

 PUGET SOUND ENERGY	Project Change Request		PCR Number: 10	Gate: 4	
	2011		Originator: Lombard, Barry		
	<i>PCR version 1.05</i>		Submit Date: 7/21/2011		
			<input checked="" type="checkbox"/> Gate Change		

WBS Element: S.00766	P3 Project ID: ARDM06	In-Service Date: 3/27/2012
Project/Program Name: Ardmore Substation		Prior In-Service:
Project/Program: Project	Budget/Document: Budget	Project Phase: Construction
		Notification: 10608352

	<u>Lifetime Capital</u>	<u>Lifetime OMRC</u>	<u>2011 Annual Capital</u>	<u>2011 Annual OMRC</u>
Original Plan:	\$15,725,000	\$90,000	\$13,986,336	\$117,405
Net Approved Δ:	\$13,679,838	\$526,854	\$2,498,664	-\$117,405
Current Plan:	\$29,404,838	\$616,854	\$16,485,000	\$0
Current PCR:	\$5,924,000	\$0	\$4,830,000	\$0
Revised Plan:	\$35,328,838	\$616,854	\$21,315,000	\$0

Description of change:
 The primary purpose of this PCR is to obtain Gate 5 funding approval for installation of the distribution system for Ardmore Substation. A separate Gate 5 approval was previously approved for the substation civil construction work.

This PCR updates cost estimates for all phases of the project. The most significant adjustment in this PCR is a \$4.7M increase in the requested funding for construction of the distribution system. Because the only available space for installing conduits for the new distribution system is in the center lanes of high traffic streets, the project was much more challenging than originally anticipated. The project will now be completed through a combination of contract work and units.

Justification / Benefit:
 Approval of this PCR will allow the construction of the distribution system to proceed, which will keep the entire project on schedule for bringing the new substation on line in March 2012. This project is critical for improving reliability and mitigating the risk of extended outages to commercial and residential customers. The project will also add capacity for future growth.

Risk of not implementing change:
 The major risk of not implementing this project is that transformers and circuits of surrounding substations can become overloaded during summer periods resulting in equipment damage and extended outages to customers in this area. There is also a risk that without the new substation there will not be sufficient capacity to serve future growth.

Alternatives:
 An alternative to building the switching station at this time would be to install a circuit breaker at Ardmore and defer the switching station until the 2nd bank is installed at Ardmore or Interlaken. The breaker would enable some level of automatic switching as an interim measure to address single contingency situations. This was rejected for reliability/cost issues.

Item	Description	Qty	Units	Unit Price	Net Amount
1	Increase Substation WBS by \$121, 000 to \$12,921,000.	1	1	121,000	\$121,000
2	Increase Distribution WBS S007660201 \$4,709,000.	1	1	4,709,000	\$4,709,000
					\$0
					\$0
Total					\$4,830,000

Submitted and reviewed:

<input checked="" type="checkbox"/> Barry Lombard, Project Manager - 7/21/2011	<input checked="" type="checkbox"/> Carol Jaeger, Planner - 7/22/2011
<input checked="" type="checkbox"/> John Peferman, Budgeting - 7/25/2011	<input checked="" type="checkbox"/> Carl Zimmermann, Project Controls - 7/25/2011

Recommendation:

Status / Change Control Board Review:

Approved
 Approved with Conditions
 Deferred
 Denied

<input checked="" type="checkbox"/> Shauna Tran, Manager, Project Management - 8/1/2011	<input checked="" type="checkbox"/> Duane Henderson, Manager, Planning - 8/1/2011
<input checked="" type="checkbox"/> Brenda Bartell, Manager, Budgeting - 8/11/2011	

LIFETIME PROJECT BUDGET

PCR: 10

Year	WBS Element	Project Description	
Prior Years Actual Costs by WBS			
Thru 2010	S007660101	Ardmore Substation	
	S007660101	ARDMORE SUB BK 1 & 4 FEEDERS	
	S007660201	Ardmore Substation - Distribution	
	S0076603	Ardmore Sub Property Purchase	
	S007660401	Ardmore Substation - Transmission Lines	
Prior Years Subtotal			
Current Year Approved Changes			
2011	S007660101	Ardmore Substation	
	S007660101	ARDMORE SUB BK 1 & 4 FEEDERS	
	S007660201	Ardmore Substation - Distribution	
	S0076603	Ardmore Sub Property Purchase	
	S007660401	Ardmore Substation - Transmission Lines	
Current PCR Request			Gate*
2011	S007660101	Ardmore Substation	5
	S007660101	ARDMORE SUB BK 1 & 4 FEEDERS	4
	S007660201	Ardmore Substation - Distribution	4
	S0076603	Ardmore Sub Property Purchase	
	S007660401	Ardmore Substation - Transmission Lines	
Current Fiscal Year Subtotal			
5-Year Plan by WBS			
2012	S007660101	Ardmore Substation	
	S007660101	ARDMORE SUB BK 1 & 4 FEEDERS	
	S007660201	Ardmore Substation - Distribution	
	S0076603	Ardmore Sub Property Purchase	
	S007660401	Ardmore Substation - Transmission Lines	
2013	S007660101	Ardmore Substation	
	S007660101	ARDMORE SUB BK 1 & 4 FEEDERS	
	S007660201	Ardmore Substation - Distribution	
	S0076603	Ardmore Sub Property Purchase	
	S007660401	Ardmore Substation - Transmission Lines	
2014	S007660101	Ardmore Substation	
	S007660101	ARDMORE SUB BK 1 & 4 FEEDERS	
	S007660201	Ardmore Substation - Distribution	
	S0076603	Ardmore Sub Property Purchase	
	S007660401	Ardmore Substation - Transmission Lines	
2015	S007660101	Ardmore Substation	
	S007660101	ARDMORE SUB BK 1 & 4 FEEDERS	
	S007660201	Ardmore Substation - Distribution	
	S0076603	Ardmore Sub Property Purchase	
	S007660401	Ardmore Substation - Transmission Lines	
2016 & beyond	S007660101	Ardmore Substation	
	S007660101	ARDMORE SUB BK 1 & 4 FEEDERS	
	S007660201	Ardmore Substation - Distribution	
	S0076603	Ardmore Sub Property Purchase	
	S007660401	Ardmore Substation - Transmission Lines	
Lifetime Project Capital Plan			
Lifetime Project OMRC Plan			

Capital				
Actuals	Δ Requested	Original Budget	Approved Budget	Requested Budget
\$2,728,498				
\$7,628,829				
\$2,512				
\$10,359,838				
\$1,020,126	\$1,570,100	\$11,229,900	\$12,800,000	
\$84,726	\$1,083,644	\$1,531,356	\$2,615,000	
	\$203,280	\$816,720	\$1,020,000	
	-\$358,360	\$408,360	\$50,000	
	\$121,000	\$11,229,900	\$12,800,000	\$12,921,000
	\$4,709,000	\$1,531,356	\$2,615,000	\$7,324,000
		\$816,720	\$1,020,000	\$1,020,000
		\$408,360	\$50,000	\$50,000
\$1,104,853	\$4,830,000	\$13,986,336	\$16,485,000	\$21,315,000
	-\$40,000		\$1,050,000	\$1,010,000
	\$1,134,000		\$1,150,000	\$2,284,000
			\$360,000	\$360,000
\$11,464,691	\$8,422,664	\$13,986,336	\$19,045,000	\$24,969,000

OMRC				
Actuals	Δ Requested	Original Budget	Approved Budget	Requested Budget
\$596,854				
\$596,854				
\$285	-\$71,463	\$71,463		
\$285				
	-\$25,524	\$25,524		
	-\$20,418	\$20,418		
		\$71,463		
		\$25,524		
		\$20,418		
\$569	\$0	\$117,405	\$0	\$0
\$597,423	-\$117,405	\$117,405	\$20,000	\$20,000

Lifetime Capital + OMRC					Revised Lifetime Capital	Revised Lifetime OMRC
Actuals	Δ Requested	Original	Approved	Requested Budget		
\$12,062,114	\$8,305,259	\$14,103,741	\$19,065,000	\$24,989,000	\$35,328,838	\$616,854

* Gate entered should be the gate before the PCR has been approved.

PCR: 10
Lifetime Project PCR History

PCR History by WBS

Year	PCR #	Hyperlink	PCR Status
2011	9	\\sestdpt1.puget.com\sopmpps\PM Budget Forecast\PCRs\Ardmore Substation\PCR 9 06-28-11.xls	Approved
2011	8	\\sestdpt1.puget.com\sopmpps\PM Budget Forecast\PCRs\Ardmore Substation\PCR 8 05-25-11 Final - Dir Approval.pdf	Approved
2010	7	\\sestdpt1.puget.com\sopmpps\PM Budget Forecast\PCRs\Ardmore Sub\PCR 7 01-04-11 Final.pdf	Approved
2010	6	\\Sestdpt1.puget.com\sopmpps\PM Budget Forecast\PCRs\Ardmore Sub\PCR 6 06-30-10.pdf	Approved
2010	5	\\Sestdpt1.puget.com\sopmpps\PM Budget Forecast\PCRs\Ardmore Sub\PCR 5 04-06-10.pdf	Approved