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Operations Supplement Request Form

Approved on January 18, 2024 EPAC

Link to Meeting Minutes

Project Title: [redacted] **Add OP-18 Metering**	**Project Number:CS00473**
Date Prepared: 12/20/2023	**Company: Eversource CT**
Organization: Transmission Project Management	**Class(es) of Plant: D SS**
Project Initiator: [redacted]	**Project Category: Stations - Generators**
Managing Organization: Transmission / Major Projects	**Schedule ID#: N/A**
Project Manager: [redacted]	**Project Type: Specific**
Project Sponsor: [redacted]	**Capital Investment part of original Op Plan: No**
Project Manager's Director: [redacted]	**In service date: February 2022**
Current Authorized Amount: $445K	**Emergency Related Request? No**
Supplement Request: $88K	**Supplement Type: Supplement**
Total Capital Request: $533K (100% Reimbursable)	**ISO-NE Approval Required (check all that apply):** ☐ **PAC** ☐ **TCA**

[1] Background

Eversource is the Lead Market Participant (MP) for Rainbow Dam Hydroelectric Facility. [redacted]. Per Independent System Operator - New England (ISO-NE) Operating Procedure (OP) -14, as Lead MP, Eversource is responsible for ensuring this hydroelectric facility meets the Metering and Telemetering criteria, which are found in ISO-NE OP-18. Rainbow Unit 1 and Rainbow Unit 2, owned by The Stanley Works, located in Windsor, CT, each have a maximum output of 4.1 MW. [redacted]

A full funding request of $445K for this project was approved in PowerPlan on January 21, 2022. As of February 2, 2022, the project was placed into service and the total charges against the project are $533K. The total cost of this project is fully reimbursable through Special Contractual Obligations established by Eversource Distribution Rates.

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[2] Supplement Justification Overview

The primary driver of this supplement is increased testing cost of $225K ($183K more than the original $42K estimate).

- Purchase Order (PO) for testing and construction was over the project estimated value, the estimate was low based on the scope of work to be accomplished.
- Additional SCADA programming was required after initial install which resulted in a CO.

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[3] Supplement Justification Detail

The reasons for the project authorization supplement of $88 K are summarized below.

1. **Engineering / Design: $4K** – Engineering cost came in slightly higher due to additional scope being added (additional SCADA programming required for proper equipment operation).

2. **Materials (by Eversource): ($3K)** – Material cost for this project was slightly lower than estimated. This is being used to offset overages in Engineering, Testing/ Commissioning, Project Management, and Indirects.

3. **Construction: ($85K)** The construction cost was much lower due to the test vendor subcontracting the construction vendor. This is being used to offset overages in Engineering, Testing/ Commissioning, Project Management, and Indirects.

4. **Testing / Commissioning: $183K** – Test vendor was direct awarded contract for work, including subcontracting installation vendor. The initial contract was issued for more than the estimated direct costs - PO value of $218 (includes $10K in contingency – not all this contingency was used) vs. the estimated test/construction cost of $137K. A subsequent CO for $9K was issued for additional work, SCADA programming, requested by the SCADA group.

5. **Project Management Team: $8K** – Project Management team costs were higher than estimated due to the need for coordination on requested SCADA programming.

6. **Risk: ($27K)** – The original estimate included27K of risk budget. No additional risk is being requested. This is being used to offset overages in Engineering, Testing/ Commissioning, Project Management, and Indirects.

7. **Indirects/Overheads: $27K** – The Indirects were higher due to the increase in direct cost and rates at the time of the estimate.

8. **AFUDC: ($7K)** – 100% reimbursable projects do not get charged for AFUDC. This is being used to offset overages in Engineering, Testing/ Commissioning, Project Management, and Indirects.

9. **Contingency ($12K)** – The original estimate had $12K of contingency included in the budget. No additional contingency is being requested. This is being used to offset overages in Engineering, Testing/ Commissioning, Project Management, and Indirects

Total Supplement Request: $88K

Please find a copy of the prior authorization document attached as reference (see Attachment).

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[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:

Line item Category	Prior Authorized	New Total Request	Variance (Supplemental Request)
1. ROW / Easements / Land Acquisition	$	$	$
2. Environmental Approvals / Permits	$	$	$
3. Outreach	$	$	$
4. Siting Approvals / Permits	$	$	$
5. Engineering / Design	$28	$32	$4
6. Materials (Eversource purchased)	$46	$43	($3)
7. Construction (incl matl's by contractors)	$95	$10	($85)
8. Testing / Commissioning	$42	$225	$183
9. Project Mgmt. Team	$25	$33	$8
10. Removals	$	$	$
11. Other	$	$	$
12. Risks	$27	$	($27)
SUBTOTAL DIRECTS W/ RISKS	**$263**	**$343**	**$80**
13. Indirects/Overhead	$163	$190	$27
14. AFUDC	$7	$	($7)
PROJECT TOTAL – BASELINE BUDGET	**$433**	**$533**	**$100**
15. Contingency	$12	$	($12)
TOTAL CAPITAL REQUEST	**$445**	**$533**	**$88**
16. Reimbursables/Customer Contribution	($445)	($533)	($88)
PROJECT TOTAL (LESS REIMBURSABLES)	**$0**	**$0**	**$0**

Total Supplement Request by Year

Note: Dollar values are in thousands:

Line item Category	2022	2023	2024	2025	Total
1. ROW / Easements / Land Acquisition	$	$	$	$	$
2. Environmental Approvals / Permits	$	$	$	$	$
3. Outreach	$	$	$	$	$
4. Siting Approvals / Permits	$	$	$	$	$
5. Engineering / Design	$	$4	$	$	$4
6. Materials (Eversource purchased)	$	($3)	$	$	($3)
7. Construction (incl matl's by contractors)	$	($85)	$	$	($85)
8. Testing / Commissioning	$	$183	$	$	$183
9. Project Mgmt. Team	$	$8	$	$	$8
10. Removals	$	$	$	$	$
11. Other	$	$	$	$	$
12. Risks	$	($27)	$	$	($27)
SUBTOTAL DIRECTS W/ RISKS	**$**	**$80**	**$**	**$**	**$**
13. Indirects/Overhead	$	$27	$	$	$27
14. AFUDC	$	($7)	$	$	($7)
PROJECT TOTAL – BASELINE BUDGET	**$**	**$100**	**$**	**$**	**$**
15. Contingency	$	($12)	$	$	($12)
TOTAL CAPITAL REQUEST	**$**	**$88**	**$**	**$**	**$**
16. Reimbursables/Customer Contribution	$	($88)	$	$	($88)
PROJECT TOTAL (LESS REIMBURSABLES)	**$**	**$0**	**$**	**$**	**$**
O&M	$	$	$	$	$
TOTAL REQUEST	**$**	**$88**	**$**	**$**	**$88**