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Operations Supplement Request Form

Approved on February 15, 2024 EPAC

Link to Meeting Minutes

Project Title: [redacted]	**Project Number: CS00103**
Date Prepared: 03/06/2024	**Company: Eversource CT**
Organization: Asset Management	**Class(es) of Plant: D SS**
Project Initiator: [redacted]	**Project Category:** [redacted]
Managing Organization: Operations	**Schedule ID#: N/A**
Project Manager: N/A	**Project Type: Specific**
Project Sponsor: N/A	**Capital Investment part of original Op Plan: Yes**
Project Manager's Director: N/A	**Estimated in service date: 12/13/2018**
Current Authorized Amount: $2,766K	**Emergency Related Request? No**
Supplement Request: $1,151K	**Supplement Type: Supplement**
Total Capital Request: $3,917K	**ISO-NE Approval Required (check all that apply):** ☐ **PAC** ☐ **TCA**
EJ Community Impact: No	

[1] Background

This request is for supplemental funding in the amount of $1,151K for a total Project funding of $3,917K. This project is currently authorized for $2,766K and was approved in Power Plan on January 26, 2016. The current project expenditure is $3,850K.

The scope of this project was the [redacted] was placed in service in May 2019.

This request is required to cover additional expenditures due increased construction and testing/commissioning costs to complete this project and maintain the scheduled in service date.

[2] Supplement Justification Overview

The driver of this Supplemental Funding Request (SRF) is an increase in labor charges due to the project starting with a compressed schedule which resulted in overtime. Also, there is an increased Indirects/Overhead charges of $970K. The original project funding did not properly account for the larger Indirects/Overhead cost, increased construction, engineering/design, environmental, siting and the transformer removals costs and associated testing/commissioning costs.

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[3] Supplement Justification Detail

The reasons for the project authorization supplement of $1,151K are summarized below.

1. **Environmental Approvals / Permits: $6K** – This item was included in the "other" category within the initial project estimate and was required for Project execution.

2. **Siting Approvals / Permits: $1K** – This item was included in the "other" category within initial project estimate and was required for Project execution.

3. **Engineering / Design: $38K** – Engineering and design cost were part of the "other" category in the original project estimate. The engineering/design costs were applied to the work order as required to complete the project scope.

4. **Materials (by Eversource): ($177K)** –The Eversource material cost was lower than originally estimated on the original project.

5. **Construction: $201K** – The major driver for the construction cost increase was due to extensive labor cost as a result of the compressed schedule to meet the required in service date.

6. **Testing / Commissioning: $357K** – The estimate associated with the prior authorized full funding amount did not include allocated dollars within this cost category and due to the compressed schedule, testing / commissioning phases required extended labor hours to complete.

7. **Project Management: $20K** – Project Management costs were part of the "other" category in the original project estimate. The Project Management costs were applied to the work order as required to complete the project scope

8. **Removals: $63K** – The original estimate allocated the funds for the removal work in the "other" category. Scope of work to [redacted] In addition, external services were required to perform oil testing and disposal activities, which led to higher cost than originally estimated.

9. **Other: ($315K)** – This amount was included in the original estimate for various project unknown costs, due to limited information available at the time of estimation. Costs for this line item were allocated to the appropriate line items as identified above.

10. **Risks: $50K** – These funds are included in the request to account for any additional project costs to complete the project closeout processing.

11. **Indirects/Overhead: $970K** – The original project authorization did not budget sufficient overhead funding in the original project estimate. There were additional direct charges which also increased the indirect/overhead charges.

12. **AFUDC: ($64K)** – This cost was lower than estimated in the original project estimate.

Total Supplement Request: $1,151K

Please find a copy of the prior authorization document attached as a reference.

[4] Supplement Cost Summary

The table below summarizes the line item categories from the original project estimates and the updated project estimates.

Note: Dollar values are in thousands and rounded to nearest thousand:

Line item Category	Prior Authorized	New Total Request	Variance (Supplemental Request)
1. ROW / Easements / Land Acquisition	$	$	$
2. Environmental Approvals / Permits	$	$6	$6
3. Outreach	$	$	$
4. Siting Approvals / Permits	$	$1	$1
5. Engineering / Design	$	$38	$38
6. Materials (Eversource purchased)	$1,327	$1,150	($177)
7. Construction (incl materials by contractors)	$346	$547	$201
8. Testing / Commissioning	$	$357	$357
9. Project Mgmt Team	$	$20	$20
10. Removals	$	$63	$63
11. Other	$315	$	($315)
12. Risks	$	$50	$50
SUBTOTAL DIRECTS W/ RISKS	**$1,988**	**$2,232**	**$244**
13. Indirects/Overhead	$706	$1,676	$970
14. AFUDC	$73	$9	($64)
PROJECT TOTAL – BASELINE BUDGET	**$2,766**	**$3,917**	**$1,151**
15. Contingency	$	$0	$0
TOTAL CAPITAL REQUEST	**$2,766**	**$3,917**	**$1,151**
16. Reimbursables/Customer Contribution	$	$	$
PROJECT TOTAL (LESS REIMBURSABLES)	**$2,766**	**$3,917**	**$1,151**

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Total Supplement Request by Year

Note: Dollar values are in thousands and rounded to nearest thousand:

Line item Category	2024	2025	2026	2027	Total
1. ROW / Easements / Land Acquisition	$	$	$	$	$
2. Environmental Approvals / Permits	$6	$	$	$	$6
3. Outreach	$	$	$	$	$
4. Siting Approvals / Permits	$1	$	$	$	$1
5. Engineering / Design	$38	$	$	$	$
6. Materials (Eversource purchased)	($177)	$	$	$	($183)
7. Construction (incl matl's by contractors)	$201	$	$	$	$201
8. Testing / Commissioning	$357	$	$	$	$357
9. Project Mgmt Team	$20	$	$	$	$20
10. Removals	$63	$	$	$	$63
11. Other	($315)	$	$	$	($315)
12. Risks	$50	$	$	$	$50
SUBTOTAL DIRECTS W/ RISKS	**$244**	**$**	**$**	**$**	**$244**
13. Indirects/Overhead	$970	$	$	$	$970
14. AFUDC	($64)	$	$	$	($64)
PROJECT TOTAL – BASELINE BUDGET	**$1,151**	**$**	**$**	**$**	**$1,151**
15. Contingency	$0	$	$	$	$0
TOTAL CAPITAL REQUEST	**$1,151**	**$**	**$**	**$**	**$1,151**
16. Reimbursables/Customer Contribution	$	$	$	$	$
PROJECT TOTAL (LESS REIMBURSABLES)	**$**	**$**	**$**	**$**	**$**
O&M	$	$	$	$	$
TOTAL REQUEST	**$1,151**				**$1,151**