Operations Project Authorization Form

Date Prepared: November 01, 2019	Project Title: **2020 Fleet Vehicle & Tool Capital Program** (FVCP)
Company: Distribution Connecticut Distribution Eastern MA Distribution Western MA Distribution New Hampshire Eversource Service Company Gas CT(Gas) Gas MA (Gas) Transmission Connecticut Transmission Eastern MA Transmission Western MA Transmission New Hampshire Distribution Eastern MA Distribution Connecticut Distribution New Hampshire Distribution Western MA	Project ID Number: CTEDVH20 CT Electric Distribution Vehicle Purchases MAEDVH20 MA East Electric Distribution Vehicle Purchases MAWDVH20 MA West Electric Distribution Vehicle Purchases NHEDVH20 NH Electric Distribution Vehicle Purchases SVCOVH20 Service Co Vehicle Purchases CTGSVH20 CT Gas Vehicle Purchases MAGSVH20 MA East Gas Vehicle Purchases CTTRVH20 CT Transmission Vehicle Purchases MAETVH20 MA East Transmission Vehicle Purchases MAWTVH20 MA West Transmission Vehicle Purchases NHTRVH20 NH Transmission Vehicle Purchases MAETOOLS MA East Tool Purchases GECNCLP CT Tool Purchases NHTOOLS NH TOOL Purchases MAWTOOLS MA West Tool Purchases
Organization: Distribution, Gas, Transmission	Class(es) of Plant: Material
Project Initiator: [redacted]	Project Category: Material
Project Owner/Manager: [redacted]	Project Type: *Annual Program*
Project Sponsor: [redacted]	Project Purpose: part of regulatory tracked program? No
Estimated in service date: 01/01/2020	If Transmission Project: PTF / Non-PTF / NA N/A
Supplement to Existing Authorization? No	Capital Investment Part of Original Operating Plan? Yes
Eng./Constr. Resources Budgeted? N/A	O&M Expenses Part of the Original Operating Plan? N/A

Project Authorization

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

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

ERM: _____

FP&A: _____

Executive Summary

An authorization of $53,339,393 is requested to approve projects for the purchase of vehicles and tools. The overall Fleet Vehicle Capital Program (FVCP) is designed to provide safe, reliable and cost effective vehicle operation. The FVCP is designed to ensure Eversource's vehicles are reliable and right sized.

- Vehicle age, condition, and applicability to vehicle's use are reviewed to determine replacement need.
- Potential vehicle purchase types are evaluated for cost and right size for work tasks.
- Current fleet make-up is reviewed to determine vehicles that can be repurposed prior to purchasing new vehicles.
- Standardized vehicles are purchased.

The Fleet Vehicle Capital Program strategically replaces vehicles to improve reliability and mitigate long term costs that would arise from vehicle breakdown and user down-time. Vehicle replacement, in conjunction with vehicle standardization, improves vehicle reliability, appearance, and lowers cost.

The 2020 Fleet Vehicle Capital Program provides for replacement of 10% of the Eversource vehicle portfolio. The FVCP is managed proactively with a standard approach across Operating Companies. Vehicles to be replaced are identified annually as a component to the program. Vehicle replacements are prioritized based on age, condition, and need across the fleet.

As New England's clean energy catalyst, Eversource will lead by example and minimize the environmental footprint of its vehicle fleet. JEMS (jobsite energy management system) is expanding the program to include 48 new JEMS units which consist of Material Handlers, Trouble Trucks and Aerial Squirt Booms, in addition will electrify 6 Hybrid Vans/Pickups in 2020. The proposed plan is to electrify 100% of Eversource's fleet of 55' and 41' material handling bucket trucks in New Hampshire over the next six years and to increase the number of hybrid electric pickups and vans across the states starting in 2021.. This plan will primarily involve the purchase of new units and shifting of non-electrified models into MA and CT.

Please note, only the projects in red font require COO approval:

Operations Services/Fleet Operations 2020 Capital Plan - Vehicles & Tools			
State/Program	**Project ID**		**2020 Vehicles**
Electric Distribution		**$**	**40,123,962**
CT	CTEDVH20	$	16,307,111
EMA	MAEDVH20	$	8,498,639
NH	NHEDVH20	$	11,653,391
WMA	MAWDVH20	$	3,059,016
EESCo	SVCOVH20	$	605,805
Gas Distribution		**$**	**7,014,522**
CT	CTGSVH20	$	3,062,659
EMA	MAGSVH20	$	3,951,863
Operations - Total		**$**	**47,138,484**
Transmission		**$**	**5,750,909**
CT	CTTRVH20	$	1,237,923
EMA	MAETVH20	$	3,377,093
NH	NHTRVH20	$	1,073,382
WMA	MAWTVH20	$	62,511
Total 2020 Capital - Vehicles		**$**	**52,889,393**
Tools		**$**	**450,000**
CT	GECNCLP	$	95,000
EMA	MAETOOLS	$	295,000
NH	NHTOOLS	$	40,000
WMA	MAWTOOLS	$	20,000
Total 2020 Capital - Vehicles & Tools		**$**	**53,339,393**

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	2019	20__	20__+	Totals
Capital Additions - Direct	$ -	$ 53,078	$ -	$ -	$ 53,078
Less Customer Contribution	-	-	-	-	-
Removals net of Salvage ____%	-	-	-	-	-
Total - Direct Spending	$ -	$ 53,078	$ -	$ -	$ 53,078
Capital Additions - Indirect	-	261	-	-	261
Subtotal Request	$ -	$ 53,339	$ -	$ -	$ 53,339
AFUDC	-	-	-	-	-
Total Capital Request	$ -	$ 53,339	$ -	$ -	$ 53,339
O&M	-	-	-	-	-
Total Request	$ -	$ 53,339	$ -	$ -	$ 53,339

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

Direct Capital Costs	Year 1	Year 2	Year 3+	Total
Straight Time Labor				
Overtime Labor				
Outside Services				
Materials	$53,078			$53,078
Other, including contingency amounts (describe)				
Total	$53,078			$53,078

Indirect Capital Costs	Year 1	Year 2	Year 3+	Total
Indirects/Overheads (including benefits)	261			261
Capitalized interest or AFUDC, if any				
Total	261			261

Total Capital Costs				
Less Total Customer Contribution				
Total Capital Project Costs	$53,339			$53,339
Total O&M Project Costs				

Note: Explain unique payment provisions, if applicable

If this is a new business project, is a customer contribution required? 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).