Date Filed: October 13, 2026

Witness: Craig Dikeman and Matthew J. Correia
Request from: ALLCO

Question:

With respect to the year-to-date metrics presented as an image in the response to EOE-166: produce the underlying data in native format — for each of the 294 exceptions, the purchase order number, vendor, amount, exception reason or standardized comment nomenclature, and the approving agent and supervisor; provide the same data for each record flagged as a policy violation (if any) for 2024, 2025, and 2026; and state whether corresponding metrics exist for 2023 and earlier years and produce them if so.

Response:

The current exception-tracking report was newly developed and implemented as a management tool. The report reflects purchase orders released during the 2026 year-to-date period and was the source of the metrics presented in the Company's response to EOE-166[i]. While procurement records and purchase-order data exist for prior years, the specific exception-categorization methodology, reporting fields, and compliance-reporting structure utilized in the current report were not maintained in the same format prior to September 2025. As a result, comparable historical metrics are not available in the same manner.

Please refer to the Company's response to EOE-046[ii] and accompanying attachments for the underlying data requested relative to this rate case. The Company is compiling the details associated with the identified exceptions through a manual review of the applicable procurement records, including the purchase-order number, vendor, amount, nature of the exception, applicable comment, and approval information, and supporting documentation where available. To the extent a requested field is not contained in the current report as a discrete field, the Company is deriving the responsive information from the applicable procurement records where reasonably available.

Prior Referenced Response:

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[i] EOE-166 Question:

(COMPETITIVE BID ASSESSMENTS) Respond to the following: a. Explain how the Company ensures that each purchase order or contract is subject to a competitive bid assessment, sole source justification, or an approved exception. As part of the response, please discuss whether there are any systemic controls, including the use of Ariba, that ensure adherence to these requirements and, if applicable, provide an example of the referenced controls. b.

Explain how the Company ensures adherence to the Company's competitive bid requirements for situations where multiple purchase orders or contracts could be used in lieu of the referenced controls discussed in subsection a.

EOE-166 Response:

a. The Company enforces adherence to competitive bid assessments, sole source justifications, and approved exceptions through integrated governance policies and automated controls within Ariba and Maximo: • Contract Execution Controls: Prior to executing an Ariba Contract, purchasing agents and designated approvers are required to upload or verify appropriate supporting documentation into the system to validate compliance. • Automated Purchase Order (PO) Systemic Logic: When a PO is released, system logic automatically verifies that it is linked to either an active Ariba Contract or an approved Maximo Sole Source Justification. If neither control is present and the PO is valued at more than $50,000, the system prevents processing until the agent selects an approved exception or flags the record as a policy violation. Both pathways require formal dual sign-off from the agent and their supervisor. For exceptions a standardized comment nomenclature is expected. The image below, details the year-to-date metrics tracked by the procurement group on exceptions and violations across the procurement organization, including records supporting CL&P and other affiliates. To date, out of 50,323 Purchase Orders released by the Procurement Team, there were no policy violations and 294 represented exceptions taken at the PO level.



PROCUREMENT GROUP	POLICY VIO COUNT	EXCEPTION COUNT	COMP. %
PROFESSIONAL SERVICES		144	100.00%
GAS & BUILDING SERVICES		82	100.00%
ELECTRIC CORE MATERIALS		49	100.00%
CONSTRUCTION SERVICES		18	100.00%
ENV & CLEAN ENERGY		1	100.00%
MAT. CORD. & INV. REC.			100.00%
Total		**294**	**100.00%**

b. The Company actively prevents purchase order "stringing" which is the practice of splitting orders to bypass competitive bidding thresholds, where the practice is inappropriate. In some cases, purchase orders may be used to accommodate valid operational requirements (such as distinct delivery sites, scopes of work, or material types):
• Agent Oversight & Pattern Detection: Procurement agents evaluate non-contracted POs during the approval workflow. Agents monitor indicators of stringing by cross-referencing requisitions with similar service descriptions, identical supplier selections, and matching accounting strings across multiple orders.
• Centralized Spend Coverage: Over 90% of Company spend is governed by master Ariba Contracts. Establishing spend under Ariba Contracts naturally mitigates the risk of PO-level stringing, as individual POs draw down from existing contracts that were approved to DOA systematically.

[ii] EOE-046 Question:

(PROCUREMENT PROCEDURES) Provide copies of the Company's procurement-related policies, procedures, and guidance including details regarding the Company's competitive bid requirements. Provide all versions from 2018 to present and identify any changes that have occurred. Furthermore, specify the materiality of annual (or total) projected

spend that requires a competitive bid analysis, the minimum number of proposals, and the frequency of updates. Additionally, identify the requirements for permitting any single source vendors.

EOE-046 Response:

The Procurement Policy and Procurement Manual collectively set the general requirements for competitive bidding, sole source procurement, documentation and governance and are provided as attachments to this response, as designated below. Copies of these documents, including all versions in effect from 2018 through the present reflect documented revision histories identifying material changes. The Procurement Manual is reviewed at least annually. The Procurement Policy is reviewed periodically and updated as needed to reflect governance, compliance and operational changes.

Revisions are formally documented with revision numbers and effective dates.

Summary of Procurement Policy Updates (2018 – Present):

- Rev. 1 (12/21/2015): Eversource rebranding and revisions to both the Guideline and Selection Process sections. Refer to EOE-046, Attachment 1.
  Note: EOE-046, Attachment 1, includes both revisions 1 and 2.
- Rev. 2 (03/18/2019): Introduced explicit policy requirements governing the selling and disposition of surplus material, including procurement oversight and documentation controls. Refer to EOE-046, Attachment 1.
- Rev. 3 (02/07/2020): Expanded and clarified the Guidelines section to reinforce procurement controls and promote consistency in sourcing and contracting practices. Refer to EOE-046, Attachment 2.
- Rev. 4 (08/22/2024): Updated language in the Supplier Selection and Bidding Sections. Refer to EOE-046, Attachment 3.
- Rev. 5 (05/07/2025): Updated the Guidelines section. Refer to EOE-046, Attachment 4.
- Rev. 6 (08/14/2025): Comprehensive Policy revision to align with IOUs best practices, enhance key controls, and clarify roles/responsibilities. Refer to EOE-046, Attachment 5.
- Rev. 7 (11/12/2025): Updated link to the Procurement Manual.
- Rev. 8 (06/01/2026): Clarified Policy Scope regarding the procurement operating model and updated document references/hyperlinks. Refer to EOE-046, Attachment 6.

The current and requested versions of the Procurement Manual (Attachments 7-21), with the summary of updates below:

- Rev.17 (02/04/2019) – Updated the Procurement Manual to reflect organizational title changes and clarify procurement roles and responsibilities. Additional revisions were made to modernize procurement processes, including implementation of electronic sole source workflows, third-party COI administration, updates to contractor safety requirements to alignment with corporate compliance standards. Refer to EOE-046, Attachment 7.
- Rev.18 (01/01/2020) – Updated the Procurement Manual to incorporate NERC CIP compliance requirements for Bulk Electric Systems (BES) and Cyber Systems procurements. Enhanced IT security documentation requirements. Refer to EOE-046, Attachment 8.
- Rev.19 (03/04/2020) – Updated the Procurement Manual to reflect organizational title changes, including revision of the Procurement Director designation. Added active reference link to the Contractor CIP Compliance Agreement and expanded Diverse Supplier definitions. Refer to EOE-046, Attachment 9.
- Rev.20 (07/08/2021) – Updated to align with executive titles with current organizational structure, enhance and refine Diverse Supplier classifications, modernize sourcing terminology, reorganize non-competitive

procurement exceptions, and strengthen Sole Source approval requirements. Refer to EOE-046, Attachment 10.
• Rev.21 (11/16/2021) – Updated the Procurement Manual to correct internal section references and align cross-references within the Supplier Diversity and Disqualification sections. Refer to EOE-046, Attachment 11.
• Rev.23 (05/10/2022) – Updated the Procurement Manual to enhance Sole Source governance controls, including expanded executive approval requirements and additional documentation obligations requiring disclosure of sourcing deviations and supplier personnel with prior Eversource employment. Clarified competitive bid exception language and updated Compliance section terminology. Refer to EOE-046, Attachment 12.
• Rev.24 (09/27/2023) – Updated the Procurement Manual to align Supplier Diversity and Subcontracting Plan requirements with federal government contracting thresholds, clarifying applicability for agreements unique to Eversource's federal contracts and adjusting documentation requirements accordingly. Refer to EOE-046, Attachment 13.
• Rev.25 (02/9/2024) – Updated the Procurement Manual to strengthen Sole Source requirements and clarify non-competitive procurement exceptions. Refer to EOE-046, Attachment 14.
• Rev.26 (06/13/2024) – Updated the Procurement Manual to enhance Competitive Bid requirements, including pricing review requirements for multi-supplier awards. Refer to EOE-046, Attachment 15.
• Rev.27 (08/14/2024) – Updated the Procurement Manual to strengthen Competitive Bid requirements, clarify non-competitive bid exceptions, refine contract definitions, and remove the Capital Approvals process. Refer to EOE-046, Attachment 16.
• Rev.28 (10/15/2024) – Updated the Procurement Manual to add an Original Equipment Manufacturer (OEM) non-competitive bid exception. Refer to EOE-046 Attachment 17.
• Rev.29 (12/11/2024) – Updated the Procurement Manual to align procurement requirements with applicable state and federal contracting laws and regulations. Refer to EOE-046, Attachment 18.
• Rev.30 (08/15/2025) – Updated the Procurement Manual to comprehensively revise procurement governance, strengthen competitive bidding, negotiation, and approval requirements, clarify procurement roles and buying channels, and incorporate requirements for contracts, cybersecurity, data privacy, and policy compliance. Refer to EOE-046, Attachment 19.
• Rev.31 (01/21/2026) – Updated the Procurement Manual to clarify restrictions on supplier participation in pre-solicitation activities and establish Director of Procurement approval requirements. Refer to EOE-046, Attachment 20.
• Rev.32 (07/09/2026) – Updated the Procurement Manual to strengthen commercial negotiation and communication requirements, clarify procurement responsibilities and sourcing controls, expand Normal Goods and Services categories, and enhance supplier conflict-of-interest provisions. Refer to EOE-046, Attachment 21.

Competitive Bid Requirements:

Materiality for competitive bidding purposes is not based on a percentage of annual projected spend, but rather on an individual transaction-level threshold.
Pursuant to the Procurement Policy and Procurement Manual, all procurement transactions for Normal Goods and Services with an individual value exceeding $50,000 must be supported by one of the following:

1. A Competitive Bid Note: Framework agreements that were competitively bid may have individual transactions over the $50,000 threshold that do not require additional bidding activities.
2. An Approved Sole Source Justification: Supported by an executed Sole Source Justification form or an approved Sole Source Desktop Requisition (DR) in Maximo.

3. A Documented Exception: Completed using the Procurement Exception Template (for Contracts) or designated exception logging (for Purchase Orders) based on authorized criteria in the Procurement Manual.

Note: The requirement to document the exception was introduced in August of 2025. Supporting documentation must be retained in the applicable General File in accordance with records retention requirements.

Minimum Number of Proposals:

The Procurement Manual requires that competitive bids include multiple suppliers and, where feasible, at least three (3) bidders for transactions exceeding $50,000. However, there is no strict mandate that a minimum number of completed proposals must be received. The requirement to invite at least three bidders applies to the extent practicable based on:

- Market availability
- Technical qualifications
- Prequalification status

Requirements for Permitting Single / Sole Source Vendors:

For transactions exceeding $50,000, sole source procurement is permitted when a review of the marketplace demonstrates that only one viable Supplier is technically and commercially capable of providing the required goods or services.

All Sole Source transactions must be supported by a Sole Source Justification containing:

- A detailed commercial and technical narrative describing why no other viable source can meet requirements.
- An explanation of why competitive bidding cannot be conducted and efforts made to examine vendor qualifications.
- Required management approvals in accordance with the approval hierarchy in effect at the time of the transaction

Sole source justifications must be retained in the electronic ordering system (Maximo) as part of the Desktop Requisition or in the Ariba General File as part of the procurement record.