Date Filed: October 13, 2026

Witness: Jessica B. Cain and Daniel M. Traynor
Request from: Office of Education, Outreach, and Enforcement

Question:

(CREDIT AND COLLECTIONS) Please explain how write-offs, uncollectibles, and sending accounts to collection agencies all interact with each other.

Response:

Uncollectibles represent amounts that Eversource does not expect to collect and are reflected through the Company's monthly uncollectible expense accrual and reserve process. Uncollectible expenses are recorded monthly and are based on several factors, including monthly accruals based on net write-off experience over a 12-month period, a quantitative and qualitative analysis of aged receivables and the uncollectible reserve, and certain collection-related costs.

A write-off occurs when a customer is no longer receiving service, and the final bill remains unpaid for 120 days after issuance. At that point, the unpaid balance is removed from accounts receivable and recorded as a write-off.

Inactive unpaid accounts may be referred to a third-party collection agency for continued recovery efforts. Collection agencies attempt to collect payment on balances that have been written off. Any payments subsequently received on previously written-off accounts reduce, or offset, gross write-offs and are reflected as recoveries in the calculation of net write-offs.