Operations Project Authorization Form

Date Prepared: November 22, 2021	Project Title: Reliability & Analytics Insights Transformation
Company/ies: CT Distribution, NH Distribution, Eastern MA Distribution, Western MA Distribution	Project ID Number: 22127
Organization: Distribution Engineering	Class(es) of Plant: Distribution
Project Initiator: [redacted]	Project Category: Reliability
Project Manager: [redacted]	Project Type: *Specific* / *Annual* / *Prelim Project* / *Parent*
Project Sponsor: [redacted]	Project Purpose: part of regulatory tracked program? Requested by DPU during MA Rate Case.
Estimated in service date: December 31, 2022	If Transmission Project: PTF / Non-PTF / NA
Eng. /Constr. Resources Budgeted? N	Capital Investment Part of Original Operating Plan? Y
Authorization Type: Initial Funding / Full Funding	O&M Expenses Part of the Original Operating Plan? N/A
Total Request: $2,489,954	

Financial Requirements:

Project Authorization

Project authorization must be in accordance with the approval levels included in the Delegation of Authority Policy (DOA).

If Subsidiary Board approval is required, document the review by Enterprise Risk Management (ERM) and Financial Planning and Analysis (FP&A)

ERM: __N/A_____

FP&A: _N/A_____

Executive Summary

Eversource Distribution Engineering's operations are currently unable to identify momentary outages on circuits that do not have [redacted]

[redacted]

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

	Prior Authorized	2022	2023	2024	Totals
Capital Additions - Direct	$ -	$ 1,955,333		$ -	$ 1,955,333
Less Customer Contribution	-	-	-	-	-
Removals net of Salvage ____%	-	-	-	-	-
Total - Direct Spending	$ -	$ 1,955,333	$ -	$ -	$ 1,955,333
Capital Additions - Indirect	-	251,736		-	251,736
Subtotal Request	$ -	$ 2,207,069	$ -	$ -	$ 2,207,069
AFUDC	-	81,685		-	81,685
Total Capital Request	$ -	$ 2,288,754	$ -	$ -	$ 2,288,754
Contingency (10%)	-	201,200	-	-	201,200
Total Request	$ -	$ 2,489,954	$ -	$ -	$ 2,489,954

Financial Evaluation

Provide the following financial information (attach additional detail if summarized items are significant or additional information is needed). Note: Dollar values are in thousands

The costs are going to be allocated 25% to each company.

Direct Capital Costs	Year 1	Year 2	Year 3+	Total
Straight Time Labor	10,000			
Overtime Labor				
Outside Services	283,333			
Materials	129,000			
Other, including contingency amounts (10% contingency + vendor costs)	1,734,200			
Total	$2,156,533			

Indirect Capital Costs	Year 1	Year 2	Year 3+	Total
Indirects/Overheads (including benefits)	251,736			
Capitalized interest or AFUDC, if any	81,685			
Total	$333,421			

Total Capital Costs	$2,489,954			
Less Total Customer Contribution				
Total Capital Project Costs	$2,489,954			

Total O&M Project Costs	$0.00			

Note: Explain unique payment provisions, if applicable

If this is a new business project, is a customer contribution required? No. *If yes, please note the contribution amount.*

In addition, for all electric and gas growth / new business projects, please attach the CIAC calculation

Provide other financial documentation as warranted by management and / or regulatory precedent. When performing financial analysis, use appropriate discount rate by company (can be provided by Budgeting and Internal Reporting or Financial Planning and Analysis).

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:
N/A

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.
N/A

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? N/A – Reliability Project
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):

An ARO is a current legal obligation to remove or retire property, plant or equipment at some point in the future. Please refer to APS8 or contact Plant Accounting for further detail.

Is there an ARO associated with this project? No. If yes, please provide details:

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

Operations Technical Authorization Form

Technical Justification:

Project Need Statement *(Description of Issue)*

[redacted]

Project Objectives

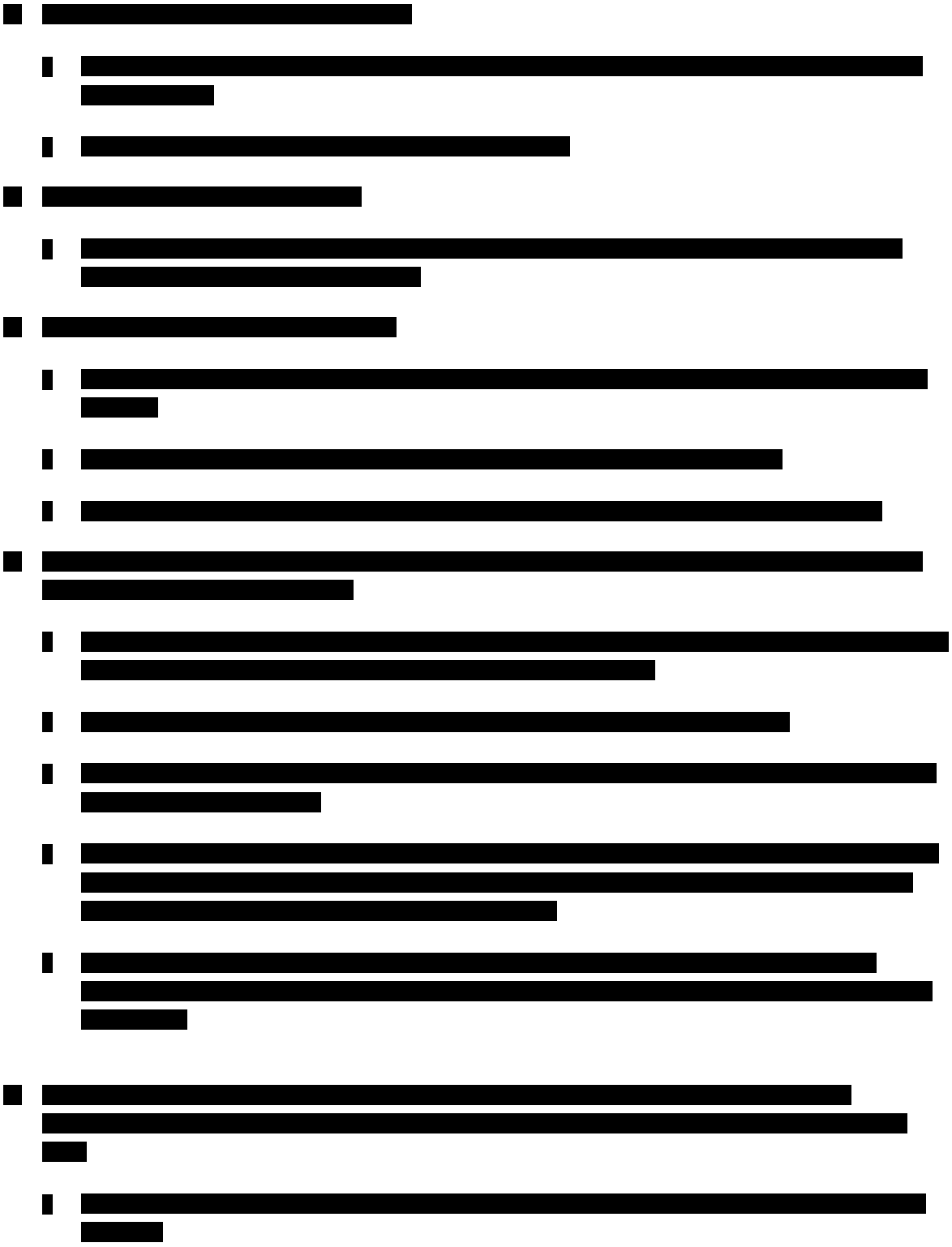
The objectives of this project are to:

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

Project Scope

The scope of this project is to establish [redacted] and includes the following:

1. [redacted]
   - [redacted]
   - [redacted]
   - [redacted]
   - [redacted]
   - [redacted]
   - [redacted]
   - [redacted]
   - [redacted]
2. [redacted]
   - [redacted]
   - [redacted]
   - [redacted]
3. [redacted]
   - [redacted]



[redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

Background / Justification

[redacted]

[redacted]

[redacted]

Business Process and / or Technical Improvements:

Quantitative and qualitative project benefits, including assumptions used to estimate benefits and customer impacts; describe the changes in performance to the business process or technology performance metrics that can be expected as a result of this project

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

[redacted]

Cost Estimate and Assumptions

See table on Page 2.

Alternatives Considered with Cost Estimates

[redacted]

Project Schedule

Describe the project schedule and milestones. Include estimated start and end dates.

Milestone/Phase Name	Estimated Completion Date
Predictive Analytics Capability	01/03/22 – 9/30/22
Data Quality & Remediation	~4/04/22 – 9/30/22
New/Upgraded Reliability Reporting in ARCHIE	~01/03/22 – 12/30/22

Regulatory Approvals

N/A

Risks and Risk Mitigation Plans

Describe the applicable risks and associated risk mitigation plans: e.g., construction, customer, reputational, schedule, financial, regulatory, environmental and IT risks. Indicate discussions with relevant subject matter experts.

N/A

References

N/A

One-Line Diagrams, Attachments, and Images

N/A