,133	$ -	$ -	$ 1,536,792

Indirect Capital Costs	2020	2021	2022	Total
Indirects/Overheads (including benefits)	$ 820,210	$ -	$ -	$ 820,210
Capitalized interest or AFUDC, if any	$ 10,635	$ -	$ -	$ 10,635
Total	$ 830,845	$ -	$ -	$ 830,845
Total Capital Costs	$ 2,465,978	$ -	$ -	$ 2,465,978
Less Total Customer Contribution		$ -	$ -	$ -
Total Capital Project Costs	$ 2,465,978	$ -	$ -	$ 2,465,978
Total O&M Project Costs	$ 1,722,630	$ -	$ -	$ 1,722,630
Total Project Cost	**$ 4,188,608**	**$ -**	**$ -**	**$ 4,188,608**

Future Financial Impacts:

Provide below the estimated future costs that will result from the project:
Note: Dollar values are in thousands:

Future Costs	Year 20__	Year 20__	Year20__	Year 20__+	Total Future Project Costs
Capital	$ -	$ -	$ -	$ -	$ -
O&M	-	-	-	-	-
Other	-	-	-	-	-
TOTAL	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Describe the estimated future Capital, O&M and/or Other costs noted above:

What functional area(s) will these future costs be funded in?_____
A representative from the respective functional area is required to be included as a project approver.

If this is other than a Reliability Project, please complete the section below;

Provide below the estimated financial benefits that will result from the project:
Note: Dollar values are in thousands:

Future Benefits	Year 20__	Year 20__	Year20__	Year 20__+	Total Future Project Benefits
Capital	$ -	$ -	$ -	$ -	$ -
O&M	-	-	-	-	-
Other	-	-	-	-	-
TOTAL	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

Describe the estimated future Capital, O&M and/or Other 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.

Asset Retirement Obligation (ARO) and/ or Environmental Cleanup Costs (Environmental Liabilities):

Is there an ARO associated with this project? If yes, please provide details:

Are there other environmental cleanup costs associated with this project? If yes, please provide details:

Technical Justification:

Project Need Statement

CD01302 is a blanket project that includes the transfer of Eversource equipment onto Frontier Defective Pole Replacements throughout 2020.

Project Objectives

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

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 Notify to create a WR for the pole transfer. We have estimated this to occur 500 times throughout 2019 based on historical counts.

Additionally, SPA will perform double pole surveys initiative to create WRs and finish transfers for poles in an Eversource Transfer status that are not currently in construction. It is expected that 750 poles of this survey population will require an Eversource transfer.

Cost Estimate and Assumptions:
Historical costs for transfers were used to estimate the work. Per the project scope above, we estimate 1,250 poles (500 + 750) will require a transfer in 2020.

CD01142 - 2019 Frontier Transfer project Estimate			
	Capital	Expense	Total
Cost per pole	$ 1,973	$ 1,378	$ 3,351
# of Poles	1,250	1,250	1,250
Total Estimate	**$ 2,465,978**	**$ 1,722,630**	**$ 4,188,608**

Background / Justification

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

Business Process and / or Technical Improvements:

There is a 45 day PURA mandated timeframe for Eversource transfers to new pole sets.

Alternatives Considered with Cost Estimates

Do nothing alternative.

Project Schedule

Milestone/Phase Name	Estimated Completion Date
ACT approval	August, 2020
Design	September 2019 – December 2020
Construction	January 2020 – December 2020

Regulatory Approvals

None.

Risks and Risk Mitigation Plans

Risk Event	Risk Horizon	Likelihood of Occurrence	Risk Mitigation
Actual cost higher than estimated due to scope changes.	2020	Low	Included historical costs of transfers.
Construction resources / storm delays	2020	Medium	Will use competitive bidding to ensure lowest outside labor cost if internal resources unavailable.
Materials shortage or long lead times	2020	Low	Pre-order long lead time material; minimize the use of non-standard and non-stocked material.

References

None.

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

N/A.