Date Filed: August 13, 2026

Witness: Timothy J. Griffin
Request from: Office of Consumer Counsel

Question:

(Poles) How much was Eversource liable for state and federal taxes related to pole revenue it collected from attachers, by year, in 2021, 2022, 2023, 2024, and/or 2025?

Response:

For the years 2021, 2022, 2023, 2024 and 2025, the pole revenue the Company received from the semi-annual pole attachment rental rates billed to communication attachers was included in "other revenue." The allowed distribution revenue requirement in the 2018 Rate Settlement in Docket No. 17-10-46 is the basis for the distribution revenue decoupling target, which compares actual total revenue (the sum of distribution revenue billed to customers plus "other revenue") to the allowed revenue requirement target during the 12-month rate reconciliation period. Under the revenue decoupling mechanism ("RDM"), an increase in total communication attachers' pole revenue received from pole attachment rental rates by the Company, as compared to the total communication attachers' pole revenue embedded in the Company's allowed distribution revenue requirement, as approved in Docket No. 17-10-46, are returned to customers through the RDM at the time the Company files its annual rate reconciliation filing in Docket Nos. 2X-01-03, PURA Annual Review of the Rate Adjustment Mechanisms.

The semi-annual pole attachment rental rates are charged to communication attachers to reimburse the Company for the cost of providing one foot of rental space on a utility pole. The types of costs that the semi-annual pole attachment rental rates are designed to recover are shown in the Carrying Charge portion of the rental rate calculation disclosed in Exhibit CLP-RATES-2.14, page 4 of 7, *Pole Attachment Rate Calculations - Carrying Charge Calculation*, which was filed in the Company's Application. The Carrying Charge portion of the rental rate calculation includes a formula for a Taxes Element, which is shown online 44 of Exhibit CLP-RATES-2.14, page 4 of 7, and a Return Element, which is shown on line 56 of Exhibit CLP-RATES-2.14, page 4 of 7. The Taxes Element formula reflects all state and federal taxes related to poles, and the Return Element formula reflects the return on pole plant.

Because the total pole revenue the Company received from the pole attachers for the years 2021 - 2025 was included in "other revenue," Eversource was not liable for state or federal taxes related to pole revenue as the "other revenue" was a reconciling item in the annual RDM rate reconciliation that adjusted rates to ensure the Company was allowed to recover the allowed revenue target, no more and no less, as approved in Docket No. 17-10-46.