Supplement Request Form

Approved at August 7, 2019 EPAC

Link to Meeting Minutes

Date Prepared: 7/23/19	**Project Title: [redacted] Replace [redacted]**
Company/Companies: Eversource CT	**Project ID Number: CS00097**
Organization: Asset Management	**Plant Class/(F.P. Type): Distribution Substations**
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: $1,007K	**Estimated in service date(s): 5/31/19**
Supplement Request: $872K	**Other: N/A**
Total Request: $1,879K	

Supplement Justification

The [redacted] project had an original authorized budget of $1,007K, which was approved in PowerPlan on 9/25/2017 under the OCRC project approval process. The project was placed in service on May 31, 2019. This supplement requests approval of an additional $872K for an updated total request of $1,879K.

The scope was to remove [redacted] This project was completed in conjunction with the [redacted] projects.

The project is complete and the total spend on the project is $1,879 as of July 26, 2019.

The primary reason for the supplement request is additional labor cost and man days were much higher than the estimates. The [redacted] costs that were not accounted for in the estimate. The increase in labor man days resulted in increases in direct costs and as well as increases in the indirect costs.

Justification for Additional Resources

The reasons for the project authorization supplement of $872K are summarized below:

1. **Engineering: $5K** – Increased engineering costs are primarily due to addition of [redacted].
2. **Labor: $224K -** Increased [redacted] There was

also increased spending for the [redacted] This work was listed in the engineering scope but the appropriate number of man days was not included in the original engineering estimate.

3. **Materials: ($39K) -** Spending on materials was lower than the estimate.

4. **Environmental Contract / Contingency: ($48)** – Spending on environmental contract and contingency was lower than the estimate.

5. [redacted]**: $79K -** This project spent three times as much as estimated for [redacted] The original man day estimate did not allocate enough test man days to complete the [redacted] was not included to review the project estimate before construction began. Other contributing factors for the increased time over the estimate were expanded project scope and Human Performance processes in use that were not included in the project estimate. Project Scope Variations included, [redacted] These extra actions required more test manhours prior to the actual outages and more man hours for [redacted].

6. **Indirects: $590K -** Indirect spending was higher due to increases in direct costs and a change in the rate in 2018.

7. **AFUDC: $61K -** AFUDC is higher due to more capital spending and delayed completion. Completion was delayed due to [redacted]

Supplement Cost Breakdown

The table below provides an overview of the line item categories from the original project estimates and the updated estimate:

Note: Dollar values are in thousands:

Line item Category	Prior Estimate ($)	Updated Estimate ($)	Variance ($)
Engineering	21	26	5
Labor	213	437	224
Materials	250	211	(39)
Env Contract/Contingency	86	38	(48)
Testing	38	117	79
Subtotal Direct Costs	**608**	**829**	**221**
Indirects	394	984	590
AFUDC	5	66	61
TOTALS	**1,007**	**1,879**	**872**

Please see the original authorization documentation attached.

Supplement Cost Summary

Note: Dollar values are in thousands

	Prior Authorized	Supplement Request	Total
Capital Additions - Direct	$608	$221	$829
Less Customer Contribution	$ -	$ -	$ -
Removals Net of Salvage ___%	$ -	$ -	$ -
Total Direct Spending	$608	$221	$829
Capital Additions - Indirect	$394	$590	$984
AFUDC	$5	$61	$66
Total Capital Request	$1,007	$872	$1,879
O&M	$ -	$ -	$ -
Total Request	$1,007	$872	$1,879

Note: Dollar values are in thousands

Total Supplement Request by year view:

	Prior years	Year 2019	Total
Capital Additions Direct	$ -	$221	$221
Less Customer Contribution	$ -	$ -	$ -
Removals Net of Salvage ___%	$ -	$ -	$ -
Total Direct Spending	$ -	$221	$221
Capital Additions - Indirect	$ -	$590	$590
AFUDC	$ -	$61	$61
Subtotal Request	$ -	$872	$872
O&M	$ -	$ -	$ -
Total Request	$ -	$872	$872

Project Authorization Form

Date Prepared: 09/07/2017	Project Title: [redacted] Replace [redacted]
Company/ies: Eversource CT	Project ID Number: CS00097
Organization: Strategy & Performance	Class(es) of Plant: Distribution
Project Initiator: [redacted]	Project Category: Environmental
Project Owner/Manager: [redacted]	Project Type: Specific
Project Sponsor: [redacted]	Project Purpose: : Environmental
Estimated in service date: 12/31/2017	If Transmission Project: NA
Supplement to Existing Authorization? Full Funding	Capital Investment Part of Original Operating Plan? Yes
Eng./Constr. Resources Budgeted? Yes	O&M Expenses Part of the Original Operating Plan? N/A

Executive Summary

[redacted] currently has [redacted] As part of an ongoing air and oil circuit breaker replacement program, the identified breakers have been slated for replacement. There is a [redacted]

Project Costs Summary

Note: Dollar values are in thousands

	Prior Authorized*	2017	2018	2019+	Total
Capital Additions Direct	603	608	0	0	$608
Less Customer Contribution	0	0	0	0	$0
Removals Net of Salvage 0%	0	0	0	0	$0
Total - Direct Spending	$603	$608	$0	$0	$608
Capital Additions - Indirect	391	394	0	0	$394
Subtotal Request	$994	$1,002	$0	$0	$1,002
AFUDC	5	5	0	0	$5
Total Request	$999	$1,007	$0	$0	$1,007

** to be completed if supplemental authorization is required*

Financial Evaluation

Direct Capital Costs	2017	2018	2019+	Total
Straight Time Labor	273	0	0	$273
Overtime Labor	0	0	0	$0
Outside Services	25	0	0	$25
Materials	250	0	0	$250
Other, including contingency amounts	60	0	0	$60
Total	$608	$0	$0	$608

Indirect Capital Costs	2017	2018	2019+	Total
Indirects/Overheads (including benefits)	394	0	0	$394
Capitalized interest or AFUDC, if any	5	0	0	$5
Total	$400	$0	$0	$400

Total Capital Costs	$1,007	$0	$0	$1,007

Less Total Customer Contribution	0	0	0	$0

Total Capital Project Costs	$1,007	$0	$0	$1,007

Total O&M Project Costs	$0	$0	$0	$0