Date Filed: November 06, 2026

Witness: Brendan J. O'Brien and Garrett J. Murray
Request from: Public Utilities Regulatory Authority

Question:

(ANNUAL MEETING COST) Application, Schs. C-3.3, WP C-3.3 and WP C-3.5; Interrog. Resp. RRU-022, Att. 1, Interrog. Resp. OCC-301, Att. 1, and Interrog. Resp. OCC-814, Att. 1; Public Act 23-102, Sec. 3(d). Regarding the cost of the annual report to stockholders and the annual meeting, and the related items in Schedule C-3.3:

a. Identify the entity whose annual report and annual meeting produced the $773,784 of salaries and $744,894 of other expenses in Attachment 1 of that response.
b. Identify by title each position whose salary is included in the $773,784, the hours charged and the work order used, the corresponding annual salaries and other expenses allocated to CL&P in 2021 through 2024, the General Service Company Overhead applied to that salary, and the Rate Year amount included in line 33 of Schedule WP C-3.5.
c. Provide an itemization by vendor of the $744,894 of other expenses, identify the subcategories in Attachment 1 of the response to Interrogatory OCC-814 in which the $119,630 allocated to CL&P and recorded in line 20 of Schedule WP C-3.3 appears. Reconcile expenses for the NYSE, Broadridge and Other Street Solicitors, Annual Report Printing, Proxy Statement Printing, Computershare, Proxy Solicitors, DTCC and FactSet subcategories, which total $200,240 in 2025 and $207,970 in the Rate Year, to the investor relations expense in Attachment 1 of the response to Interrogatory OCC-301 and to the $744,894.
d. State the basis for recovering these costs, which the response to Interrogatory RRU-022 justifies on the need for access to low-cost debt and equity capital, given Section 3(d)(4) of Public Act 23-102.
e. Identify the schedule and account in which the agency fees on the separate Agency Fees line marked (b) in Attachment 1 of the response to Interrogatory OCC-814 were recorded for each of 2021 through 2025.
f. State the amount of the 2025 agency fees that remains in the Test Year amount of the schedule identified in subpart e, and the Rate Year amount carried there in addition to the $155,000 added through line 21 of Schedule WP C-3.3.

Response:

a. The parent company's annual report and meeting produced the expense.

b. The titles included in the referenced amount above relate to the Vice President, Investor Relations; Director, Investor Relations; and Program Manager, Investor Relations. The

amounts are charged to work orders 00000C04 and TRIR0C04. The amounts allocated to CL&P in each year 2021 through 2024 are $96,412, $86,641, $95,745, and $124,270, respectively. The payroll O&M Rate Year amount is approximately $88,000.

c. Please refer to RRU-190, Attachment 1, for a reconciliation and itemization of OCC-301, Attachment 1, and OCC-814, Attachment 1. Please note that intermediate amounts in OCC-814 are rounded.

d. As stated in Exhibit CLP-REVREQ-1, at page 150-151, "[r]egulated utilities are extremely capital-intensive companies and, as such, need to have access to the lowest cost of capital in order to maintain affordable rates for customers. This access is required for both debt and equity investors. By having access to low-cost debt and equity, the Company is able to maintain the safety and reliability of its system while providing that safe, reliable service at the lowest possible cost to customers."

The costs identified support the governance, financial reporting, shareholder, and capital-markets infrastructure required to operate as a publicly traded company. These are not merely discretionary investor activities. SEC requirements, exchange listing standards, and applicable corporate law govern the framework through which shareholders receive reliable financial information, exercise voting and other ownership rights, elect and hold directors accountable, and maintain accurate ownership records. These functions support informed investor participation and effective corporate governance and are integral to a functioning public equity market. That is particularly important because investors provide permanent capital and bear the residual financial risk of the enterprise. Maintaining a credible and properly functioning investor framework is critical and indispensable to the Company's ability to attract equity capital. In addition, these items are significant to prospective debt investors evaluating the Company's governance, financial transparency, financial capacity, and overall creditworthiness.

e. Rating agency surveillance fees reflect fees charged by S&P and Moody's for their ongoing rating and monitoring of CL&P. Surveillance fees help rating agencies continuously assess the creditworthiness of a company, which can change over time due to various factors. This includes ongoing review of the Company's regulatory environment, financial performance, operations, and evaluating new developments that could impact the Company's credit quality.

In exchange for paying these surveillance fees, S&P and Moody's provide credit ratings on CL&P. Absent paying these fees, S&P and Moody's would not provide credit ratings. CL&P's credit ratings play a critical role in the Company's ability to attract least cost debt capital. Customers benefit from the Company's credit ratings in the form of lower capital

costs and assured liquidity. Not paying these fees, and in turn, not maintaining credit ratings, would be extremely detrimental to CL&P's customers.

As noted above, the rating agency surveillance fees are necessary and required costs to issue least cost debt capital. As these are costs associated with debt financings, these are recorded to FERC Account 431 – Other Interest Expense. However, these costs occur annually. In order to determine the Company's cost of service as it relates to annual debt service charges incurred by the Company, these rating agency surveillance fees are appropriately included in Schedule C-3.3, Bank Fees and Debt Service Charges.

Surveillance fees are required by Moody's and S&P. CL&P incurs no other fees to maintain its credit ratings. There is no amount of Agency Fees in any schedule prior to the rate year.

f. No amount is recorded in any other schedule in the rate year.