Date Filed: September 16, 2026

Witness: Brendan J. O'Brien and Garrett J. Murray
Request from: ALLCO

Question:

Conn. Gen. Stat. § 16-243p(b), as amended by Public Act 23-102, § 2, provides that for any rate proceeding initiated on or after January 1, 2024, no electric distribution company with more than seventy-five thousand customers "shall recover through rates its direct or indirect costs" associated with its attendance in, participation in, preparation for, or appeal of any rate proceeding, including attorneys' fees, expert witness and consultant fees, and the portion of employee salaries associated with such activities — a prohibition the Company itself quotes in Exhibit CLP-REVREQ-1 at 147-148 while nonetheless including approximately $3.1 million of rate case expense in the proposed revenue requirement (Exhibit CLP-REVREQ-9). Identify every direct or indirect cost associated with the Company's attendance in, participation in, preparation for, or any appeal of this proceeding (or any other rate proceeding initiated on or after January 1, 2024) that is included anywhere in the Test Year or proposed Rate Year revenue requirement — including the $3.1 million of Exhibit CLP-REVREQ-9, any outside counsel or consultant fees recorded elsewhere, and the portion of the salaries, incentive compensation, and benefits of each Company or ESC employee (by title) associated with such activities and included in payroll, A&G, or service-company charges — stating the amount and revenue requirement schedule and line for each; and state the Company's legal basis, if any, for recovering each such cost from ratepayers notwithstanding § 16-243p(b).

Response:

Please refer to the Company's response to OCC-438[i].

Prior Referenced Response:

[i] OCC-438 Question:

Exhibit CLP-REVREQ-1 Please explain why the Company has not excluded costs associated with its participation in rate case proceedings from the revenue deficiency calculation in this proceeding. In your response, please explain how the Company's proposed treatment of such costs complies with the requirements of SB 7, An Act Strengthening Protections For Connecticut's Consumers Of Energy, concerning recovery of costs associated with participation in rate case proceedings.

OCC-438 Response:

The Company has not removed costs associated with the preparation and participation in this rate case proceeding from the revenue deficiency calculation as these costs are necessary operating costs ensuring that rates are set at a just and reasonable level to enable the ongoing investment into the system to maintain a safe and reliable electric system, benefiting customers. As such, these costs are appropriately recovered from customers and are therefore included in the Company's proposed revenue deficiency. In this regard, the Company plans to provide legal argument on the plain language of the statute at the appropriate juncture in this proceeding. In the meantime, the Company plans to submit to the record the documentary support necessary to support recovery of the costs.

The Company justifies its recovery for costs associated with the preparation and participation in this rate amendment proceeding as prudently incurred and normal operating costs to litigate this rate amendment application. The Company is entitled to a reasonable opportunity, but not a guarantee, to recover its operating costs and maintain its credit integrity. Further, the Company should be allowed to demonstrate that the costs incurred to adjudicate this rate case proceeding are just and reasonable and affording PURA the opportunity to set equitable rates and establish innovative rate mechanisms and programs for the benefit of our customers.