Eversource

Job Aid

Capital Project Approval Process

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Capital Project Approval Process

Table of Contents

1 Purpose 2
2 Affected Groups 2
3 Responsibilities 3
3.1 Project Initiator 3
3.2 Project Manager (PM) 3
3.3 Project Sponsor 4
3.4 Solution Design Committee (SDC) 4
3.4.1 Project Types 4
3.5 Eversource Project Approval Committee (EPAC) 5
3.5.1 Project Types 5
3.6 State Project Approval Committees (CT PAC, MPAC, and NH PAC) 5
3.6.1 Project Types 6
3.7 Cost Estimating 6
4 General Instructions 7
4.1 Project Initiation 7
4.2 Project Initiation for Programs 8
4.3 Conceptual Engineering 8
4.4 Solution Vetting 8
4.5 Preliminary Engineering 9
4.6 Full Project Authorization 10
4.6.1 Program Approval 10
4.6.2 Program Release Authorization 10
4.6.3 Delegation of Authority 11
4.7 Detailed Engineering, Siting, and Permitting 11
4.8 Construction and Construction Variance Monitoring 11
4.9 Project Closeout 12
5 Instructions for Planned Projects $300k or less (Annuals) including Capital Tools 12
6 Instructions for Emergent Work 13
7 Definitions & Acronyms 13
8 Revision History 16
Attachment A, Solution Design Committee Charter 18
Attachment B, Eversource Project Authorization Committee Charter 22
Attachment C, State Project Approval Committee (State PAC) Charter 26
Attachment D, Transmission and Substation Project Approval Process Flow Charts 30
Attachment E, Transmission and Substation Project Approval Process Detailed Flow Chart 29
Attachment F, Distribution Project Approval Process Flow Chart 30
Attachment G, PAF Schedule Milestone Requirements 31

EVERSOURCE
Capital Project Approval Process

1 Purpose

This job aid provides instructions and guidance on the process for initiating and then obtaining technical and financial approval for capital projects within all three states. This job aid will focus on project initiation, solution vetting by the Solution Design Committee (SDC), and approval of the Project Authorization Form (PAF) by the Eversource Project Approval Committee (EPAC) for transmission and substation projects and by each of the state Project Approval Committees (state PACs) for distribution projects. The authorization forms used by each committee can be found at \\nu.com\data\SharedData\EPAC\Administrative\EPAC Forms. Completed samples of each form can be found at \\nu.com\data\SharedData\EPAC\Administrative\EPAC Forms\Sample Forms\. This job aid supports the guidance contained in Accounting Policy Statement 1 (APS01), Operations Project Authorization, which can be found on the Eversource intranet at https://eversourceenergy.sharepoint.com/sites/Accounting/SitePages/Accounting-Policies-%26-Procedures.aspx.

2 Affected Groups

As described in Responsibilities and General Instructions, the System Planning, Asset Management, Transmission Interconnections, and Project Management groups, along with the SDC, EPAC, and state PAC committees will have primary responsibility for the project review and approval process. The following general groups will also be affected by this job aid as their participation is critical to the successful initiation, development, review, and approval of capital projects.

- Transmission Line, Substation Design, Substation Technical, Protection and Controls, Grid Modernization and Distribution Engineering
- Construction
- Scheduling
- Licensing and Permitting
- Environmental
- Siting and Project Services
- Procurement
- Investment Planning
- Operations
- Engineering Project Controls
- Transmission Project Controls

3 Responsibilities

3.1 Project Initiator

In general, Transmission and Substation projects will be initiated by either the System Planning (Reliability, Capacity, Distributed Energy Projects), Asset Management (Asset Condition Projects), Grid Modernization or Transmission Interconnections Department (Interconnection Projects). Distribution street and line projects with no substation scope will be initiated by the Distribution Engineering group. Telecom projects (aside from OPGW projects which will be initiated by the Asset Management group) will be initiated by the Telecommunications Engineering Group.

For Transmission and Substation projects, the project initiator is responsible for establishing a project by securing initial (or in some cases partial) funding. The initiator is responsible for development of the establishing document(s), typically an initial funding request (IFR), a program level PAF with initial funding for early program development or a partial funding request in some cases. The project initiator will be responsible for securing funding from state PAC for Distribution line projects.

For Transmission and Substation projects, a PM will typically be assigned at the time initial funding is procured. As outlined in section 3.2 the PM assumes responsibility for the project budget and schedule as well as organizing engineering, siting, permitting and outreach activities working with the various departments. If a project manager is assigned, the project initiator will support the PM during the engineering phases and PAF development as needed.

For applicable projects (See Section 3.4.1 below for details), the project initiator is responsible for the development of the Solution Selection Form (SSF) and presentation of the project preferred and alternative solutions to the SDC.

For projects that do not have a project manager assigned, the project initiator will be responsible for; coordinating conceptual engineering activities and conceptual cost estimates (-25%/+50%) to support alternatives analysis; coordinating preliminary engineering activities and developing an updated +/-25% planning grade cost estimate. The project initiator will then be responsible for updating the PAF and securing full funding from the EPAC or a state PAC. Once a project is fully approved and funded, project ownership transfers to the project manager for the project execution and closeout phases.

3.2 Project Manager (PM)

For projects managed by the Transmission Projects organization a PM will typically be assigned at the time initial funding is procured. The PM will own the project budget and schedule from the time of assignment. The PM is also responsible for; coordinating conceptual engineering activities and conceptual cost estimates (-25%/+50%) to support alternatives analysis; coordinating preliminary engineering activities and developing an updated +/-25% planning grade cost estimate by driving collaboration with the various engineering disciplines and affected departments. The project manager is responsible for overseeing the development of partial and full funding requests. PAFs shall include the financial and technical project details, a detailed backup cost estimate, a project checklist, the current

project schedule, a listing of required schedule milestones as shown in Attachment G, and a Constructability Review (CR) Form (CR form required for full funding requests) at least seven working days prior to the next scheduled EPAC meeting for Transmission and Substation projects or three working days prior to the next scheduled state PAC meeting for Distribution projects. For transmission projects, the detailed cost estimate must be in accordance with Attachment D to PP4 (ISO-New England Planning Procedure 4). The estimate should be formatting in-line with Transmission Project Control's Work Breakdown Structure (WBS).

The PM will also be responsible for any required supplemental approval with support from the project initiator, if necessary.

3.3 Project Sponsor

Typically, the Project Sponsor will be the director of the project initiator. The Project Sponsor will be responsible for review and approval of project documents before they are submitted to the committees for approval.

3.4 Solution Design Committee (SDC)

The SDC will serve as solution development gate keepers to ensure the best solution is selected, ensure guiding principles are followed, and drive standardization. SDC will review project alternatives, scope, and conceptual grade cost estimates during the solution vetting process. The SDC administrators will use the email address SolutionDesignCommittee@eversource.com to communicate with project initiators and for all committee communications. More information on solution vetting can be found in Section 4.4 and the full responsibilities of the SDC are contained in Attachment A, Solution Design Committee Charter.

3.4.1 Project Types

The SDC will review and approve solutions for the following Transmission and Substation project types:

- System Planning – Reliability and Capacity Projects
- Asset Management – Programs (OPGW Programs, Breaker Programs, etc.), Rebuilds, Conductor/Cable Replacements, Program releases with significant scope in addition to the program.
- Transmission Interconnection Projects – Projects on track to sign Interconnection Agreements may be reviewed by the SDC at the request of the sponsoring engineering director.
- Other Telecom projects and programs

Like-for-like asset replacement projects and individual releases within defined programs with minimal scope variations will not need to be reviewed or approved by the SDC. EPAC member directors will also have discretion to determine whether a specific project or program will require review and approval by the SDC. In certain cases where there is a quorum of EPAC representatives present at the SDC, an initial or partial funding request may be presented in conjunction with an SSF for the same project at the SDC.

3.5 Eversource Project Approval Committee (EPAC)

The EPAC will be responsible for the review and approval of the technical and financial merits of transmission and substation projects. For project and program initiations, the EPAC will review and authorize Initial Funding Request Forms (IFRs) typically up to $250,000, including Program Level PAFs with initial funding. The EPAC may also review requests for initial funding beyond $250,000 if a larger funding amount is required to complete preliminary engineering activities. For previously initiated projects and programs, the EPAC will review partial and full funding PAFs, Program Level PAFs, and Program Release Forms. The EPAC will review conceptual grade cost estimates (-25%/+50%) for projects looking to secure partial funding and will review planning grade cost estimates (+/-25%) for projects looking to secure full funding authorization. The EPAC administrators will use the email address TranEPAC@eversource.com to communicate with project teams and for all committee communications The full responsibilities of the EPAC are contained in Attachment B, Eversource Project Authorization Committee Charter.

3.5.1 Project Types

The EPAC will review and approve the following project types:

- Planned Transmission line and/or substation projects (Transmission and Distribution substation over $300,000 total cost)
- Transmission line and/or substation programs (OPGW Programs, Breaker Programs, etc.)
- Telecom projects that impact transmission lines and/or substations
- New or reconfiguration of a distribution substation (regardless of voltage level)
- Substation projects with transmission and distribution components will be reviewed as a package, only by the EPAC
- Customer interconnection requests that require transmission or substation work
- Emergency projects greater than $500,000 total cost (refer to section 6 for further details)
- Any other project per the discretion of the EPAC chairperson(s)

All other distribution projects will be reviewed and approved by the state PAC (see section 3.6.1). See Section 5 for review process for transmission and substation projects less than or equal to $300,000 total cost.

3.6 State Project Approval Committees (CT PAC, MPAC, and NH PAC)

The state PACs will be responsible for the review and approval of the technical and financial merits of Distribution projects. There will be three different project approval committees to review and approve the projects; one from each state (CT PAC, MPAC, and NH PAC).

The state PACs will review initial funding requests to develop detailed engineering and to support early establishment of projects in Eversource financial and scheduling systems. Regardless of cost, initial funding requests shall adhere to PAC approval processes and shall include a schedule by which engineering plans to complete detailed engineering, produce a planning grade cost estimate and present for full funding authorization. The state PAC committee chair will track projects that are given

approval for initial funding and ensure timely submission, review and approval of PAFs for full funding authorization. Distribution projects looking to secure full funding authorization shall develop PAFs containing a planning grade (+/-25%) cost estimate.

The full responsibilities of the state PACs are contained in Attachment C, State Project Approval Committee (State PAC) Charter.

3.6.1 Project Types

The state PACs will review and approve the following project types:

- Overhead distribution projects greater than $300,000.
- Underground distribution and combined overhead-underground distribution projects greater than $1 million.
- Customer interconnection requests with total cost estimates (including indirect costs) greater than $1 million. Customer interconnection projects less than $1 million are reviewed and approved in PowerPlan and typically will not require review and approval by the state PAC.
- DG interconnection request without substation scope that require a new feeder (regardless of cost) or with total cost estimate greater than $500,000. Note that DG interconnection projects with substation scope will be reviewed by EPAC as described in Section 3.5.1.)

Note that per APS01 and Operations executive management, all other underground, overhead, and underground-overhead mixed distribution projects under the dollar thresholds listed above but over $500,000 total cost require PAF documentation. Projects $300K or greater but less than $500K may require PAF documentation at the discretion of the PAC committees, except for emergency projects and standard distribution underground interconnections in EMA, both of which will only require PAFs for projects $500K or greater in all cases. These PAFs will be reviewed and approved directly in PowerPlan. The approving director can use his/her discretion to require any of these projects to be reviewed at the state PAC. All other transmission and substation projects will be reviewed and approved by the EPAC (see section 3.5.1).

3.7 Cost Estimating

The Transmission Cost Estimating team will support development of project cost estimates for Transmission and Substation projects. Depending on the complexity of the project, the approximate cost, and other factors the level of support provided by the Cost Estimating team may range from taking the lead in developing the estimate to reviewing an estimate prepared by the project team. To request support from the Cost Estimating team, project teams should complete the Estimate Request Form which can be found at \\nu.com\data\SharedData\Estimating-Shared\2) Estimate Templates\1) Est Request form\Current\ and submit to Cost_Estimation_Request@Eversource.com

4 General Instructions

The process to proceed with each successive phase of a capital project is designed to ensure that there is a valid need, the right solution alternatives are evaluated, the technical approach is sound, and resources are budgeted and prudently spent. The overall process flow for Transmission and Substation projects is depicted in Attachment D, Transmission and Substation Project Approval Process Flow Charts. Attachment E, Transmission and Substation Project Approval Process Detailed Flow Chart is a 17"x11" flowchart with more detailed descriptions. The overall process flow for Distribution projects is depicted in Attachment F, Distribution Project Approval Process Flow Chart. The initiation and major engineering and approval phases of the process flow charts correspond to the sections below.

These general instructions are for the project types listed in Sections 3.5.1 and 0. Refer to Section 5 for instructions for planned transmission and substation projects less than or equal to $300,000. Refer to Section 6 for instructions for securing approval of emergent work.

4.1 Project Initiation

Following the identification of a project need the initiator will secure a project number. Project initiators can email TranEPAC@eversource.com for assistance securing a project number. Project initiators will then complete an IFR and submit it to EPAC via TranEPAC@eversouce.com. The IFR may be used to request funding per Section 3.5. The form can be found at \\nu.com\data\SharedData\EPAC\Administrative\EPAC Forms\. The initiator will be required to state the project need and objectives and include an explanation of the funding request amount, including a budget for conceptual and preliminary engineering activities and the required schedule milestones as shown in attachment G. The IFR may include a budget for initial internal siting and permitting preparation activities. The IFR should not include funding for detailed engineering or procurement of any material. The EPAC chairman may decide to approve the request directly or may request that the initiator present the request for input and feedback to the EPAC.

Once an IFR is approved, the EPAC administrator will send the approved form to Investment Planning to create a project and submit it for Delegation of Authority approvals in PowerPlan, the Eversource software tool for financial approval. The initial funding is obtained once delegation of authority has been performed through PowerPlan in accordance with APS01 (See Section 4.5.3 for more information on Delegation of Authority Policy). Once fully approved in PowerPlan a Work Order (WO) will be assigned. The EPAC administer will copy the Project Management on the submittal to Investment Planning so that a Project Manager can be assigned as appropriate. The Project Manager should work with their Investment Planning contact to determine the work order setup best suited for the management and execution of the project. For some projects the Project Manager role may remain with the Project Initiator, be assigned to a lead engineer, or be assigned to an individual in Maintenance and Operations.

4.2 Project Initiation for Programs

Initial funding can also be requested at the program level using the Program Level Project Authorization Form. The form can be found at \\nu.com\data\SharedData\EPAC\Administrative\EPAC Forms. The funding can be used to advance specific project scope under an approved program. Sections 4.5.1 and 4.5.2 contains more information on full approval of programs and program level releases.

4.3 Conceptual Engineering

The project initiator should follow the Project Alternative Process in procedure M2-TP-2018 for the identification, development and selection of project alternatives. As described in detail in M2-TP-2018, the project manager with support from the project initiator will coordinate the following activities with input from affected departments:

- Incorporate designs from standards library and develop scope and major equipment lists for all alternatives under consideration.
- Conceptual engineering of all competitive alternatives including early field review and desktop analysis.
- Identification of key project risks with the appropriate level of detail with respect to constructability, routing, outage planning, possible Single Contingency Loss of Load (SCLL) conditions and applicable mitigation actions, siting and permitting, environmental impacts, community and external stakeholder impacts, site control, procurement, etc.
- Identification of any land rights needs.
- Develop project strategies to mitigate identified risks.
- Conceptual grade cost estimates (-25%/+50%) for all competitive alternatives (at least the preferred solution and leading alternative). Order of magnitude cost estimates (-50%/+200) should be provided for alternatives that are not competitive with the preferred solution. The project team should request support from the Cost Estimating team for all estimates.

The project team will then recommend a preferred solution and document the rationale for the choice of preferred solution. For conceptual engineering deliverable requirements refer to procedure M7-EN-2000R0 Engineering Deliverables and a listing of the deliverables found at \\nu.com\data\SharedData\EPAC Project Deliverables.

4.4 Solution Vetting

Prior to proceeding with Preliminary Engineering of the preferred solution, more comprehensive projects and asset condition projects at the program level will need to be reviewed and approved by the SDC (See Section 3.4.1 for list of project types the SDC will review). The project team will submit a Solution Selection Forms (SSF) to the SDC via SolutionDesignCommittee@eversource.com at least seven business days prior to the next scheduled SDC meeting. The SDC will review the SSF and confirm that the project team has selected the best solution. The SSF will require a statement of the project need and objectives, documentation of the alternatives analysis, scope and major equipment list for the preferred solution, and a conceptual grade cost estimates for the preferred solution and any competitive alternatives. The form can be found at

\\nu.com\data\SharedData\EPAC\Administrative\EPAC Forms. The full responsibilities of the SDC are contained in Attachment A, Solution Design Committee Charter. Once reviewed and approved by the Solution Design Committee, projects will proceed with Preliminary Engineering.

Certain Transmission and substation projects do not require review and approval by the SDC such as like-for-like asset replacement projects and individual releases within defined programs with minimal scope variations. Questions regarding the need for a project to visit the SDC can be clarified by contacting SolutionDesignCommittee@eversource.com.

Distribution street and line projects without substation components may also require a solution vetting process. The state PAC chairperson may require more complex distribution street and line projects to complete a distribution design review prior to state PAC approval.

4.5 Preliminary Engineering

Once the project team has chosen a preferred solution with scope definition, it can proceed with preliminary engineering and development of an updated cost estimate of the preferred solution. In order to receive full funding approval, projects will require planning grade (+/-25%) cost estimates. The cost estimate shall be submitted in the form of the Project Controls work breakdown structure (WBS). The WBS format can be referenced the EPAC PAF template located at \\nu.com\data\SharedData\EPAC\Administrative\EPAC Forms. The project team should request support from the Cost Estimating team to develop the planning grade cost estimate.

The project team will work with the affected groups listed in Section 2 to complete more in-depth investigations, develop a mitigation plan for project risks, and refine project strategies

For preliminary engineering deliverable requirements refer to procedure M7-EN-2000R0 Engineering Deliverables and a listing of the deliverables found at \\nu.com\data\SharedData\EPAC Project Deliverables. Example preliminary deliverables include:

- Constructability Review
- ROW Environmental Mapping
- Preliminary Three-Line
- SS Control Enclosure Layout
- UG Plan and Profile

If the initial funding is not sufficient to complete preliminary engineering and develop a planning grade cost estimate, then the project team can prepare a PAF and make a request for partial funding at EPAC per Section 3.5. The request should generally be for the budget amount that will be required to fulfill project engineering activities, prepare a full funding request and planning grade cost estimate. For large scale projects multiple partial funding requests may be required. Partial funding may include funds for detailed engineering activities. As with IFRs, partial funding requests may include a budget for internal siting and permitting preparation activities but should not include funding for procurement of any material. The request should also include a listing of required schedule milestones as listed in Attachment G.

After a minimum of preliminary engineering is completed, the PAF will be completed and the project will be presented to either the EPAC or the state PAC for full approval and funding authorization. PAFs that will be reviewed at EPAC should be submitted to TranEPAC@eversource.com at least seven business days prior to the next scheduled EPAC meeting. For the project types listed in Section 3.4.1, the EPAC will not review full funding requests unless the project has already been approved by the Solution Design Committee. The project checklist, a Constructability Review Form, a copy of the current project schedule, a listing of required schedule milestones as shown in Attachment G and a detailed backup cost estimate in accordance with Attachment D to ISO-NE Planning Procedure 4 (PP4) must accompany the PAF.

4.6 Full Project Authorization

4.6.1 Program Approval

EPAC will review and approve Asset Management programs using the Operations Program Level Project Authorization Form. The form can be found at\\nu.com\data\SharedData\EPAC\Administrative\EPAC Forms. In addition to the information required on the PAF for a regular project (need, objectives, scope, background/justification, etc.) the Program Level PAF will also require a financial evaluation completed on a unit cost basis so that the capital cost of each application of the program can be fully understood. The unit cost is often based on a similar project that has been completed.

- A listing of proposed circuits or substations by state that will be included in the scope of the program.
- An estimate of the program capital investment value by state.
- A proposed schedule for bringing forward and executing the program level releases.
- A description of the investigations that will be needed at each location to develop the scope and cost estimate at a specific site.

As described in Section 4.1.1 Program Level PAFs may also be combined with an initial funding request at the program level so that the initiator will have funds to develop the scope of the program at specific sites and bring forward full funding program release requests. Partial funding may be obtained for individual program release requests when initial funding is not sufficient to complete preliminary engineering and develop a planning grade cost estimate.

4.6.2 Program Release Authorization

Once the scope, site-specific cost estimate and constructability reviews are completed for a particular location or circuit, a Program Release Form will be submitted for full funding. The Program Release Form can be found at \\nu.com\data\SharedData\EPAC\Administrative\EPAC Forms\. Each Release will summarize the scope and cost estimate at a specific location and discuss any variances between the scope or cost estimates from the expected unit costs and scope approved in the Program Level PAF. Once an individual program release is approved at EPAC, any initial funding costs that were originally charged at the program level will be journaled to the specific project, which will allow those costs to be capitalized along with the specific project and also make more budget available at the program level to

develop additional Program Release Forms. Once approved, the approval process for a Program Release Form will be the same as stated above for the full funding PAF.

4.6.3 Delegation of Authority

Once approved, the EPAC or state PAC administrator will submit the EPAC-approved PAF to Investment Planning for approvals in PowerPlan in accordance with the company Delegation of Authority Policy (DOA). The DOA specifies the capital authorization level of various company positions (manager, director, vice president, senior vice president / subsidiary president, Executive vice president, etc.). The MS Excel file "Power Plan Project Approval Trees" found at N:\EPAC\Administrative\ lists which specific individuals at each authorization level that will be required to approve projects authorized by EPAC. There are separate approval trees listed for transmission line and substation major projects and distribution substation projects. The full project funding is attained once delegation of authority has been performed through PowerPlan in accordance with APS01. PMs should include up to thirty days in project schedules to complete approvals in PowerPlan and sixty days for projects that will require Delegation of Authority approval by the Eversource Subsidiary Board.

Projects must be fully approved in PowerPlan before their scope or cost estimates can be shared publicly. This includes but is not limited to sharing cost estimates with ISO-NE, sharing cost estimates with customers for customer or interconnection projects, filing a siting or permitting application that includes a cost estimate, and conducting project outreach. If a project schedule requires the release of project information prior to full project approval in PowerPlan is possible, then a project team can request approval from EPAC to release the information. If EPAC approval is also not possible, then the project team can seek the SDC's approval to release the information.

4.7 Detailed Engineering, Siting, and Permitting

Once the project is fully authorized in PowerPlan, the project team can proceed with detailed engineering, siting and permitting application filings, project outreach, ordering major material, and other development activities.

4.8 Construction and Construction Variance Monitoring

The project manager or lead will manage the project's execution and construction while monitoring the project's spend vs. its authorized cost. In cases where the project, totaling greater than $300K for planned work or greater than $500K for emergent work, will exceed its APS-01 tolerances, or there is a significant change to the project's technical design or a significant change to the project's scope the project manager shall submit a Revised PAF or Supplemental Request Form (SRF) to the EPAC or state PAC.

A Revised PAF can be submitted under one or more of these conditions, given the listed condition(s) is(are) the primary driver for the change:

1. Revised PAF – Scope [Applicable to all projects]
    - Capital investment for additional units of property that were not previously part of the project scope.
    - Significant change(s) in technical design (i.e. OH vs UG, air vs. GIS, etc.)

2. Revised PAF – Pre-Construction [Applicable to projects yet to begin construction forecasting 5% or greater than their original total full funding authorization]

   - Market conditions cause awarded (or to be awarded) vendor contract amount(s) for labor or material to be higher than the amount(s) for the equivalent labor or material allocation(s) in the approved full funding estimate.
   - An agency, stakeholder or impacted party external to Eversource causes an uncontrollable change to the project resulting in higher project costs.
   - Indirect rate(s) increase from the full funding estimate.

   Projects forecasting 5% or greater than their original total full funding authorization prior to construction should consult PM management to decide if pre-construction revised authorization should be pursued. Projects forecasting over $5M total cost will require a detailed review by Cost Estimating to corroborate the project forecast's cost increase drivers match the intent of Pre-Construction re-authorization. Project that will exceed their APS-01 tolerances must seek reauthorization, either revised or supplemental funding depending on the circumstance.

Additional requests for a Revised PAF can be evaluated on a case-by-case basis by the EPAC committee. The justification for all Revised PAFs is subject to the review and approval of the EPAC committee.

A SRF shall be submitted where the project will exceed its APS-01 tolerances in all other cases than those allowing for revised funding. Supplemental authorization requests should be prepared as soon as it is likely that the project cost is expected to increase and the updated project forecast exceeds the APS01 tolerance for the current authorization. Supplement requests should also be submitted once a scope change is identified. The SRF can be found at \\nu.com\data\SharedData\EPAC\Administrative\EPAC Forms.
If a supplement is approved by the EPAC or state PAC, the committee administrator will send the approved SRF to Investment Planning for submittal for Delegation of Authority approvals in PowerPlan. When determining when to submit a supplement, PMs should note that attaining full approval in PowerPlan may take up to thirty days and sixty days for projects that will require Delegation of Authority approval by the Eversource Subsidiary Board.

4.9 Project Closeout

All project documents will be closed and affected databases updated upon project closeout in accordance with M6-PM-2001, Project Management Process, or applicable local project closeout process.

5 Instructions for Planned Projects $300K or less (Annuals) including Capital Tools

Each year annual transmission and distribution substation budgets are approved and funded to support the many small planned projects that will be completed that year. Per APS01 and Operations executive management, planned transmission and distribution substation projects less than or equal to $300,000

total cost and emergency projects less than or equal to $500,000 total cost do not require their own PAFs.

Planned annuals require the initiator to document the work scope, justification, estimated cost and in-service date(ISD). To create a work order that will charge against one of these annual budgets for a small planned transmission or distribution substation project, the project initiator must follow the Capital Annuals Process found at \\nu.com\data\SharedData\EPAC\Administrative. The EPAC Annuals administrative team can be contacted at CapitalAnnualsRequest@eversource.com.

6 Instructions for Emergent Work

Each year annual transmission and distribution substation budgets are approved in each region and funded to support the many small projects that classify as emergent work within that year. In the case of emergency projects to fix equipment that failed while in-service or is at high risk of imminent failure that needs to be addressed real-time not allowing for fully planned project development, only those emergency projects exceeding $500,000 total cost will require a PAF.

Emergent annuals require the initiator to document the work scope and justification. To create a work order that will charge against one of these annual budgets for an emergency transmission or distribution substation project, the project lead must follow the Capital Annuals Process found at \\nu.com\data\SharedData\EPAC\Administrative. The EPAC Annuals administrative team can be contacted at CapitalAnnualsRequest@eversource.com.

7 Definitions & Acronyms

Annuals	Annuals refers to the annual project budgets that are approved to support small projects and small emergent work projects.
APS	Eversource Accounting Policy Statement
Conceptual Engineering	The project design phase required to obtain a project cost estimate accurate to -25%/+50% and to generate an SSF
Conceptual Estimate	A cost estimate with target accuracy of -25% to +50%
Construction	The project phase for the implementation of an engineered project
DOA	Delegation of Authority
Detailed Engineering	The project phase following preliminary engineering. See M7-EN-2000R0 Engineering Deliverables for further details.
Emergent Work	Refers to work to fix equipment that failed while in-service or is at high risk of imminent failure that needs to be addressed real-time
Engineering Estimate	A cost estimate with target accuracy of +/-10%
EPAC	Eversource Project Approval Committee
IFC Engineering	Issue for Construction Engineering phase follows detailed engineering. IFC engineering completion is typically required to support an Engineering

	Estimate (+/-10%). See M7-EN-2000R0 Engineering Deliverables for further details.
Initial Funding	• Initial Funding provides exploratory early development dollars intended to facilitate refinement of the project concept, particularly the project need, justification and objectives. • Project scope and alternatives as well as a resource loaded, project schedule shall be developed. • Initial funding can support funding up to Preliminary design if the requested dollars are <$250K (Some exceptions may be considered). • Initial Funding is not intended to support complete project design and engineering and should not fund the project beyond the Preliminary design phase. • The core project team should be assembled using Initial Funding.
IFR	Initial Funding Request Form required to initiate a project with funding and setup a Work Order, the initiator will complete an IFR and submit it to the EPAC.
ISD	In-Service Date
ISO-NE	The independent operator of New England's bulk electric power system and transmission lines. ISO-NE manages a comprehensive regional planning process.
M2-TP-2018	The Project Alternative Strategy procedure document published by the System Planning organization.
M6-PM-2001	The Project Management Process procedure document
M6-PM-2012	Constructability Review procedure document
M7-EN-2000R0	Engineering Deliverables procedure document
PAF	Project Authorization Form required by Accounting Policy Statement 2 for the purpose of requesting authorization of capital funds for a particular project
Partial Funding	• Partial Funding is intended to fund design/engineering for the project as well as project support including site evaluation/prep activities, siting and outreach plans, early procurement activities (in some cases Limited Notice to Proceed for Long-Lead equipment), site testing, outage planning activities, etc. • Partial Funding should not be used to purchase material nor be used for construction activities. • Since Partial Funding typically requests >$250K, a PAF should be completed.
Planned Annual	Scheduled capital work costing $300K or less that is <u>not</u> to fix equipment that failed while in-service that needs to be addressed real-time
Planning Estimate	A cost estimate with target accuracy of +/-25%

PM	Project Manager
PowerPlan	Eversource financial approval tool
PP4	ISO-NE Planning Procedure 4
Preliminary Engineering	The project phase for the engineering needed to obtain a project cost estimate accurate to ± 25% and to generate a PAF
Program Level PAF	Authorization document for programs. A program is a substation need that will be addressed at numerous sites (i.e. Oil Circuit Breaker Replacements, Relay Replacements, etc.) or a line need that will be addressed on numerous circuits (i.e. Structure Replacements, Fiber Optic Expansion, etc.)
Program Release Form	Authorization form for a specific site or circuit of an approved program.
SCLL	Single Contingency Loss of Load
SDC	Solution Design Committee is a three-state committee that reviews substation and transmission projects and programs to ensure that the best solution is selected and standardization is implemented across the company
SSF	Solution Selection Form – Document that the SDC will review and approve
SRF	Supplement Request Form
State PAC	State Project Approval Committee. There will be three state project approval committees for distribution projects: MPAC, CT PAC, and NH PAC
WBS	Work Breakdown Structure
WO	Work Order

8 Revision History

Revision 7 – June 1, 2022

- Updated Attachment G project milestones required
- Added Revised PAF – pre-construction definition to section 4.8
- Updates section 3.6, PAC Project Types
- Other minor updates

Revision 6 – January 1, 2022

- Updated dollar threshold requirements in accordance with Jan 1 2022 APS01 update
- Updated section 5 to reflect modified annuals process
- Updated section 3.6 to include updated state PAC instructions
- Update section 3.7 Cost Estimating instructions
- Updated sections 4.1, 4.3, 4.6 to add schedule milestone requirements
- Added attachment G, PAF Schedule Milestone Requirements
- Added definitions for initial funding and partial funding
- Added IFC Engineering to Attachment D and E
- Other minor updates

Revision 5 – June 1, 2020

- Added Sections 4.1.1, 4.5.1, and 4.5.2 containing description and instructions for initiating programs, Program Level PAFs, and Program Release Forms
- Added Sections 4.5.3 to add additional description of Delegation of Authority Policy
- Added Sections 5 and 6 to include instructions for securing authorization for emergent work and annual projects
- All Sections: Added detail and instructions for distribution line projects, distributed generation interconnection projects, and communications engineering projects.
- Other minor updates

Revision 4 – November 2, 2018

- Updated all sections to align with updated project lifecycle including new Project Initiation Process and Solution Design Committee Process

Revision 3

- Minor updates

Revision 2 – October 27, 2017

- All Sections: Changed from TRC and CPAC to EPAC and state PACs

Revision 1 – December 7, 2016

- 4 General Instructions – Added location of forms
- 4.2 Detailed Engineering Approval – Added requirement to complete TAF Transmission Checklist

- 5 Definitions and Acronyms – Added acronyms used in Attachment F
- 6 Summary of Changes – Added section
- Added Attachment F, TAF Transmission Checklist and Instructions

Revision 0 – August 28, 2016

- Original issue

Attachment A, Solution Design Committee Charter

Purpose

The Solution Design Committee (SDC) will serve as solution development approval committee to ensure the best solution is selected, ensure guiding principles are followed, and drive standardization. SDC will review project alternatives, scope, and conceptual grade cost estimates during the solution vetting process.

Applicability

The SDC is responsible for solution selection review of electrical Transmission and Substation projects in all three states of the following types:

- System Planning – Reliability & Capacity Projects
- Asset Management – Programs (OPGW Programs, Breaker Programs, etc.), Rebuilds, Conductor/Cable Replacements, Program releases with significant scope in addition to the program.
- Transmission Interconnection Projects – Projects on track to sign Interconnection Agreements may be reviewed by the SDC at the request of the sponsoring engineering director.

Like-for-like asset replacement projects and individual releases within defined programs with minimal scope variations will not need to be reviewed or approved by the SDC. EPAC member directors will also have discretion to determine whether a specific project will require review and approval by the SDC.

Objectives

The objectives of the SDC are as follows:

1. Confirm that the right subject matter experts from affected departments were appropriately involved in the conceptual engineering, alternatives analysis, and solution selection.
2. Confirm project teams identified and considered a robust set of alternatives when selecting the best solution in accordance with M2-TP-2018 Project Alternative Process.
3. Ensure the development of project solutions and alternatives incorporate standardized design and equipment, where practical/possible.
4. Review initial conceptual engineering, scope, and cost estimates for all potential project alternatives. Cost estimates should be of conceptual grade (-25%/+50%) for the preferred solution and competitive alternatives.
5. Review and confirm that project teams identify project risks for the preferred solution and its alternatives with the appropriate level of detail with respect to constructability, routing, outage planning, possible SCLLs, siting and permitting, environmental impacts, community and external stakeholder impacts, land rights needs and site control, procurement, etc.
6. Review and confirm project team's alternatives analyses and choice for preferred solutions and ensure the rationale is appropriately documented.
7. Coordinate with EPAC to initiate any needed process changes on at least a biennial basis.

Membership

SDC shall consist of an executive sponsor, a chairperson, voting members, an administrator, and non-voting attendees as shown on the below table. The chairperson may designate additional voting members, if required.

SDC Membership List

SDC Role	Company Position
Executive Sponsor	VP, Substation and Transmission Engineering
Co-Chairperson	Director, Substation Design Engineering
Co-Chairperson	Director, Substation Protection and Controls
Administrator(s)	As appointed by the Chairperson
Voting Member	Director, Transmission Business and Quality Assurance
Voting Member	Director(s), System Planning
Voting Member	Director, Transmission Line Engineering
Voting Member	Director, Substation Technical Engineering
Voting Member	Director, Distribution Technical Engineering
Voting Member	Director, Engineering Capital Projects
Voting Member	Director, Project Performance
Voting Member	Director(s), Transmission Project Management
Voting Member	Director, Transmission Siting and Project Services
Voting Member	Director(s), Station Operations
Voting Member	Director, Transmission Project Controls
Voting Member	Director, Engineering Project Controls
Attendee	Manager of Project Solutions
Attendee	Manager of Siting
Attendee	Manager of Project Services
Attendee	Manager of Estimating
Attendee	Manager of Asset Management
Attendee	Manager(s) of Substation Engineering
Attendee	Manager(s) of Protection and Controls
Attendee	Manager(s)/Lead(s) of Transmission Line and Civil Eng.
Attendee	Manager(s) of Substation Technical Engineering
Attendee	Manager(s) of System Planning
Attendee	Manager of Licensing and Permitting
Attendee	Manager(s) of Environmental Affairs
Attendee	Manager(s) of Procurement
Attendee	Supervisor(s)/Manager(s) of Outage and Ops Planning
Attendee	Manager of Generation Interconnections
Attendee	Manager of Operational Compliance
Attendee	Manager(s) of Transmission Line Operations
Attendee	Manager(s) of Station Operations/ Field Engineering/ System Dispatch
Attendee	Manager(s) of Systems Engineering
Attendee	Manager of ISO Policy and Economic Analysis

Roles and Responsibilities

Executive Sponsor

- Provide senior management vision, direction and feedback to the SDC
- Appoint the Chairperson(s)

Chairperson(s)

- Preside at SDC meetings
- Designate a Voting Member as an alternate to preside at meetings in his/her absence
- Solicit Voting Member appointments
- Appoint a SDC administrator
- Determine the meeting schedule and location(s)
- Approve meeting agendas
- Review meeting materials on the agenda prior to the SDC meeting
- Hold votes as required
- Participate in discussions and votes to meet the SDC objectives
- Initiate the biennial review of the SDC process in coordination with EPAC
- Create subcommittees as required

Voting Member

- If required, designate a manager in the same organization as a voting alternate to participate in the SDC
- Review meeting materials on the agenda prior to the SDC meeting
- Participate in discussions and votes to meet the SDC objectives
- Participate in the biennial review of the SDC process as required

Administrator

- Schedule meetings
- Prepare draft meeting agendas
- Quality Screening of Project Documentation
- Distribute meeting materials to attendees five working days prior to a scheduled SDC meeting
- Record the result of any votes
- Prepare and distribute meeting notes
- Record Solution Select Forms presented and their attachments and meeting results
- Attend to and manage the SolutionDesignCommittee@eversource.com email inbox

Project Lead/Initiator

- Complete a Solution Selection Form (including statement of need, project objectives, alternatives analysis, and scope for preferred solution) for any proposed capital project that meets the applicability criteria described above
- Ensure that SDC objectives listed above are fully met, and that subject matter experts from affected departments were included in the alternatives analysis.

- Submit the Solution Selection Form to the SDC administrator via SolutionDesignCommitee@eversource.com at least five working days prior to the next scheduled SDC meeting (ensures document screening and review by committee members)
- Attend the SDC meeting and present the Solution Selection Form to SDC members
- Revise the Solution Selection Form and/or respond to comments from the SDC as required

Quorum

The Chairperson(s) (or alternate) plus a minimum of four Voting Members (or alternates) shall constitute a quorum for voting purposes if all appropriate disciplines are present to challenge the merits of the project(s).

Meeting Schedule and Location

The SDC shall schedule meetings twice monthly. The Chairperson(s) may cancel a meeting or require more frequent meetings from time to time as required. The location of the SDC meeting will rotate between MA, CT, and NH.

Voting

The Voting Members and the Chairpersons, or their designated alternates, are eligible to vote. A vote is carried by a simple majority. Each person has one vote.

Subcommittees

The Chairperson may establish standing or ad hoc subcommittees as required to meet the objectives of the SDC. Subcommittees shall be chaired by a voting member of the SDC or their designated alternate.

Attachment B, Eversource Project Authorization Committee Charter

Purpose

The Eversource Project Authorization Committee (EPAC) reviews and approves the technical and financial merits of Transmission and Substation projects, including the selection of preferred solutions that are consistent with Eversource priorities (e.g. safety, reliability, cost efficiency). The EPAC authorizes, monitors and adjusts capital expenditure and resources for projects; prioritizes projects for the capital program and defers projects based on budget and resource availability.

Applicability

The EPAC is responsible for the technical review and financial approval of electrical Transmission and Substation projects in all three states.

Objectives

The objectives of the EPAC are as follows:

1. Receive, review, and approve Initial Funding Request Forms
    a. Review the need and confirm that a capital project is needed to address the need.
    b. Review and approve the project's objectives.
    c. Ensure the funding request amount, planned development activities, and schedule are appropriate.
2. Receive, review, and approve PAFs for all projects that meet the Accounting Policy Statement No. 1 threshold. A lower threshold may be imposed by the EPAC, if desired.
    a. Ensure that the PAF justification is valid.
    b. Review and approve the project's technical merits.
    c. Ensure that all reasonable alternatives were evaluated and appropriately rejected.
    d. Ensure the scope and cost estimates are reasonable to ± 25% for projects seeking full authorization.
    e. The committee has the ability to review engineering designs, ensuring the proposed work is in accordance with Eversource Standards, evaluate load implications, assess root cause / reliability and vet out all possible alternatives.
    f. Not all projects presented are requesting funding and require a vote – these projects will be noted "FOR DISCUSSION ONLY".
    g. Ensure the PAF project checklist is complete.
    h. Ensure the Constructability Review Form is complete
    i. Ensure the financial analysis is reasonable to the accuracy appropriate to the project phase.
    j. Ensure the project schedule is achievable and reasonable to the accuracy appropriate to the project phase
    k. Ensure risks and mitigation plans are identified.
3. Evaluate project funding and priorities relative to the five-year capital plan.

4. Ensure project approval statuses and DOA progress are reviewed at least monthly.
5. Prioritize projects for deferment or cancellation.
6. Review EPAC process performance and lessons learned and coordinate with the state PACs to initiate any needed changes on at least a biennial basis.

Membership

EPAC shall consist of an executive sponsor, a chairperson, voting member directors, an administrator, and non-voting attendees as shown on the below table. The chairperson may designate additional voting member directors, if required.

EPAC Membership List

EPAC Role	Company Position
Executive Sponsor	VP, Transmission Projects
Co-Chairperson	Director, Transmission Project Controls
Co-Chairperson	Director, Transmission Business and Quality Assurance
Administrator	EPAC Program Manager
Member Director	Director(s), Transmission Project Management
Member Director	Director, Transmission Line Engineering
Member Director	Director, Substation Design Engineering
Member Director	Director, Substation Technical Engineering
Member Director	Director, Substation Protection and Controls
Member Director	Director, Distribution System Planning
Member Director	Director, Transmission System Planning
Member Director	Director, Siting and Project Services
Member Director	Director(s), Investment Planning
Member Director	Director, Sustainability and Environmental Affairs
Member Director	Director, Reliability, Compliance and Implementation
Member Director	Director(s), Transmission/System Ops
Member Director	Director, System Operations
Member Director	Director(s), Field Operations Lines
Member Director	Director(s), Field Operations Substations
Member Director	Director(s), Field Engineering
Member Director	Director, Engineering Project Controls
Member Director	Director, Engineering Capital Projects
Member Director	Director, Project Performance
Attendee	Manager of Project Solutions
Attendee	Manager of Transmission Siting
Attendee	Manager of Project Services
Attendee	Manager of Transmission Cost Estimating
Attendee	Manager of Licensing and Permitting
Attendee	Manager(s) of Procurement
Attendee	Manager(s) of Substation Engineering
Attendee	Manager(s) of Protection and Controls
Attendee	Manager(s)/Lead(s) of Transmission Line and Civil Eng.
Attendee	Program Manager- Transmission Capital Program

Attendee	Supervisor(s)/Manager(s) of Outage and Ops Planning
Attendee	Manager of Standards
Attendee	Manager of Budget and Investment
Attendee	Manager of Generation Interconnections
Attendee	Manager of Asset Management
Attendee	Manager of Operational Compliance
Attendee	Manager(s) of Line Operations
Attendee	Manager(s) of Substation Technical Engineering
Attendee	Manager(s) of System Planning

Roles and Responsibilities

Executive Sponsor

- Provide senior management vision, direction and feedback to the EPAC
- Appoint the Chairperson(s)

Chairperson(s)

- Preside at EPAC meetings
- Designate a Member Director as an alternate to preside at meetings in his/her absence
- Solicit Member Director appointments from the leadership team
- Appoint a EPAC administrator
- Determine the meeting schedule and location(s)
- Approve meeting agendas
- Review meeting materials on the agenda prior to the EPAC meeting
- Hold votes as required
- Participate in discussions and votes to meet the EPAC objectives
- Initiate the biennial review of the EPAC process in coordination with the other EPACs
- Create subcommittees as required

Member Director

- If required, designate a manager in the same organization as a voting alternate to participate in the EPAC
- Review meeting materials on the agenda prior to the EPAC meeting
- Participate in discussions and votes to meet the EPAC objectives
- Participate in the biennial review of the EPAC process as required

Administrator

- Schedule meetings
- Prepare draft meeting agendas
- Quality Screening and Quality Measurement of Project Documentation.
- Distribute meeting materials to attendees three working days prior to a scheduled EPAC meeting

- Record the result of any votes
- Prepare and distribute meeting notes
- Record PAFs and SRFs presented and meeting results
- Submit PAFs and SRFs approved to Investment Planning for Delegation of Authority approvals in PowerPlan
- Attend to and manage the TranEPAC@eversource.com email inbox

Project Lead/Initiator

- Complete a PAF (including financial and technical details, cost estimate, project checklist, and Constructability Review Form) for any proposed capital project or change, ensuring that EPAC objective one items are fully met, and obtain any necessary reviews and approvals prior to submittal to the EPAC
- Submit the PAF to the EPAC administrator via TranEPAC@eversource.com at least seven working days prior to the next scheduled EPAC meeting for engineering approval (ensures document screening and review by committee members)
- Attend the EPAC meeting and present the PAF to EPAC members
- Revise the PAF and/or respond to comments from the EPAC as required

Quorum

The Chairperson(s) (or alternate) plus a minimum of four Member Directors (or alternates) shall constitute a quorum for voting purposes if all appropriate disciplines are present to challenge the merits of the project(s).

Meeting Schedule and Location

The EPAC shall schedule meetings twice monthly. The Chairperson(s) may cancel a meeting or require more frequent meetings from time to time as required.

Voting

The Member Directors and the Chairpersons, or their designated alternates, are eligible to vote. A vote is carried by a simple majority. Each person has one vote.

Subcommittees

The Chairperson may establish standing or ad hoc subcommittees as required to meet the objectives of the EPAC. Subcommittees shall be chaired by a voting member of the EPAC or their designated alternate.

Attachment C, State Project Approval Committee (State PAC) Charter

Purpose

The State Project Approval Committees (State PACs) review and challenge the technical merit of proposed distribution projects, and approve them as consistent with Eversource priorities (e.g. safety, reliability, cost efficiency).

Applicability

This charter applies to the three state PACs in Connecticut, Massachusetts and New Hampshire that are responsible for all Eversource electrical distribution projects originating in their respective states.

Objectives

The objectives of a state PAC are as follows:

1. Receive, review and approve Project Authorization Forms (PAFs) for all projects that meet the Accounting Policy Statement No. 1 threshold. A lower threshold may be imposed by the state PAC, if desired.
    a. Ensure that the PAF justification is valid.
    b. Review and approve the project's technical merits.
    c. Ensure the scope and cost estimates are reasonable to ± 25% for projects seeking full authorization and to -25%/+50% for projects seeking initial funding.
    d. Ensure that all reasonable alternatives were evaluated and appropriately rejected.
    e. The committee has the ability to review detailed engineering designs, ensuring the proposed work is in accordance with our Standards, evaluate load implications, assess root cause / reliability and vet out all possible alternatives.
    f. Not all projects presented are requesting funding and require a vote – these projects will be noted "FOR DISCUSSION ONLY".
    g. Ensure risks and mitigation plans are identified.
    h. Ensure the PAF project checklist is complete.
    i. Ensure the Constructability Review Form is complete.
    j. Ensure the financial analysis is reasonable to the accuracy appropriate to the project phase.
    k. Ensure the project schedule is achievable and reasonable to the accuracy appropriate to the project phase.
    l. If CEO or subsidiary board approval is required, ensure project and cost analysis has been reviewed by the Enterprise Risk Management and Financial Planning & Analysis departments.
2. Release engineering labor and funds for detailed engineering on approved PAFs.
3. Review projects authorized for detailed engineering at least monthly to control engineering spend.

4. Review state PAC process performance and lessons learned and coordinate with the other state PACs and the EPAC to initiate any needed changes on at least a biennial basis.
5. Provide a forum for design review for more complex distribution street and line projects. The state PAC chairperson will use their judgement to determine which projects require distribution design review prior to state PAC approval.

Membership

Each state PAC shall consist of an executive sponsor, a chairperson, voting member directors, an administrator and non-voting attendees as shown in the below table. The chairperson may designate additional voting member directors, if required.

State PAC Membership List

State PAC Role	Company Position
Executive Sponsor	VP, Engineering
Chairperson	Director, Distribution Engineering
Administrator	Appointed by Chairperson
Voting Member	Manager, Distribution Engineering
Voting Member	Manager, Investment Planning
Voting Member	Manager, Distributed Generation
Voting Member	Manager/Supervisor, Field Engineering
Voting Member	Manager, Integrated Planning, Scheduling
Voting Member	Manager, System Operations
Voting Member	Manager, Field Operations
Voting Member	Manager, Substation Technical Engineering
Voting Member	Manager, Engineering Standards
Attendee	Project Manager(s)

Roles and Responsibilities

Executive Sponsor

- Provide senior management vision, direction and feedback to the state PAC
- Appoint the Chairperson

Chairperson

- Preside at state PAC meetings
- Designate a Member Director as an alternate to preside at meetings in his/her absence
- Solicit Member Director appointments from the leadership team
- Appoint a state PAC administrator
- Determine the meeting schedule and location(s)
- Approve meeting agendas
- Review meeting materials on the agenda prior to the state PAC meeting

- Hold votes as required
- Participate in discussions and votes to meet the state PAC objectives
- Release funds on approved PAFs for detailed engineering
- Initiate the biennial review of the state PAC process in coordination with the other state PACs
- Create subcommittees as required
- Determine which projects should complete a design review prior to state PAC approval

Voting Member

- If required, designate a voting alternate to participate in the state PAC
- Review meeting materials on the agenda prior to the state PAC meeting
- Participate in discussions and votes to meet the state PAC objectives
- Participate in the biennial review of the state PAC process as required

Administrator

- Schedule meetings
- Prepare draft meeting agendas
- Distribute meeting materials to attendees three days prior to a scheduled state PAC meeting
- Record the result of any votes
- Prepare and distribute meeting notes
- Record PAFs presented and meeting results in the capital project database

Project Initiator (typically engineer level)

- Complete a PAF for any proposed capital project, ensuring that state PAC objective 1 items are fully met, and obtain any necessary reviews and approvals prior to submittal to the state PAC
- Submit the PAF to the state PAC administrator at least three working days prior to the next scheduled state PAC meeting for engineering approval
- Attend the state PAC meeting and present the PAF to state PAC members
- Revise the PAF and/or respond to comments from the state PAC as required
- Once fully authorized, if costs exceed the approved PAF levels by more than the amounts shown in Accounting Policy Statement No. 1, create a SRF, attach to the previously approved PAF, and resubmit for review and approval.

Quorum

The Chairperson(s) (or alternate) plus a minimum of two Member Directors (or alternates) shall constitute a quorum for voting purposes if all appropriate disciplines are present to challenge the merits of the project(s).

Meeting Schedule

Each of the state PACs shall schedule meetings at least bimonthly. The Chairperson may cancel a meeting or require more frequent meetings from time to time as required.

Voting

The Member Directors and the Chairperson, or their designated alternates, are eligible to vote. A vote is carried by a simple majority. Each person has one vote.

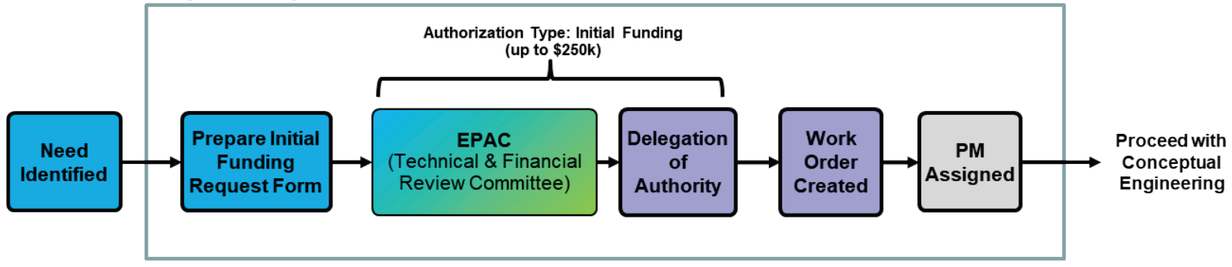
Subcommittees

The Chairperson may establish standing or ad hoc subcommittees as required to meet the objectives of the state PAC. Subcommittees shall be chaired by a voting member of the state PAC or their designated alternate.

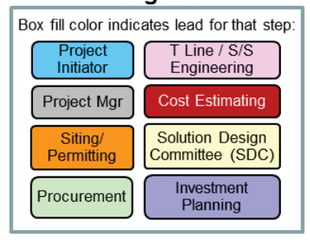
EVERSOURCE
Capital Project Approval Process

Attachment D, Transmission and Substation Project Approval Process Flow Charts

Project Lifecycle Initiation Process

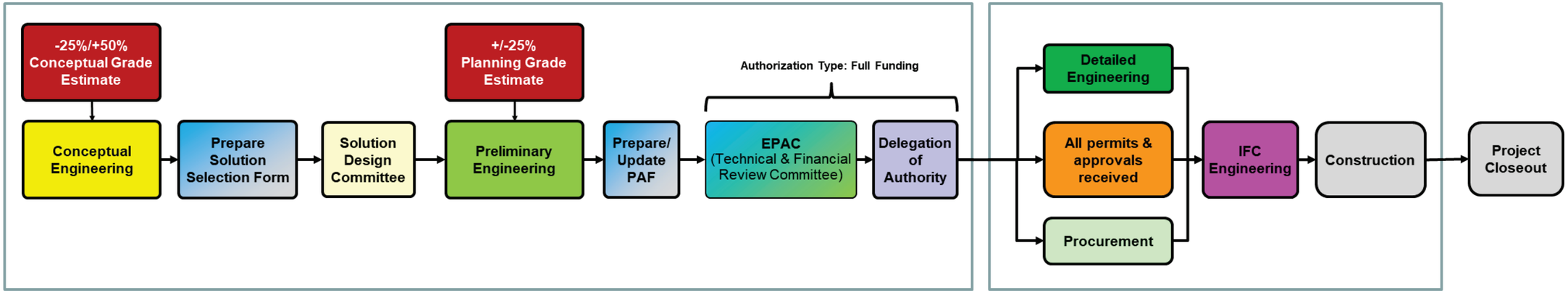


Legend



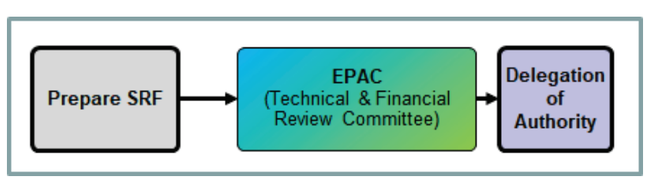
Project Lifecycle Process - Conceptual Engineering through Project Approval:

Project Execution:



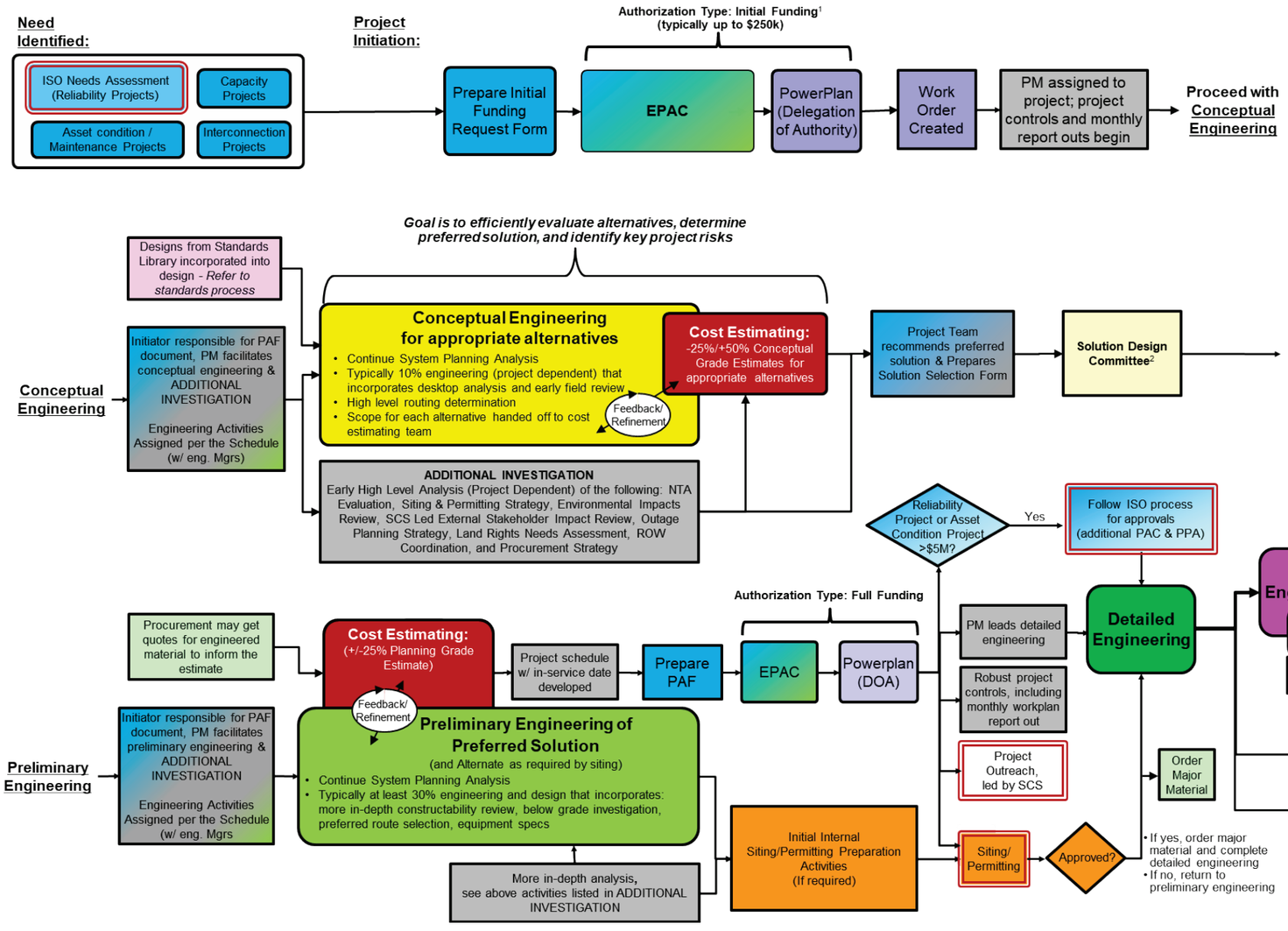
Supplemental Authorization Process

(if required per APS guidelines)



EVERSOURCE
Capital Project Approval Process

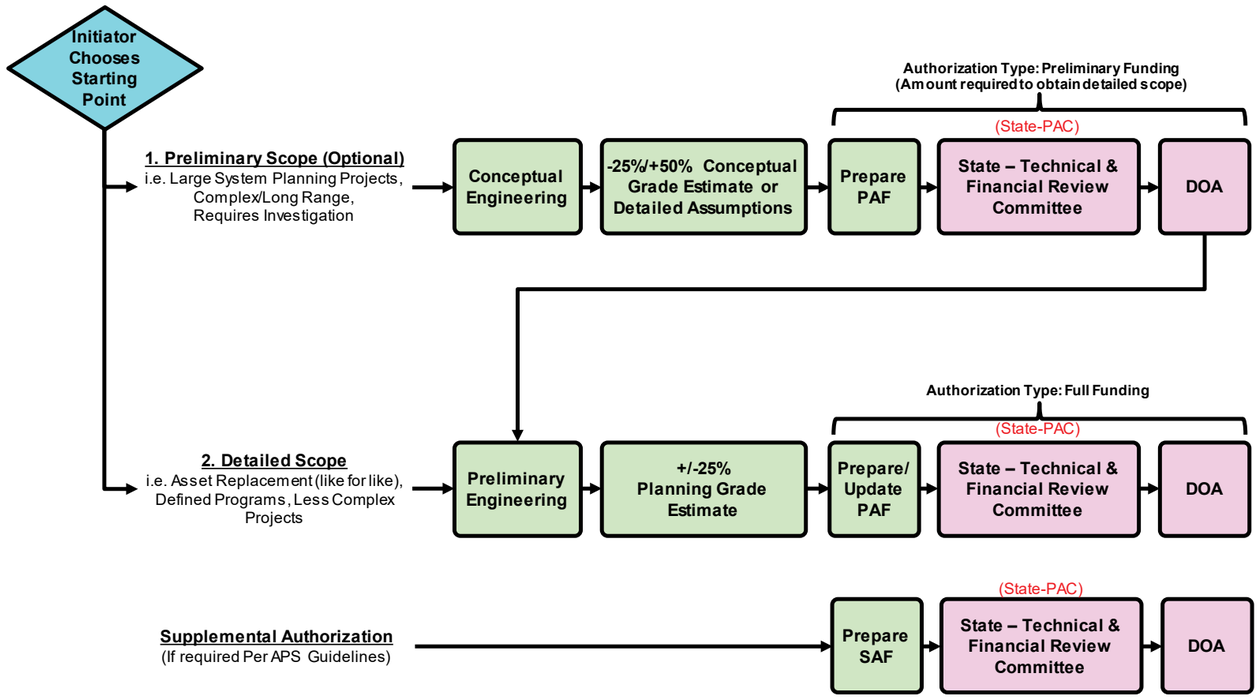
Attachment E, Transmission and Substation Project Approval Process Detailed Flow Chart



Notes:
1. Projects that require initial funding greater than $250,000 to complete conceptual and preliminary engineering may request an amount above $250,000 with the appropriate level of justification and backup detail. The EPAC Chairman can approve an initial funding request without review by the committee at their discretion, although funding requests above $250,000 may require full committee review and approval.
2. See Capital Project Approval Process - JA-AM-2001-A job aid for more information on the SDC process including project applicability
3. TCA Process only required for reliability projects and asset condition projects >$5M

EVERSOURCE
Capital Project Approval Process

Attachment F, Distribution Project Approval Process Flow Chart



EVERSOURCE
Capital Project Approval Process

Attachment G, PAF Schedule Milestone Requirements

Use the appropriate list of milestones for the authorization type to populate the project milestone schedule within the IFR or PAF.

Inclusion of the appropriate milestones is required for IFR and PAF submittal.

These milestones support baselining of the project schedule. In the case of initial funding the initial project baseline schedule is defined within twenty business days of IFR approval. The IFR milestones are used as reference to support the initial baseline. In the cases of partial funding and full funding the included milestones are representative of the schedule baseline established ahead of submittal. Projects can re-baseline at each funding stage of a project.

INITIAL FUNDING REQUEST FORM	PROEJCT AUTHORIZATION FORM [PARTIAL AND FULL FUNDING REQUESTS]
Project initiator leads this effort Required Items ➢ SDC Approval (for applicable projects) ➢ Conversion of Tx development costs, 183 to 107 (applicable to projects that require SSF approval and/or ISO preferred alternative selection) ➢ EPAC Partial Funding Approval (for applicable projects) ➢ EPAC Full Funding Approval ➢ Start of Construction ➢ Project In-Service Date (ISD) ➢ Project Need Date (for applicable projects) In certain cases partial funding may not be necessary and the project can proceed directly from initial to full funding. Connect with Project Manager to identify the appropriate project stage.	*Project Manager leads this effort* Required Items ➢ IFR Approval ➢ SDC Approval (for applicable projects) ➢ Conversion of Tx development costs, 183 to 107 ➢ (applicable to projects that require SSF approval and/or ISO preferred alternative selection) ➢ EPAC Partial Funding Approval (for applicable projects) ➢ Preliminary Design Completion (or latest pre-full funding design phase) ➢ EPAC Full Funding Approval ➢ Siting Approval (for applicable projects) ➢ Start of Construction ➢ Project In-Service Date (ISD) ➢ Project Need Date (for applicable projects) ➢ ISO Related Milestones (for applicable projects) • ISO Preferred Alternative Selected • PAC Presentation • TCA Submittal