Date Filed: October 09, 2026

Witness: Rima Hyder and Ann Bulkley
Request from: ALLCO

Question:

(Implied cost of equity from market value and growth.) (a) State the long-term earnings-per-share growth rate, dividend growth rate, and rate-base growth rate most recently communicated by Eversource Energy to investors (including in its most recent earnings guidance, investor presentation, and annual report), the date of each communication, and the period to which each applies. (b) State the long-term growth rate(s) used by the ROE Witness in each discounted cash flow model, the source of each (identifying each analyst, service, or calculation relied on), and, for each Proxy Group company, the growth rate assigned. (c) State the long-term nominal growth rate of United States gross domestic product assumed or implied in the ROE Witness's analysis, or, if none, the source the Company regards as authoritative for that figure, and state whether any growth rate used in (b) exceeds it and by how much. (d) Using the relationship M/B = (ROE − g) ÷ (COE − g), where M/B is the market-to-book ratio, ROE is the return on book equity, g is long-term growth, and COE is the cost of equity, compute the cost of equity implied for Eversource Energy at each year-end 2020 through 2025 using (i) Eversource Energy's reported earned return on average common equity and (ii) its communicated long-term growth rate, and produce the calculation; if the Company contends the relationship is inapplicable, state each reason.

Response:

a. Please refer to ALLCO-138, Attachment 1, (pages 4, 19, and 23) for the most recent long-term earnings-per-share growth rate of between 5% and 7% by the end of fiscal year 2030 communicated in the Q2 2026 earnings call presentation dated July 31, 2026. Please refer to ALLCO-138, Attachment 2, (pages 1, 39, and 48) for the most recent dividend growth rate of 5.2% for fiscal year 2025 as compared to 2024 as communicated in the 2026 proxy statement made available on March 27, 2026. Please refer to ALLCO-138, Attachment 3, (page 12) for the most recent rate base growth rate estimate of 8.3% Compound Annual Growth Rate by 2030 as compared to the 2024 rate base as communicated in the Year-End 2025 earnings call presentation dated February 13, 2026.

b. Please refer to Exhibit CLP-ROE-4.

c. Ms. Bulkley did not rely on a forward-looking estimate of GDP growth in her analysis. While the Company has relied on historical measures of GDP growth from the Bureau of Economic Analysis, however since the cost of equity is a forward-looking analysis, the historical GDP growth rates may not be appropriate for the long-term GDP growth rate.

d. The requested analysis was not developed in the preparation of the Company's rate case filing and therefore is not available. Ms. Bulkley did not rely on Eversource Energy in the proxy group used for the estimation of the cost of equity in this proceeding due to the circularity that could occur from relying on the parent company market data to set the ROE for the subject company. This reason was sufficient to eliminate Eversource Energy from the proxy group.