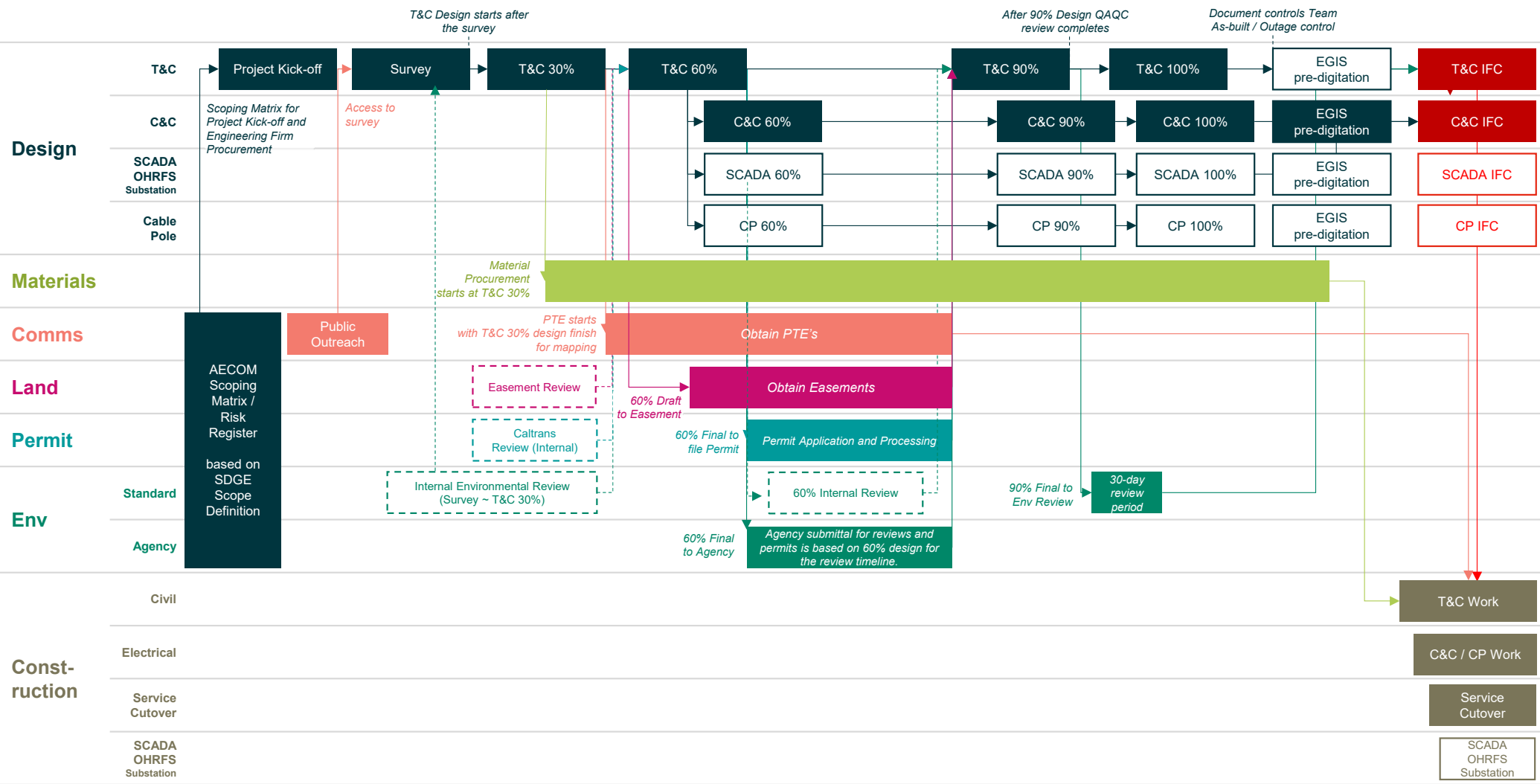


SUG Process Flow



Changes to SUG Process for moving projects to IFC



Current State

SUG receives circuits from the scoping process divided into individual projects (aka, phases, sections) with alphanumeric designations. For instance, Circuit 210 is approximately 33.11 miles and is divided up into 14 projects of no more than 3.60 miles each, C0210 A through C0210 N. Each project is treated individually through all the processes leading to IFC so the size of each project is achievable, and progress can be maintained.

Following the 60% design step, the land acquisition, environmental study, cultural resource study, and permitting processes begin. These processes proceed in parallel with the development of the design and frequently problems encountered in these processes result in changes to the design.

For instance, if a customer is unwilling to sign an easement or wants changes to how the trench is routed a change to the design results. If environmentally sensitive areas or cultural resources are identified the route may be changed to avoid these areas. Feedback from regulatory agencies can also require changes in the design. These changes result in significant design rework and wasted effort. In some cases, **significant changes have been made following the 90% or even 100% milestone, meaning the design is de facto a pre-60% design while carried on the schedule as much more developed.** Often the projects are split into smaller sections so an achievable section of the project can be accomplished while land acquisition or permitting challenges are addressed on the remainder of the project. The macro result is schedule delays, higher costs, wasted effort, and greater uncertainty regarding outcomes of the program.

Future State

Going forward **the design process will be paused at the 60% point to allow the land acquisition, environmental, archeological, and permitting processes to assess their status** and advance to a point where the majority of the challenges are known. **Then the circuit will be divided, if needed, into projects based on grouping the challenges and isolating them from less challenging portions of the circuit with the aim of speeding up sections of the circuit which can be moved to IFC from those which will take longer.** This will allow more timely construction and energization and provide better confidence in the schedule.

To support this change, the first step will be **awarding entire circuits, to the extent possible, to single design and survey firms.** The firms will be directed to advance all projects through the milestones together (or very close to each other) to support a comprehensive review of the circuit at the 60% design point. **The duration of the pause** will be based on input from the lands, environmental, archeological, and permitting teams but is estimated to be **about six weeks.** During this pause the teams will attain a broad understanding of the challenges facing the circuit. The duration of the pause should be long enough to attain a reasonable amount of information to support a quality decision making process but not so long as to attain complete understanding of every challenge. The duration is likely to be adjusted as the team gains experience. At the end of the pause, SUG will hold a meeting to review the input from the teams with a geographical view and will divide the circuit into new project segments to maximize the efficiency of the subsequent efforts to move the projects into construction.