Supplement Request Form

Date Prepared: 11/15/2017	Project Title: [redacted] Add 3rd Transformer & PCE
Company/Companies: EE-CT	Project ID Number: CS00002
Organization: Strategy & Performance	Plant Class/(F.P.Type): Distribution
Project Initiator: [redacted]	Project Type: *Specific*
Project Manager: [redacted]	Capital Investment Part of Original Operating Plan? Yes
Project Sponsor: [redacted]	O&M Expenses Part of the Original Operating Plan? No
Current Authorized Amount: $4,690k	Estimated in service date(s): 12/31/2017
Supplement Request: $727k	Other:
Total Request: $5,417k	

Supplement Justification

In January of 2017 the PAF for the project was approved for $4.69M. Originally, the project was approved in 2015 using an initial high level estimate of $6.6M. The estimate was based on the following document "SPS –CTR-011513 - Area Load Study [redacted] Revision 0". The scope description for the above study is provided as an attachment. The project was to be constructed by in house resources which later changed to an outside contractor for lack of resources. The project was issued out to general and electrical construction as well as a test contractor. The total dollars for the contractor costs was priced out at $4.69M. After the January 2017 approval, the overall project cost in Power Plan was adjusted to reflect the new amount of $4.69M.

After the January 2017 approval and Power Plan dollar adjustment, the contractor incurred unexpected costs due to several project changes;

- There were delays to the project due to inclement weather and cancelled switching orders, which resulted in the company incurring cost due to contractor lost time.
- The transport rigging for the installed transformer was initially estimated at $25k but came in at $168k.
- Most the contractor's change orders were due to the addition of conduits from the new switchgear to a riser located outside the fence. This work was not initially estimated due to the location of the riser was unknown at the time of design.
- [redacted] See note under justification for more details.

The above bullet items resulted in an additional $727k being spent on this project, over the approved Jan 2017 amount of $4.69M. The requested additional funding of $727k brought the total project request to $5.417M.

Justification for Additional Resources

The difference in contractor labor cost was primarily due to the use of external labor over internal labor in the initial estimate, weather delays, final additions to the scope due to the unknown final location of the distribution risers and an underestimate of the rigging cost for the transformer. While this represents an increase in cost, this project still presents the best long term option and the lowest cost solution.

Note;
The original project scope was increased to add [redacted] at a cost of $109k. The added scope provides for the [redacted]

The Engineering required for the above scope additions were done by a vendor (HDR). Attachments provided below are the last presented PAF for the latest approved project dollars, the original needs statement, rigging vendor estimate and the SPS study document with original $6.6M estimate.

Supplement Cost Summary

Note: Dollar values are in thousands:

	Prior Authorized	Supplement Request	Total
Capital Additions - Direct	$3,877	$587	$4,464
Less Customer Contribution	0	0	0
Removals Net of Salvage ___%	0	0	0
Total Direct Spending	$3,877	$587	$4,464
Capital Additions - Indirect	642	80	722
AFUDC	171	60	231
Total Capital Request	$4,690	$727	$5,417
O&M	0	0	0
Total Request	$4,690	$727	$5,417

Note: Dollar values are in thousands:

Total Supplement Request by year view:

	2017	Total
Capital Additions Direct	$4,464	$4,464
Less Customer Contribution	0	0
Removals Net of Salvage ___%	0	0
Total Direct Spending	$4,464	$4,464
Capital Additions - Indirect	722	722
AFUDC	231	231
Subtotal Request	$5,417	$5,417
O&M	0	0
Total Request	$5,417	$5,417


Microsoft Excel Worksheet


Need Statement


BARNHART QUOTE TO TRANSPORT TRAI


SPS-CTR-011513 - 2003 Document