# STATE OF CONNECTICUT

## PUBLIC UTILITIES REGULATORY AUTHORITY

DOCKET NO. 26-04-27
PURA INVESTIGATION AND IMPLEMENTATION OF NON-WIRES SOLUTIONS PROCESS REFORMS

**NOTICE OF REQUEST FOR WRITTEN COMMENTS**
December 17, 2026

**BACKGROUND**

On November 9, 2022, the Public Utilities Regulatory Authority (Authority or PURA) established a Non-Wires Solutions (NWS) Process applicable to The Connecticut Light and Power Company d/b/a Eversource Energy (Eversource) and The United Illuminating Company (UI; together, with Eversource, the Companies or EDCs). Decision, Nov. 9, 2022, Docket No. 17-12-03RE07, PURA Investigation Into Distribution System Planning of the Electric Distribution Companies – Non-Wires Alternatives, (NWS Decision).

On December 18, 2024, the Authority approved key NWS Process Materials and design documents subject to certain modifications, which concluded the Process Initiation Phase of the NWS Process. Decision, Dec. 18, 2024, Docket No. 24-08-08, Non-Wires Solutions Process Initiation Phase, (24-08-08 Decision).

On April 17, 2026, the Authority paused further NWS process cycles because the program was not achieving its objectives. Docket No. 26-08-08, Non-Wires Solutions Process Cycle 2, (Process Cycle 2), Notice of Docket Closing, Apr. 17, 2026. Specifically, the EDCs did not recommend any grid needs for a solicitation process or further NWS evaluation in the first or second process cycle. Decision, Dec. 10, 2025, Docket No. 25-08-08, Non-Wires Solutions Process Cycle 1, pp. 6, 8, (25-08-08 Decision); Eversource Compliance, Feb. 6, 2026, Process Cycle 2, Att. 15; UI Compliance, Feb. 6, 2026, Process Cycle 2, App. 6. No procurement efforts resulted from the first two process cycles. Therefore, the Authority initiated this proceeding to investigate and implement reforms to the NWS Process.

This Written Comments request is organized around three topic areas listed below. Although the Authority identifies specific questions, stakeholders are encouraged to comment on the full contents of the topic areas.

(1) Revised Program Objectives: The Authority proposes a revised set of program objectives with the goal of aligning stakeholders on the desired program outcomes and soliciting feedback on what defines a successful NWS program.
(2) Program Structure Proposals: The Authority sketches several revised program structure options which would change when and how often information gets filed, how NWS opportunities are evaluated, and how

procurement decisions are made. The program structure proposals are high level concepts intended to generate discussion on the direction and scope of program reforms. Stakeholders are welcome to offer alternative proposals or variations.

(3) Topic Areas for Reform: The goal of this section is to further define the scope of the redesign proceeding and generate feedback on reform concepts for key aspects of the program. Stakeholders are invited to comment on the reform concepts and recommend additional areas of the program that should be revisited to assist the Authority in finalizing the scope of the redesign proceeding.

## Revised Program Objectives

The NWS Decision established seven interconnected policy objectives that underpinned the Authority's decision-making in the design of the RE07 NWS Process. NWS Decision, p. 5. These objectives included establishing a framework for prudence review, incorporating independent oversight and stakeholder perspectives, creating a competitive and adaptable process, and advancing Connecticut's policy goals. Id. While these remain important goals for the program, the Authority proposes a revised set of five program objectives to clarify the intended outcomes. The proposed revised program objectives are listed in the table below and discussed further for the purposes of soliciting stakeholder comments.

**Table 1: Proposed Revised NWS Program Objectives**

| No. | Objective |
|---|---|
| 1. | Maximize value to distribution customers. |
| 2. | Maintain system reliability. |
| 3. | Manage uncertainty in forecasted system needs with flexible solutions. |
| 4. | Objectively evaluate technology-neutral alternatives. |
| 5. | Promote efficient utilization of the distribution system. |

1. Maximize value to distribution customers.

With this revised objective, the Authority emphasizes that the primary mission of the NWS program is to successfully procure NWS through transparent and competitive processes. In many ways, the RE07 NWS Process was foremost a prudence framework centering around the development of a contemporaneous record of information available

to the utilities. Prudence was the first and leading program objective. NWS Decision, p. 6. One design element that resulted from the 'NWS program as a prudence framework' was its broad focus on nearly all distribution system investments and its emphasis on generating a complete evaluation record for a large portion of utility investments. Creating a record of information around alternative investments remains an important program outcome, but program success is expected to be measured more by the value it creates through the deployment of innovative grid needs solutions.

The first revised program objective also allows for flexibility in how non-wires solutions are developed and sourced to avoid preferencing a specific program structure. Competitive procurements were the primary mechanism for driving NWS deployment in the RE07 NWS Process. NWS Decision, p. 7. Market solicitations will likely play a key role in the revised process, but there may be circumstances where utility-led solutions are appropriate. For instance, there may be timing, cost, and efficiency advantages to drawing on established vendor networks or enabling the EDCs to initiate NWS deployment actions of their own accord. The program objective promotes NWS, whether utility-led or competitively procured, to the extent each approach can capture different opportunities and provide greater customer and system value.

The Authority invites stakeholder feedback on this objective, including the following:

i. Describe whether there are instances where competitive procurements for NWS opportunities may not be appropriate and utility-led solutions may be preferable.
ii. Describe how the Authority should consider 'value to ratepayers' including non-monetary forms of system and ratepayer value.

2. Maintain system reliability.

Any non-wires solution must maintain, if not enhance, system reliability. The Authority invites stakeholder feedback on this objective.

3. Manage uncertainty in forecasted system needs with flexible solutions.

The demands on the distribution system are rapidly evolving with an uncertain path towards electrification and the proliferation of distributed energy resources (DER). Further, the EDCs are shifting away from reactive system planning to more proactive approaches towards asset replacement and system expansion. Proactive system expansion can be beneficial in the long term, but it comes with significant risk around whether and when long-term forecasted needs actually materialize. This uncertainty increases as more granular system levels are considered. In this context, the flexibility to defer the initiation of the traditional planning process for large capital investments as system needs materialize and the path forward becomes clearer offers significant value. In other words, NWS can serve as tools to manage the uncertainty associated with long-term needs which are rapidly changing. Unlike large traditional capacity investments, NWS (such as targeted efficiency or demand response) can be ramped up or down over time as needs materialize and more information is available. Additionally, when

forecasted capacity needs do not materialize, infrastructure solutions which offer an array of other benefits and use cases will ultimately have been a better use of resources than unused legacy system infrastructure.

To put this perspective into practice, the Authority proposes incorporating an "expected value" and "option value" framework to better account for uncertain forecasted needs and more accurately quantify the value of deferring or avoiding a large capital investment. In this context, 'expected value' refers to the established practice in economic analysis of calculating a probability-weighted average net present value across multiple possible scenarios to generate a single representative net present value figure, which can then be used to compare the expected value of different actions under uncertainty. This approach can be contrasted with planning around a single most likely case, or planning around a conservative worst (or near-worst) case. 'Option value' refers to the value of deferring a costly decision that must be made under uncertainty until more information becomes available to make a better-informed decision. For simple illustrative NWS examples, the expected value approach could be used to account for both the possibility of deferring or entirely avoiding a system upgrade with appropriately assigned probabilities; while option value might arise where deferring an investment decision by one year allows reduced demand forecast uncertainty to better inform the necessary size and timing of that investment.

Applying such a framework at both the screening stage and the RFP evaluation phase can better capture the value associated with NWS specifically as assets that manage the risks of uncertain forecasts and provide alternative value streams in the event that forecasted needs do not materialize.

The Authority invites stakeholders to comment on this objective, including the following:

i. How is forecasting uncertainty quantified and accounted for in existing EDC system planning processes?
ii. Comment on the potential benefits and drawbacks of incorporating quantified expected value and option value into benefit-cost analyses for capital projects and NWS during the screening, procurement or solution development phases.

4. Objectively evaluate technology-neutral alternatives.

A key obstacle to program success in the RE07 NWS Process was the lack of a consensus approach to evaluating NWS opportunities. The 25-08-08 Screening Decision identified the need for a standard methodology and information set to assess NWS opportunities. 25-08-08 Decision, p. 11. The Process Monitor proposed developing a standard pricing methodology to consider the full range of possible NWS solutions including Battery Energy Storage Systems (BESS), targeted efficiency, demand response or combinations of these solutions. Process Monitor Corresp., Mar. 4, 2026, Docket No. 25-08-08, Non-Wires Solutions Process Cycle 1, (PM Year-End Report), pp. 4-5. The EDCs and the Process Monitor collaborated to develop a Benefits Cost Analysis (BCA) tool which, although initially designed to evaluate specific vendor proposals, can be adapted to serve as a standardized tool to inform initial screening. Id., pp. 7-8.

An expected outcome of this proceeding is a standard, quantitative BCA tool for the initial screening process to enable a fair and transparent evaluation of the full range of possible solutions. As discussed below in "Topic Areas for Reform", a pre-defined, quantitative methodology can help build consensus on NWS feasibility and provide greater consistency and transparency.

The Authority invites stakeholder comment on this objective.

5. Promote efficient utilization of the distribution system.

NWS can include an array of technologies and programmatic approaches including demand response, targeted energy efficiency, and Behind-the-Meter (BTM) battery storage. These approaches primarily rely on more efficient utilization of existing system capacity rather than the addition of new capacity. Traditional system planning and the first two NWS process cycles relied primarily on the consideration of large capital-intensive investments – whether substation transformer replacements or utility-scale BESS. However, the Authority intends that the revised NWS program better explore the role that targeted energy efficiency, voltage optimization, demand response programs, aggregated BTM storage or vehicle-to-grid programs can play to help manage consumption and unlock the full value of existing distribution system capacity before considering the need for large capital-intensive investments. Importantly, this approach will build-on rather than duplicate existing analyses of these resource types in Connecticut, primarily through 1) considering the resources collectively rather than separately, and 2) assessing their value to both the transmission and distribution system in geographic subregions of the EDCs service territories or when placed into service on specific system elements.

The Authority invites stakeholder comment on this objective.

## Program Structure Proposals

The Process Monitor identified the program structure as an item for improvement and noted that the annual cycle does not maximize the window for screening NWS opportunities and may miss viable NWS candidates. PM Year End Report, p. 4. The fixed-date annual filing structure created a number of challenges regarding program administration, grid needs review timelines, and, according to the EDCs, a high participation burden due to the frequency of filings. Compliance May 8, 2026, Process Cycle 2, pp. 1-3. Notably, many of the projects submitted in both process cycles had lead times of one year or less, while UI's 2026 Grid Needs Filing contained no new projects. [1] Eversource Compliance, Feb. 7, 2025, Docket No. 25-08-08, Non-Wires Solutions Process Cycle 1, Att. 15; UI Compliance Feb. 7, 2025, Docket No. 25-08-08, Non-Wires Solutions Process Cycle 1, App. 5; Eversource Compliance, Feb. 6, 2026, Process Cycle 2, Att. 15; UI Compliance, Feb. 6, 2026, Process Cycle 2, App. 6 Consequently, reforms to the program structure are warranted to better capture opportunities for NWS screening

[1] UI included the UI Regional Career High School Microgrid - Energy Storage Resiliency - New Haven project in its annual 2026 Grid Needs filing. However, this project was previously approved by the Authority in a separate Docket. Decision, Dec. 20, 2023, Docket No. 22-06-05, PURA Implementation of Public Act 22-55, p. 24.

and review based on planning timelines and project lead times as well as to support a more flexible and efficient process.

The Authority describes several revised program structure options below which are differentiated by three characteristics: (1) process integration, (2) program cadence, and (3) screening cadence. Process integration refers to where NWS assessment occurs and specifically, whether NWS evaluation is primarily an EDC function (embedded process), or occurs within a dedicated, regulatory program (dedicated process). Program cadence refers to the frequency by which the EDCs must file system or other data and identify grid needs and NWS opportunities. An adaptive program cadence is essentially a rolling process whereby eligible grid needs and any EDC-conducted NWS evaluations are submitted as individual grid needs emerge. By contrast, in a cyclical program cadence, the EDC submits regular filings on an annual or multi-year timeline. Finally, a hybrid program structure would require a defined filing cycle supplemented by an out-of-cycle or fast track process. Lastly, screening cadence refers to when the Authority and stakeholders provide input on grid needs and potentially approve, recommend or require that certain grid needs undergo a competitive procurement process. The frequency of screening cadence would also be either adaptive, cyclical or hybrid.

Based on these characteristics, several potential revised program structure options are described below and ordered from least different from the RE07 process structure to most different.

1. Recurring Process Cycle with Annual or Hybrid Screening

The RE07 NWS Process is a dedicated annual program with annual screening. Grid needs are identified through an annual cycle, evaluated by the Authority, an independent entity (the Process Monitor) and stakeholders over a several month period, and a decision on the full suite of identified grid needs for the cycle is made at the end of the roughly six-to-eight-month period. For lower cost or lower opportunity grid needs, a quarterly filing process ensures these projects are captured in the process while not hindering the EDCs ability to move quickly on emergent needs.

Although the fixed-date annual filing structure created significant challenges, the Authority is open to maintaining a cyclical structure and implementing a narrower set of reforms to support a more effective process. Potential reforms could include moving from an annual cycle to a 2- or 3-year cycle and creating an improved out-of-cycle, fast-track, or other alternative cycle cadence for review of a sub-category of grid needs.

In addition, the NWS procurement timeline could either be approached within the recurring cycle (i.e., on a pre-defined program level schedule) or could occur on a project specific schedule. Under the scheduled approach, solicitation and review would occur within defined stages of the recurring process cycle. In a project specific procurement timeline, screened opportunities would enter a forward pipeline with an RFI, RFP, or other sourcing process initiated when the need, solution requirements, and implementation timeline are sufficiently defined.

The Authority requests stakeholder feedback on this potential process, including the following questions:

a. Beyond the potential improvements outlined in the PM Year-End Report[2], are there other comments or suggestions on reforming the current annual program and screening cadence?
b. Would a revision to the dedicated annual NWS process cycle better support NWS identification and procurement than implementing an alternative process structure?
c. Within a recurring process cycle, should procurement efforts occur on a fixed schedule or on a project specific schedule?

2. Rolling NWS Process

This program structure is essentially an on-going, continuous process where grid needs are addressed as they are identified (i.e., adaptive program and adaptive screening cadence). Eligible grid needs would be filed in the program as they are identified in the EDC's planning process, or if significant material changes are made to existing projects. NWS evaluation would occur on project specific schedules rather than a fixed screening cadence. For the purpose of creating an administrative, public-facing record of the process, newly identified grid needs could be filed in a single docket over a multi-year time period, but rolling assessments would take place as needed within the docket.

A rolling NWS process structure lengthens the timeline for reviewing grid needs because evaluation of alternatives can begin as soon as the grid need is identified and can occur alongside planning the traditional wires solution. Eliminating the filing lag that occurs with a cyclical program cadence can accelerate the process and avoid delaying the EDCs' ability to address system needs through NWS. Coupled with other reforms, such as more targeted screening criteria and a standardized evaluation methodology, a rolling process can also lessen the participation burden for the Authority, the EDCs and stakeholders by allowing reviews to occur on project specific schedules using established methodologies rather than within a fixed program cycle timeline.

The Authority requests stakeholder feedback on this potential process, including the following questions:

a. Provide general comments on the feasibility, advantages and disadvantages of a rolling NWS process structure.
b. Describe whether the EDCs' existing planning triggers identify grid needs with sufficient lead time to allow for a fair and robust NWS evaluation process. Further, describe whether the Authority should develop and implement alternative project planning triggers to improve the likelihood of identifying viable NWS candidates.

[2] Available at: Docketed Correspondence for [ 25-08-08 ] Process Monitor Process Cycle 1 End of Year Report

c. What are the key process steps that would need to be defined in a rolling NWS Process (e.g., screening BCA, discovery, approving or recommending an RFI/RFP process, procurement, proposal review and selection, prudence and compliance evaluation etc.)?
d. How would project specific timelines for each process step be defined based on the type of grid need?
e. Should the Authority require NWS evaluation to occur before traditional solutions are substantially defined and if so, how should this evaluation be conducted?
f. Identify the key questions that would need to be resolved in order to implement this potential process structure.

3. Embedded Integrated Planning Process

In an embedded program structure, the EDC is primarily responsible for evaluating, proposing, and potentially procuring NWS opportunities as part of its core system planning process. Evaluation of NWS alternatives and utility decision-making would take place within existing proceedings. Consequently, there would not be a standalone NWS program which unfolds through recurring docketed proceedings. Instead, the Authority and stakeholders would develop an expanded set of requirements and expectations for how NWS should be evaluated and when competitive procurements are appropriate and such planning requirements would be integrated into standard utility procedures. Adherence to these requirements and evaluation of the NWS proposals or alternatives analysis would take place within an EDCs rate case, within the IDSP or the PBR framework more broadly.

The Authority requests feedback from stakeholders on the following questions:

a. Describe the advantages and disadvantages of an embedded integrated planning process.
b. In the context of an embedded planning process, describe whether NWSs would be evaluated for after-the-fact prudency like any other capital investment, or whether pre-review and pre-approval would be appropriate.
c. Describe whether and when market engagement and competitive procurements would be appropriate in an embedded process structure.
d. Identify the key questions that would need to be resolved in order to implement this process structure.
e. Describe how such an integrated process would intersect with energy efficiency and demand response program planning, and whether and how these resource types would be adequately considered as NWS candidates.

## Topic Areas for Reform

In addition to the program structure, the Authority identified the following key topics that should be re-examined in this proceeding: (1) NWS Opportunity Screening and Evaluation, (2) Compliance Filing Requirements, (3) Market Engagement and Procurement Processes, (4) NWS Ownership, (5) Incentive Mechanisms, and (6) Cost

Recovery. For some of these topic areas, the Authority discusses specific reform concepts and poses questions.

1. NWS Opportunity Screening and Evaluation

This topic area covers how opportunities for implementing NWS are identified and evaluated. The Authority is considering improving NWS Opportunity Screening and Evaluation by (1) considering how a portfolio of NWS resources could provide system value beyond strictly serving as alternatives to traditional system investments, (2) narrowing grid needs screening criteria when NWS are considered as project level alternatives, and (3) establishing a standardized quantitative methodology for screening and evaluation based on the BCA tool developed by the EDCs and the Process Monitor.

First, a portfolio of NWS resources could optimize distribution system operation more broadly, avoid the emergence of specific grid needs in the first place, and generate additional customer and system value. For example, a collection of distributed generation and energy efficiency resources aggregated across a particular grid region could provide bulk system and reliability benefits and prevent capacity planning violations from occurring in the first place thus deferring future grid needs. The Authority is interested in enabling the program to identify and pursue opportunities to provide system value more broadly. Such a portfolio approach aligns with the second revised program objective of enabling a flexible and adaptable system to manage uncertainty and the fourth revised program objective of improving system utilization.

Second, where NWS are considered as alternatives to traditional wired solutions (TWS), screening criteria for specific projects should be narrowed relative to the RE07 NWS process to better focus on high-value, high-opportunity projects, such as substation expansions, substation rebuilds, or long conductor replacement or extension projects. These narrowed criteria can reduce the participation burden for stakeholders and ensure that resources are focused on investigating projects with substantial potential. Relatedly, the Authority intends to explore whether earlier project planning triggers can identify grid needs before traditional EDC planning processes and provide more time to conduct thorough evaluations of NWS opportunities, including requests for information (RFIs) and other forms of market engagement if appropriate. As noted previously, the majority of projects submitted in the RE07 NWS process cycles had lead times of one year or less and the needed in-service date was a factor preventing further evaluation.

Finally, this proceeding should establish a standardized, quantitative approach to screening grid needs for further NWS evaluation. This screening methodology may be based on the BCA framework and tool developed over the course of the first two process cycles. The Process Monitor identified this tool as a Process Improvement and stated that it could be used both at the procurement stage and in the initial review of grid needs. PM Year End Report, p. 7. While the BCA tool would not be the determining factor for whether a project should undergo further NWS evaluation or whether a particular solution should be selected, a standardized approach would support identification of viable NWS opportunities.

Importantly, the BCA tool should be public to allow a range of stakeholders to understand how decisions will be made and assist with the development of the tool. The Authority may consider confidential treatment of discrete values or assumptions in the tool, but confidential treatment is not appropriate for the tool in its entirety.

The Authority invites stakeholders to comment on this topic, including on the following:

i. Support for or against considering NWS as a portfolio of resources to optimize distribution system operation rather than strictly considering NWS as alternatives to defined TWS.
ii. Describe whether an alternative set of screening criteria is appropriate. If yes, propose a set of screening criteria for identified grid needs.

2. Compliance Filing Requirements

In the 25-08-08 Final Screening Decision, the Authority noted the need to improve the level and quality of information submitted in the NWS Process to justify NWS procurement decisions. 25-08-08 Decision, pp. 8-9. The Process Monitor reiterated this recommendation by proposing the development of the format and expected content of a narrative document to support decision-making. At the same time, the Authority is mindful of the administrative burden associated with the compliance filing requirements in the RE07 NWS Process and the potential for overlapping information requests in other dockets. The Process Monitor supported this point stating that regulatory and planning alignment could improve the process by identifying distinct or parallel processes and addressing duplicative filings or schedule challenges.

There are also other efforts to improve the transparency of utility capital investment planning and drive priority outcomes which significantly overlap with the NWS Program. For example, the ongoing work in Docket No. 21-05-15RE03, PURA Investigation into the Establishment of Integrated Distribution System Planning within a Performance Based Regulation Framework, to develop an IDSP, requires much of the same information as this program. Thus, in the redesign proceeding, the Authority will work with stakeholders to clarify the required data and reporting content as well as to ensure alignment with the requirements in other proceedings.

3. Market Engagement and the Procurement Process

No procurement efforts resulted from the first two process cycles, thus there is no direct experience with this topic to inform program reforms. Nonetheless, the Authority will revisit this topic in order to ensure that the market engagement and RFP processes are competitive and transparent. Specifically, the Authority may order changes to the standard RFI/RFP templates, the minimum RFP data sharing requirements, the RFP process requirements and oversight of the RFP process, and the information available to potential bidders to ensure they understand the process and the opportunities available.

4. NWS Ownership

The issue of NWS ownership was extensively adjudicated throughout the development of the RE07 NWS Process. However, reconsideration of the restriction of third-party ownership of NWS resources is warranted. The experience of other jurisdictions demonstrates that the EDCs' concerns around third party NWS ownership have been addressed though contractual terms and conditions. 24-08-08 Decision, p. 16. In addition, no utility-owned or utility-led NWS resources have been deployed in Connecticut at this point, and a competitive procurement framework with third party ownership may be better suited to successfully deploying NWS.

5. Incentive Mechanism

In the RE07 NWS Process, the EDCs receive an incentive in the form of 25% of customer savings through a shared savings mechanism. NWS Decision, App. A, p. 26. In light of the first two process cycles, the Authority seeks comment on whether this mechanism gives EDCs an appropriate incentive to identify, develop, and implement cost-effective NWS, particularly where a conventional capital investment may produce a different financial outcome for the utility.

The Authority requests stakeholder feedback on this topic, including on the following:

i. What changes, if any, to the shared-savings mechanism or other utility incentives would better align EDC decisions with customer benefits?
ii. How should any incentive account for verified savings and NWS performance?

6. Cost Recovery

The Authority also seeks comment on how costs incurred to develop, procure, and implement NWS should be reviewed and recovered. The appropriate approach may differ for utility-owned resources and payments under third-party contracts.

7. General Recommendations for Program Reform and Additional Program Structure Proposals

The Authority invites stakeholders to make general recommendations on program reforms and improvements that have not been identified and discussed above.

Stakeholders are directed to file written comments by **4:00 p.m. on December 17, 2026.**

Dated at New Britain, Connecticut, this 18th day of November 2026.

By direction of the presiding officer,



Jeffrey R. Gaudiosi, Esq.
Executive Secretary