Operations Project Authorization Form

Date Prepared: October 31, 2019	Project Title: 2020 Meter Capital Program (MTR20)
Company: CL&P Connecticut NSTAR Eastern MA WMECO Western MA PSNH New Hampshire	Project ID Number: CTMTR20 Connecticut Meter Purchases MAEMTR20 Eastern MA Meter Purchases MAWMTR20 Western MA Meter Purchases NHMRT20 New Hampshire Meter Purchases
Organization: Distribution	Class(es) of Plant: Meters / Material
Project Initiator: [redacted]	Project Category: Electric Distribution Meters
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: 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
Total Request: $55,000,000.00	

Financial Requirements:

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 $55,000,000 is requested to approve projects for the purchase of electric meters. The overall Meter Capital Program (MTR) is designed to provide accurate, reliable and cost effective metering plant operation. Meters are removed, replaced or installed to meet the needs of the organization including

- Meter Purchases for Life Cycle Exchange (LCE), meet the requirements of our regulators to meet accuracy standards. Meter age, condition, and accuracy as set by regulators and other recognized standards as needed
- Current meter make-up is reviewed to determine meters that can be reused prior to purchasing new.
- Meet the needs for new customer construction and expansion

- Standardized meter purchases across all Op-Co service territories.

The Electric Meter Capital Program strategically replaces Meters to improve reliability and mitigate long term costs that would arise from meter failures due to age or reduction in accuracy.

The 2020 Electric Meter Capital Program provides for replacement of about 4.3% of the Eversource meter plant. The program is managed proactively with a standard approach across Operating Companies. Meters to be replaced are identified annually as a component to the program. Meter replacements are targeted and prioritized based on accuracy performance, age, condition, and the need for new meters for new construction and customer expansion.

2020 Electric Meters

Op-Co	State	Project	Project Description	2020 Capital Budget
CL&P	CT	CTMTR20	CT Electric Meter Purchases	$30,697,423
NSTAR	EM	MAEMTR20	EM Electric Meter Purchases	$18,732,825
WMECO	WM	MAWMTR20	WM Electric Meter Purchases	$2,618,861
PSNH	NH	NHMTR20	NH Electric Meter Purchases	$2,950,892
			Total Meter Ops	**$55,000,000**

Projects in red font require COO approval

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	2020	20__	20__+	Totals
Capital Additions - Direct	$ -	$ 46,229	$ -	$ -	$ 46,229
Less Customer Contribution	-	-	-	-	-
Removals net of Salvage ____%	-	-	-	-	-
Total - Direct Spending	$ -	$ 46,229	$ -	$ -	$ 46,229
Capital Additions - Indirect	-	8,771	-	-	8,771
Subtotal Request	$ -	$ 55,000	$ -	$ -	$ 55,000
AFUDC	-	-	-	-	-
Total Capital Request	$ -	$ 55,000	$ -	$ -	$ 55,000
O&M	-	-	-	-	-
Total Request	$ -	$ 55,000	$ -	$ -	$ 55,000

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	9,774			
Overtime Labor	980			
Outside Services	1,939			
Materials	33,536			
Other, including contingency amounts (describe)				
Total	46,229			

Indirect Capital Costs	Year 1	Year 2	Year 3+	Total
Indirects/Overheads (including benefits)	8,771			
Capitalized interest or AFUDC, if any	0			
Total	8,771			

Total Capital Costs	55,000			
Less Total Customer Contribution	0			
Total Capital Project Costs	55,000			
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).