Shared Services Project Authorization Form

Project Title: Connecticut-Electric Residential Bill Redesign	**Project Number:** IT23440
Date Prepared: 11/03/2022	**Company:** CL&P Electric Distribution 11
Organization: Customer Experience and Digital Strategy	**Class(es) of Plant:** Software
Project Initiator: [redacted]	**Authorization Type:** Full Funding
Business Project Manager: [redacted]	**Project Type:** Specific
Project Sponsor: [redacted]	
Estimated in service date: TBD	**Capital Investment part of original Operating Plan:** Yes
Total Capital Request: $ 4,696,000	**O&M Expenses part of request:** No
Estimated Life of Asset (check one)**:** X 5yrs ☐ 10yrs ☐ 15yrs ☐ Other:_____	**Emergency Related Request?** No

Executive Summary

The General Statutes of Connecticut (Conn. Gen. Stat.§ 16-245d(a)(2)) states, “every five years ... the authority shall reopen such docket to ensure the standard billing format and Internet web site for a customer’s account summary remains a useful tool for customers to compare pricing policies and charges among suppliers.”

In 2021, Connecticut Public Utilities Regulatory Authority (“PURA”) opened docket 14-07-19RE06 to examine whether the standard Electric Distribution Companies (“EDCs”) billing format and Internet website for residential customer accounts remains a useful tool and to determine if specific modifications are warranted for implementation.

The Authority specifically directed the EDCs and the Office of Education and Enforcement (“EOE”) to examine the following issues in this proceeding:

1.Whether the information displayed in the graphs and on the front page of a customer bill requires modifications to comport with the outlined objectives;

2.Whether the general format, inclusive of categories and granularity of data, of a customer bill can be standardized between the EDCs;

3. Whether some existing line items should be bundled, and others unbundled, to strike the appropriate balance between transparency and accessibility;

4. The reclassification and associated definitions of certain electricity delivery charges into distinct categories such as, “public policy initiatives,” “public policy contracts,” “energy efficiency and renewable programs,” or other appropriate terminology;

5. Development of or improvements to online digital tools for account summary, bill comparison, explanation of bill components, and customer education; and

6. Implementation timelines and costs for any proposed billing presentment modifications.

The preliminary decision , issued July 27, 2022, in the caserequires all Connecticut Electric Distribution Companies (EDCs) to make changes to the residential customer bill, including:

- Changes to pages 1 and 2
  - Bill Presentment changes
  - Separate sections for Supply, Transmission, Local Delivery, and Public Policy
  - Realignment of sections custom to Connecticut Electric Residential Rates 1,5,7 ONLY
  - Add more customer information ie mail address/cycle/read date/name key,
  - Relabeling of some headers
  - Realignment of supplier comparison information
  - Adding a QR Code
  - Relabeling of charge line descriptors
- Payment arrangement information
- Relabel solar meter box labels,
- Web bill pop (view bill) functionality
- Operation Fuel donation options.

These changes will help residential customers better understand their electric bill, payment arrangement options, solar kWh production, viewing their bill electronically before paying, and additional donation options to Operation Fuel. A final Order is anticipated Dec, 2022. We not expect material changes on that final order.

Project Costs Summary

Capital Costs	Year 2023	Year 2024	Total
Direct Capital Costs			
Internal Labor	220,000	109,000	329,000
Outside Services	2,362,000	880,000	3,242,000
Materials			
Removals			
Risk and Contingency		783,000	783,000
Other			
Subtotal	2,582,000	1,772,000	4,354,000
Indirect Capital Costs			

Indirect/Overheads (including benefits)	202,000	101,000	303,000
Capitalized interest or AFUDC, if any	19,000	20,000	39,000
Subtotal	221,000	121,000	342,000
Total Capital Project Costs	**2,803,000**	**1,893,000**	**4,696,000**

Costs by Entity	CL&P Electric Distribution 11	**Total**
Direct Capital	4,354,000	4,354,000
Indirect Capital	342,000	342,000
Total Capital Project Costs by Entity	**4,696,000**	**4,696,000**

O&M Project Costs	**Year 2023**	**Year 2024**
Labor		
Outside Services		
Materials		
Training		
Other		
Total O&M Related Costs		

Software as a Service (SaaS):

SAAS*	**Year 2023**	**Year 2024**
Capital		
O&M		
Total		

Alternatives Considered:

Project is a compliance obligation with alternatives considered (please describe below)

No alternatives were considered by Eversource as this is a regulatory request

Regulatory Requirements:

Yes - detailed explanation provided in appendix

Future Costs:

Future Costs	**Year 2023**	**Year 2024**	**Year 2025**	**Year 2026**	**Total Costs**
Capital					

O&M	16,000	21,000	21,000	21,000	79,000
Other					
Total Future Costs	**16,000**	**21,000**	**21,000**	**21,000**	**79,000**

Future O&M represents:
Track 4 Bill Pop (view bill before paying) increase in KUBRA costs annually
KUBRA cost per view bill $0.068
Connecticut-Electric annual Pay Bill views 641,000
Connecticut-Electric annual View Bill views 340,000
Difference (estimated increase) 301,000 * $0.068/bill = Approx. $20,500/year

What functional area(s) will these future costs be funded in (include manager and CCC)?
Elizabeth Jones - Director, Customer Digital and Technology Strategy 08E Digital Strategy
Per Email from Elizabeth Jones on 11/17/22

Future Financial Benefits:

No - project is not undertaken for financial benefits

Project Justification:

Connecticut billing system changes are required for Eversource to comply with the approved Docket No. 14-07-19RE06 PURA examination of EDC bill format and Internet website for residential customers.

Eversource (C2) core billing system is used to bill Connecticut-Electric Residential customers and 3rd party vendor KUBRA platform is used for Web Eversource.com electronic view bill and pay bill functionality.

The Scope of this project will be delivered in 2023-2024 in 5 Tracks:

- Track 1 by October 2023 update C2 Bill Presentment Page 1 and Page 2 to KUBRA (C2 database, C2 programs, C2 interface to KUBRA, KUBRA platform, Provide changes made to the C2 Bill Presentment Pages 1 and 2 to KUBRA that support a clear definition of what charges are on the bill for CT Electric Residential customers by October 2023 per the order.
- Track 2 by May 2024 update C2 batch job stream to run CACS-Credit And Collections System processes before Bill Presentment processing in order to develop a new KUBRA bill type for Payment Arrangement options for customers with a past due balance.
- Track 3 by May 2023 update KUBRA rules to relabel Meter Box for Solar net metering customers.
- Track 4 by May 2023 update KUBRA bill pop functionality on KUBRA platform used for Web Evesrource.com pay bill/view bill to first display the bill by default before paying the bill electronically on the Web.
- Track 5 by June 2023 develop additional pay bill Operation Fuel options (radio button currently only allows $1 donation that will be expanded to allow $1, $2, or $3 donations)

on the KUBRA platform Web Eversource.com. The Web additional Operation Fuel options requires a C2 mainframe payment module change to accept $2 and $3 and store the customer accumulated non-taxable Operation Fuel donation for display on the Eversource color bill.

Project Schedule:

Milestone/Phase Name	Estimated Date
Track 1 – Bill Presentment Page 1 and Page 2	
Requirements	March 2023
Design	April 2023
Build	May-June-July 2023
Test	August-September 2023
In Service Date	October 2023
Track 2 – Bill Presentment Payment Arrangement options	
Requirements	August-September 2023
Design	October 2023
Build	November-December 2023 January-February 2024
Test	March-April 2024
In Service Date	May 2024
Track 3 – Bill Presentment relabel Meter Box for Solar	
Requirements Design	April 2023
Build Test	May 2023
In Service Date	May 2023
Track 4 – Web Bill Pop (view bill before paying)	
Requirements Design	March 2023
Build	April 2023
Test	May 2023
In Service Date	May 2023
Track 5 – additional Operation Fuel donation options	
Requirements	March 2023
Design	April 2023
Build	May 2023
Test	June 2023
In Service Date	June 2023

Risks and Risk Mitigation Plans

Risk	*Risk Mitigation Plan*

Inability to comply with Docket 14-07-19RE06.	Project Sponsors are requesting PAF approval in anticipation of the final 14-07-19RE06 Order requiring Electric Distribution Companies to redesign the Connecticut-Electric Residential customer bill.
Availability of Business Resources.	Business Project Manager is working closely with Business Leadership to ensure necessary resources are available to meet target deliverables.
Availability of IT Resources.	IT Leadership is working with TCS Supplier to secure separate development team resources from TCS.
Legacy billing system (C2) will eventually be migrated to a new (Omni) SAP billing system. A date for Connecticut has not been set.	Omni SAP project team will be kept informed of Connecticut-Electric Residential Bill Redesign approved by PURA in Docket 14-07-19RE06 as this regulatory Order will need to be developed in 'future state' Omni SAP for Connecticut-Electric.

Appendices

- ***Future Financial Benefits:***

If the project has future financial benefits, please use the following table to provide the yearly amounts.

Financial Benefits	**Year 20__**	**Year 20__**	**Year 20__**	**Year 20__**
O&M reductions				
Other (i.e: return on investment, revenues)				
Total Financial Benefits				

Describe the estimated future financial benefits noted above:

What functional area(s) will these benefits be reflected in?_____

A representative from the respective functional area is required to be included as a project approver.

- ***If the project has regulatory requirements, please disclose here***

Project is to support approved Docket 14-07-19RE06 PURA Investigation into Redesign of the Residential Electric Billing Format – Five Year Review.

14-07-19RE06 Motion No. 17 Ruling

Appendix B - Regulatory Required

Appendix C - Regulatory Required

Analysis of Vendor Software Payments for Cloud-Based Software Applications Hosting Fees ONLY

This document ONLY needs to be utilized if Eversource Energy is entering into a Cloud-Based Application and the Application has Hosting Fees which are also referred to as; Hosted Solution, Cloud Fees, Cloud Solution, Enterprise Agreement (EA), Enterprise License Agreement (ELA), Licensing Fee, RTU's (Rights to Use), Maintenance Agreement, Support & Service Agreement.

Project Name:

Complete the following analysis of vendor software payments for cloud-based software applications for the *hosting fees only* (as defined above):

- Accounting should be determined by Plant Accounting Services during PAF development.
- Attach documentation or information from IT supporting the nature of software payments.
- Also see APS 3 for capitalization policy for software costs.

NOTE: A pro rata portion **of the hosting fees** incurred during the development phase (described below) may be capitalized up to the point when the product goes **in-service**.

Development phase: In accordance with APS 3, SaaS/Cloud projects that do not meet the two capitalization criteria as outlined in APS 3 may have internal and external direct costs during the development phase (**prior to in service date**) that may be capitalized. External direct costs may include the pro-rata portion of an up-front software usage fee applicable to use of the software to develop the project before it is in service. Indicate below pro rata portion of development phase hosting fees requested to be capitalized:

Development phase: # months (provide support) (A) _____

÷ Total hosting contract period: # months (B) _____

= Pro rata portion that may be capitalized (A) ÷ (B) _____%

Total hosting fees over contract period $_____

Development phase amount requested to be capitalized (% x Total fees above) $_____
For costs after development phase, complete PAF break-out of capital/expense.