Date Filed: September 28, 2026

Witness: Leanne M. Landry and John G. Griffin
Request from: Office of Education, Outreach, and Enforcement

Question:

(MS24A-LABOR) Refer to Exhibit ACCT-2 CLP-1, Labor by Empl. Title tab. Respond to the following:

a. Please provide all Company policies, procedures, and manuals regarding the qualitative and quantitative data imputed into the above referenced tab.

b. Explain what "Premium and Special" charges within column I represents. As part of the response, explain why most of these charges do not have a corresponding numeric value represented in column M. Additionally, where relevant, identify what the numeric values in column M represents.

c. Explain how to interpret the information associated with "Meals" referenced in column I, to include an understanding of the numeric values within column M. For example, do the numeric values in column M represent "Hours" as the title suggests or are these numeric values representative of the number of meals that the employees have identified as being entitled? Additionally, why do certain rows with corresponding Meal costs (i.e., column L) fail to identify a numeric value in column M?

d. Explain how the Company validated the accuracy of the reported overtime as being applicable to the MS24A event for the weeks ending January 20, 2024, February 3, 2024, February 10, 2024, and February 17, 2024, when the Company reported several other storm events in the intervening period (see Ex. ACCT-1 (Summary), and EOE-013, Att.1).

Response:

Please refer to Exhibit ACCT-2 CLP-1, Labor by Empl. Title tab.

a. Incremental labor costs and hours reflected in Exhibit ACCT-2 CLP-1, Labor by Employee Title Tab, are extracted directly from the Company's PowerPlan system. PowerPlan interfaces with the Company's Workforce Management System and receives employee time-charging data through an established system-to-system integration. As a result, the labor hours and associated costs presented in the exhibit are derived from the Company's official books and records and are based on employee time charges recorded in the Workforce Management System and subsequently transferred to PowerPlan.

The Company relies on these integrated systems to capture, record, and report labor hours incurred during storm response and restoration activities. Accordingly, the incremental labor costs included in the exhibit reflect actual employee time charged to the applicable storm event and recorded through the Company's standard timekeeping and accounting processes.

For additional information regarding the Company's accounting systems, data flow, and controls, please refer to the Company's response to Docket 25-12-13, EOE-002. A visual representation of the interface and data flow between the Company's accounting and workforce systems is provided in Docket 25-12-13, EOE-004, Attachment 1. These materials further describe the processes by which employee labor hours are recorded, transferred, and ultimately reflected in the Company's storm cost reporting.

b. Certain pay codes within the Company's payroll and workforce management systems are designated as "Premium" pay codes and represent premium compensation associated with hours otherwise worked and recorded by employees. To avoid overstating actual labor hours, the Company excludes hours associated with these premium pay codes from its labor-hour reporting. However, the corresponding premium compensation remains included in the reported storm costs to ensure that all incremental labor expenses incurred because of storm response and restoration activities are accurately captured.

   This reporting methodology is intended to reflect the actual hours worked without duplication while preserving the full incremental labor costs incurred by the Company. Stated differently, where premium compensation is paid in connection with hours already reflected elsewhere in the Company's timekeeping records, the premium dollars are included in storm costs, but the associated premium hours are not separately reported. This prevents the inflation of labor-hour totals while ensuring that eligible storm-related compensation is fully accounted for in the Company's cost recovery filing.

   Accordingly, the Company's labor reporting reflects actual hours worked, and its cost reporting reflects the full amount of incremental labor expenses incurred. The exclusion of premium hours from labor-hour reporting is a reporting convention designed solely to prevent double counting and does not result in the exclusion of any associated incremental labor costs.

   For examples of the pay codes classified as "Premium" and their treatment within the Company's reporting methodology, please refer to Docket 25-12-13, EOE-504, Attachment 1, which identifies the applicable pay codes and illustrates how the associated costs and hours are reflected in the Company's storm cost reporting.

c. For the meals referenced in Column I, the values reflected in Column M represent meal quantities and not labor hours. Accordingly, those entries should be interpreted as the number of meals provided rather than the amount of time worked by employees.

In instances where a meal entry does not include a quantity but instead reflects a dollar amount, the expense was manually entered by the employee in accordance with the Company's established expense reporting procedures. Such entries are subject to supervisory review and approval prior to processing and reimbursement. As a result, all manually entered meal expenses included in the Company's records have been reviewed and approved by the employee's supervisor as appropriate business expenses incurred in connection with storm response and restoration activities.

Therefore, Column M should not be interpreted as labor hours for meal-related entries. Rather, the column reflects meal quantities where applicable, while manually entered meal expenses are recorded as dollar amounts and are supported through the Company's standard approval and oversight processes.

d. All employee time, including both straight-time and overtime hours, is recorded in the Company's Workforce Management System through the employee timesheet process. Employees are required to account for and record all hours worked on a daily basis, including time associated with storm response and restoration activities. Once submitted, employee timesheets are reviewed and approved by the employee's supervisor in accordance with the Company's established timekeeping and payroll control procedures.

The Workforce Management System serves as the official system of record for employee labor reporting and is designed to ensure that all hours worked are accurately captured, coded, and approved prior to being processed for payroll and cost accounting purposes. Supervisory review and approval provide an additional level of oversight to verify the accuracy and appropriateness of time charged, including charges associated with specific storm events.

Accordingly, the labor hours included in the Company's storm cost reporting are derived from employee timesheets that have been recorded in Workforce and approved through the Company's standard review process. This process helps ensure that both straight-time and overtime hours are accurately documented, appropriately authorized, and supported by the Company's books and records.