Date Filed: October 19, 2026

Witness: Brendan J. O'Brien, Garrett J. Murray, Leanne M. Landry and Jeffrey D. Turano
Request from: New England Connectivity and Telecommunications Association

Question:

The Joint Testimony of the Revenue Requirements Panel, at p. 66, states that the costs recorded to the deferred asset for Third Party Pole Make Ready are associated with the cost of performing non-billable pole make ready work not recovered in base distribution rates. Please:

a. Discuss whether this statement means that the costs recorded to the deferred asset are the costs for years in which the non-billable third party pole make ready costs exceeded the costs for such work in the basic distribution rates set in Docket 17-10-46;
b. Provide the amount of non-billable third party pole make ready costs "embedded" in basic distribution rates in Docket 17-10-46, or another PURA decision thereafter;
c. Discuss whether the non-billable third-party pole make ready costs recorded in the deferred asset were included as costs in the calculation of pole attachment rates, and provide the amount of the non-billable costs, broken down by FERC account included in the calculation of pole rates for each calendar year since the last rate case in 17-10-46, in which there has been a difference in treatment of such non-billable costs between basic distribution rates and pole rates;
d. Discuss whether Eversource has reduced the amount recorded in the deferred asset for third party make ready costs for any revenues received or that will be received through pole rent that includes the non-billable cost in the setting of the pole rate.

Response:

a. Yes, as outlined in the Company's response to subpart (e) and (h) in NECTA-054[i], the Company deferred all non-billable third-party pole make ready costs net of the amount recovered in base distribution rates.

b. Please refer to the Company's response to NECTA-048[ii].

c. Please refer to the Company's response to NECTA-120[iii].

d. Please refer to the Company's response to NECTA-112[iv].

Prior Referenced Responses:

[i] NECTA-054 Question:

(Make Ready Work & Related Costs) Reference Exhibit CLP REVREQ-4 (Third Party Pole Make Ready Costs). Provide the following:

a. Line 7552, Notes, indicates that Eversource began maintaining detailed records of both billable and non-billable make costs consistent with Order No. 15, in the Final Decision in 19-01-52 RE01. Please confirm that the figure of $16,580,868 includes only non-billable costs.
b. Discuss whether (i) the non-compliance issues that led to the costs incurred by the company as shown in this exhibit were discovered by the company as a result of a new attacher requesting to attach, (ii) for each pole in the exhibit, the company has a record of when the last attacher attached to the pole and when the pole was last inspected.
c. Confirm that the headings for columns F through Y are the FERC accounts to which the third party pole make ready costs were assigned;
d. Provide a description of the subaccounts for Accounts 593, and 594.
e. Discuss why all the costs are in O&M accounts and there are no costs in capital accounts at page 41 of Exhibit CLP REVREQ-1.
f. For entries indicating "Pole replacement – Pole defective", explain why if the pole is already defective, it would not be the company's or the joint pole owner's responsibility to replace the pole.
g. With reference to line 7030 which explains that Frontier will set a new 40-foot class 2 pole and remove the 35-foot class 4 pole, explain *D&D*Conv and discuss how the capital costs associated with the pole replacement were treated in the FERC Form 1.
h. Provide an allocation of the amount of $16,580,868 into calendars years, meaning the portion allocable to each year starting with 2017 and ending with 2025 and indicate where the allocations appear in the FERC Form 1 for those years.
i. Explain line 7548, the removal of 2023-2025 Amounts in Distribution Rates of $2,408,607. Explain how that amount was added to distribution rates since the last rate case in Docket 17-10-46.

NECTA-054 Response:

a. Confirmed. The amount of $16,580,868 shown on line 7552, includes only non-billable third party make ready costs. As noted in Exhibit CLP-REVREQ-4, Eversource began maintaining detailed records of both billable and non-billable make ready costs consistent with the Docket 10-01-52RE01, Decision. The amount reflected in this exhibit represents costs that were classified as non-billable and therefore were not invoiced to attaching entities.

b. (i) The non-compliance conditions reflected in Exhibit CLP-REVREQ-4, were identified during the engineering phase associated with attachment requests.
(ii) Eversource maintains records related to pole inspections and attachment activity. The availability of records identifying the most recent attachment date and inspection date varies based on the specific pole and historical record availability.

c. Yes, columns F through Y are the FERC accounts to which the third party pole make ready costs were assigned.

d. Below is a description of the subaccounts for FERC 593, and 594.

593000 – Distribution Maintenance of Overhead Lines
593010 – Poles and Fixtures
593020 – Overhead Construction Transfer
593040 – Overhead Corrective Maintenance Repairs
593050 – Overhead Service Maintenance Repairs
593100 – Tree Trimming Vegetation Control
594000 – Distribution Maintenance of Underground Lines
594010 – Underground Conduit Maintenance
594020 – Manhole Regulating
594030 – Underground Corrective and Emergent Maintenance
594260 – Maintenance of Manholes

e. In Docket No. 19-01-52RE01, PURA directed the Company to defer incremental non-billable make-ready costs (see Docket No. 19-01-52RE01 Final Decision dated May 11, 2022 at page 45). Consistent with this directive, the Company deferred incremental non-billable O&M make-ready costs to a regulatory asset which is being sought for recovery in this rate amendment application as supported by Exhibit CLP-REVREQ-4. The capital costs for non-billable third party market ready pole work is included for recovery in the Company's rate amendment application consistent with all other in-service capital and is supported in Exhibit CLP-ADDITIONS-9.

f. For entries indicating "Pole replacement – Pole defective", if the pole was found during survey to already be defective, it would be the Company's or the joint pole owner's responsibility to replace the pole.

g. With reference to Exhibit CLP REVREQ-4 (Third Party Make Ready Costs), line 7030, "D&D Conv" is part of the Field Work Order description. The entire Field Work Order description for this line is "*D&D*Conv. 1635692 - Make Ready Non" which is used internally to communicate the contractor assigned to the work order, the Alden One conversation number, the type of work and billing classification. Therefore, "D&D" refers to D&D Contractors, "Conv. 1635692" is the Alden One conversation number, "Make Ready Non" indicates this is for make ready work and is 'non' billable. **T**he capital costs associated with the additions and retirements related to the pole replacement were included on lines 64, 65, and 67, of pages 204-207, in the Company's 2025 FERC Form 1 filing.

h. The table below shows the $16,580,868 by year. The amounts are included in the FERC Form 1 under Electric Operation and Maintenance Expenses under their respective FERC account number (583, 584, 587, 590, 593, 594, 595, 596, and 598) by year.

Sum of Amount	Column Labels				
Row Labels	2022	2023	2024	2025	Subtotal
THIRD PARTY ATTACHMENTS	**1,048,267**	**4,148,604**	**6,249,705**	**7,542,899**	**18,989,475**
583000	(149,339)	(135,350)		2,317	(282,371)
583280	53,157	199,219	176,188	257,078	685,642
584000	341	8,409			8,750
587000	37,204	22,200	(45)	12	59,372
590000	443				443
593000	(61,381)	399,706	(1,389)	1,311	338,248
593010	30,426	22,543	7,503	218,671	279,143
593020	312,818	1,268,404	1,475,796	2,670,831	5,727,849
593040	295,280	1,110,966	2,340,879	1,270,292	5,017,418
593050	43,528	190,075	255,225	390,202	879,030
593100	309	147			457
594000	54,908	(114,528)	158	41	(59,421)
594010	1,885	1,115	5,461	2,745	11,206
594020	2,646	47			2,693
594030	157,859	726,613	505,831	957,953	2,348,257
594260	11,359	31,315	6,728	2,074	51,476
595000	(5,232)	(70,865)	29,746	66,753	20,401
596000	261,427	486,587	1,447,624	1,702,618	3,898,257
598000	628	1,999			2,628
Subtotal	1,048,267	4,148,604	6,249,705	7,542,899	18,989,475
Removal of Amounts in Distribution Rates		(802,869)	(802,869)	(802,869)	(2,408,607)
Total	1,048,267	3,345,735	5,446,836	6,740,030	16,580,868

i. Refer to the Company's response to NECTA-048[i], for the 2023-2025 amounts in distribution rates.

[ii] NECTA-048 Question:

(Make Ready Work & Related Costs) Reference Exhibit CLP-REVREQ-1, pp. 44-46. Reconcile the statement that "the Company has not included any pole make-ready costs within base distribution rates in this proceeding…" (p. 46) with PURA's statement in Docket No. 19-01-52RE01, that "EDCs received some level of recovery in base distribution rates to perform non-billable make-ready work…" A complete response will explain the steps taken by the Company to ensure that there is no double-recovery of non-billable make-ready costs in base rates versus in the deferred regulatory asset for non-billable make-ready costs.

NECTA-048 Response:

As noted in Exhibit CLP-REVREQ-1 at 44, lines 12 through 15, the Company states "The costs recorded to this deferred asset are associated with the costs of performing non-billable make-ready pole work **not recovered in base distribution rates** [emphasis added] to meet established standards, as approved in Docket No. 19-01-52RE01…" Further, in Late File Exhibit-01 in Docket No. 19-01-52RE01, the Company notes there is $803 thousand recovered in base distribution rates, annually, that are netted against cumulative non-billable make-ready costs. Therefore, providing assurance that the Company is not double-recovering non-billable make-ready costs in base distribution rates. Refer to Exhibit CLP-REVREQ-4 (Make Ready Pole Work), line 7548 in tab "Non-Billable Reason" for the Removal of 2023-2025 Amounts in Distribution Rates totaling $2.4 million.

[iii] NECTA-120 Question:

For each year nonbillable make ready costs were deferred, and for each FERC expense account and subaccount initially charged with costs included in the nonbillable make-ready regulatory asset:

a. Identify the gross amount charged, the amount credited to the expense account when the cost was deferred, and the net amount remaining, if any, in the FERC Form 1 expense balance. Identify the regulatory-asset account debited and provide the supporting journal entries.
b. Identify any amount of those costs included in an input to the pole attachment rate calculation after deferral. Reconcile the 2025 nonbillable make-ready charges and deferral credits in Account 593 and its subaccounts to the $163,740,608 Account 593 input in Exhibit CLP-RATES-2.14.

NECTA-120 Response:

a. Please refer to NECTA-120, Attachment 1, for the gross amount charged, the amount credited to expense when deferred, and the net amount remaining. The expense deferral is recorded to amortization FERC account 407000. Therefore, the gross amounts remain in their respective O&M FERC accounts. The regulatory asset account debited is FERC account 186MRC. Please refer to NECTA-120, Attachment 2, for the supporting journal entries as noted in the table below.

[iv] NECTA-112 Question:

Reference the Joint Testimony of the Revenue Requirements Panel (Brendan O'Brien and Garrett Murray) at 44, which states that the costs recorded to the deferred asset for Third Party Pole Make Ready are associated with the cost of performing non-billable pole make ready pole work not recovered in base distribution rates. Please provide the following:

a) Explain how Eversource determines which non-billable third-party make-ready costs are recorded in the deferred asset. In particular, does the asset contain only costs exceeding an amount included in base distribution rates set in Docket 17-10-46, or does it contain all such costs incurred?
b) Identify the annual amount of non-billable third party pole make ready costs included in base distribution rates established in Docket 17-10-46, or any subsequent PURA decision. Identify the decision and supporting calculation for each amount.
c) (i) For each year beginning in 2018, identify the FERC account or accounts to which non-billable third-party make-ready costs were booked and the amounts booked to each account.
(ii) For each year, identify whether any of these amounts are included in the inputs used to calculate pole attachment rental rates, and if so, which amounts.
d) Explain whether Eversource has credited or reduced the amount recorded in the non-billable third-party make-ready deferred asset to account for any pole attachment rental revenue. If so, provide the amount and calculation by year. If not, explain why no credit or reduction was made.

NECTA-112 Response:

a) Please refer to the Company's response to NECTA-041, subpart (b).

b) In the Company's response to NECTA-048, the Company notes in Docket No. 19-01-52RE01, there is $803,000 recovered in based distribution rates, annually, that is netted against the cumulative non-billable make-ready costs.

c) Please refer to NECTA-112, Attachment 1, for the non-billable third-party make-ready costs from 2018 through 2025 by FERC Accounts. The costs in FERC Account 593 is used as an input in the pole attachment rental rates.

d) PURA has not directed the Company to account for pole attachment rental revenue in the manner described in this discovery question. In PURA's final decision in Docket No. 19-01-52RE01, PURA does not direct the Company to refund customers pole attachment rental revenues in the deferred asset. Instead, the decision directs the "SPAs to account for their costs of performing non-billable make-ready work… The EDCs may record these costs in a regulatory asset and seek approval for them in the next general rate case." Further, customers receive the credit associated with pole attachment rental revenue through the Revenue Decoupling Mechanism ("RDM") annually in the Revenue Adjustment Mechanism ("RAM").