Date Filed: October 02, 2026

**Witness: Douglas P. Horton, Edward A. Davis and Kimberly R. Parsons**
**Request from: UCONN**

**Question:**

(Affordability & Customer Engagement) Refer to Exhibit CLP-ELP-1 at p. 18 which states "energy supply is the greatest challenge to residential affordability."

a. What does Eversource believe is the greatest challenge to electricity affordability for the Company's non-residential customers?
b. Has Eversource engaged non-residential customers to understand what customers believe is the greatest challenge to electricity affordability for businesses, municipalities, and organizations? If so, please explain.

**Response:**

a. Non-residential customer bills include the same four categories of charges as residential bills, which are energy supply, transmission, public benefits and distribution. Among these categories, the greatest challenge to affordability for all customers is the cost of energy supply, coupled with the cost of public policy programs that seek to have customers paying for policies to incentivize clean energy policies, including renewable portfolio standards ("RPS") and the cost of the regional greenhouse gas initiative ("RGGI"). For all customer segments, supply is the largest and most volatile component of the customer bill (Exhibit CLP-ELP-1, p. 19, ll. 3–5). Supply-related costs also include the costs and credits of the state-mandated Millstone contract, which are recovered through the public benefits portion of the bill (Exhibit CLP-ELP-1, p. 27, ll. 3–9).

   Among these cost categories, distribution rates are relatively constant and, even when those rate change, the changes are not as significant or as volatile as these other parts of the customer bill. However, customers demand that every charge on their utility be justified, including the Company's costs. Of all the cost segments on the customer bill, the base revenue requirement receives the greatest level of scrutiny. In addition, the Company is proposing to implement the PBMRP as a solution to harness meaningful efficiency incentives and to smooth rate changes across time, given the infrastructure investment that is required for the system and that will drive rates in the future.

   The relative importance of supply differs among non-residential customers. Some procure supply from competitive suppliers under arrangements that may reflect the customer's own load profile, and some produce all or part of their supply through on-site generation. The

Company delivers electricity to these customers regardless of how their supply is procured, and which challenge is greatest for an individual business, municipality or organization depends on that customer's circumstances. However, because non-residential customers can invest in efficient equipment, generate on site, procure competitive supply or take supply service from the Company, supply is typically the component of the bill over which they have the widest range of options and to which they devote the most attention.

Transmission charges are also a component of non-residential customer bills, although these costs typically have a coincident benefit that arises for supply costs, which is a major factor in the Company's transmission-related investments. Transmission rates are set by the Federal Energy Regulatory Commission and costs are shared across the New England region; they are not determined by the Company (Exhibit CLP-ELP-1, p. 25, ll. 15–20).

The Company has also testified that recovering public benefits charges on a volumetric basis raises electric-input costs for commercial and industrial customers and affects their competitiveness (Exhibit CLP-ELP-1, p. 28, ll. 3–8). The Company's proposed Economic Development Rate is designed to attract and retain new electric load that businesses might otherwise locate outside Connecticut (Exhibit CLP-ELP-1, p. 119, ll. 13–15).

b. In developing the Economic Development Rate proposal in this proceeding, the Company held informal discussions with several large commercial and industrial customers and with the Connecticut Industrial Energy Consumers. Please refer to the Company's responses to OCC-460[i] and OCC-461[ii], and to the Company's response to UCONN-23[iii]. Eversource also utilizes webinars and participation in site visits to understand the perspective of commercial and industrial customers. Please refer to UCONN-021, Attachment 1, for a letter previously submitted to PURA which outlines the breadth of the Company's customer engagement, including large customers.

**Prior Referenced Responses:**

[i] OCC-460 Question:

(Economic Development Rate Rider) Has the Company received communications from industrial customers expressing interest in the EDR? If so, provide the industry type of these customers and the total incremental load the Company expects from them.

OCC-460 Response:

The Company has had discussions with several large general service rate customers (e.g., customers whose load might qualify for service under Rate 57, Rate 58 or Rate 39) and with Connecticut Industrial Energy Consumers ("CIEC") regarding prospective potential needs for an EDR. The Company has typically not discussed specific incremental load requirements and does not have a total, expected incremental load.

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[ii] OCC-461 Question:

(Economic Development Rate Rider) Did the Company consult any industrial customers on the structure of the proposed EDR? If so, provide a summary of any feedback the Company received from those customers, and whether and how the Company incorporated that feedback into its proposal.

OCC-461 Response:

As noted in the Company's response to information request OCC-460i, the Company has communicated with customers, which included industrial customers, and the Connecticut Industrial Energy Consumers ("CIEC") regarding an Economic Development Rate ("EDR"). Such communications focused predominantly on a discussion of:

- Whether a tariff (i.e., EDR) or special contract approach would apply;
- Overall structures including types of load that might qualify and which components of service would be proposed to be subject to EDR treatment (including, for example, which rate components might be affected and whether a discounted rate approach might apply);
- The period of time and duration a discount might apply;
- The form of discount, such as declining or constant discount; and
- The extent to which only incremental or new load would be eligible vs. existing load and/or load considered for business retention purposes.

Customers raised the point that many of these considerations were addressed with regard to desired structures of an EDR, in a recent UI rate case. In consideration of this input, the Company reflected in its proposed EDR a framework that gives structure from which to further address these and other considerations. In particular, the proposed EDR contemplates eligibility for only new and incremental load; a defined term (5 years) and declining discount schedule, focused on rates for Distribution service; and a targeted discount approach based on a more focused, customer-specific analysis, as discussed in the approach and processes principles that would apply as illustrated in the response to OCC-459ii. The Company was unable to more deeply vet additional input in developing its proposed EDR. As indicated in prefiled testimony, the Company presents its proposed EDR as preliminary and potentially subject to further development, and is open to additional engagement through this proceeding to further define and build out the framework and general provisions of its EDR during this proceeding.

[iii] UCONN-023 Question:

(Affordability & Customer Engagement) As part of developing the rate design proposal included in its initial filing, did Eversource engage any of its intermediate or large commercial customers to ask:

a. if the Company's current rate design poses obstacles to customers adopting distributed energy resources; or
b. if the Company's current rate design supports affordability for non-residential customers.
If so, please explain.

UCONN-023 Response:

In developing the Economic Development Rate proposal, which is part of the rate design proposal in the initial filing, the Company held informal discussions with several large commercial and industrial customers and with the Connecticut Industrial Energy Consumers. Please refer to the Company's responses to OCC-460 and OCC-461 for a description of those discussions.

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For the Company's view on affordability challenges for non-residential customers, please refer to the Company's response to UCONN-21.

Date Filed: October 02, 2026

**Witness: Edward A. Davis and Kimberly R. Parsons**
**Request from: UCONN**

**Question:**

(Affordability & Customer Engagement) Refer to Exhibit CLP-ELP-1 at p. 26 which states that the Public Benefits Charge is a state-mandated fee structure that consists of three separate charges: (1) the Renewable Energy Investment Charge, (2) the Conservation and Load Management Charge, and (3) the System Benefits Charge.

a. Please confirm whether the cost of Eversource's Energy Storage Solutions program for non-residential customers is collected from ratepayers through the System Benefits Charge.
b. Has Eversource evaluated whether its rate design for non-residential customer classes supports cost-effective adoption of behind-the-meter energy storage for peak demand management?
c. If electric rates are structured based on cost-causation principles, and they aim to send efficient price signals to customers for utilizing Eversource's transmission and distribution system, does Eversource agree that the need for and cost of additional financial incentives for customers to adopt distributed energy resources ("DER") for peak demand management will be reduced over time? If so, please explain.

**Response:**

a. The Energy Storage Solutions (ESS) program is funded through the Non-Bypassable FMCC, which rolls into the Public Benefits portion of the customer bill. It does not roll into the System Benefits Charge.

b. Rates for non-residential customers have been considered in evaluating the economics of the behind-the-meter energy storage as part of the energy storage solutions programs pursuant to PURA's Docket No. 17-12-03RE03.

c. The Company defers the matters of financial incentives and DER adoption to the programs identified in response to subpart (b).

Date Filed: October 02, 2026

**Witness: Edward A. Davis and Kimberly R. Parsons**
**Request from: UCONN**

**Question:**

(Affordability & Customer Engagement) As part of developing the rate design proposal included in its initial filing, did Eversource engage any of its intermediate or large commercial customers to ask:

a. if the Company's current rate design poses obstacles to customers adopting distributed energy resources; or
b. if the Company's current rate design supports affordability for non-residential customers.
    i. If so, please explain.

**Response:**

In developing the Economic Development Rate proposal, which is part of the rate design proposal in the initial filing, the Company held informal discussions with several large commercial and industrial customers and with the Connecticut Industrial Energy Consumers. Please refer to the Company's responses to OCC-460[i] and OCC-461[ii] for a description of those discussions.

For the Company's view on affordability challenges for non-residential customers, please refer to the Company's response to UCONN-21[iii].

**Prior Referenced Responses:**

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[i] OCC-460 Question:

(Economic Development Rate Rider) Has the Company received communications from industrial customers expressing interest in the EDR? If so, provide the industry type of these customers and the total incremental load the Company expects from them.

OCC-460 Response:

The Company has had discussions with several large general service rate customers (e.g., customers whose load might qualify for service under Rate 57, Rate 58 or Rate 39) and with Connecticut Industrial Energy Consumers ("CIEC") regarding prospective potential needs for an EDR. The Company has typically not discussed specific incremental load requirements and does not have a total, expected incremental load.

[ii] OCC-461 Question:

(Economic Development Rate Rider) Did the Company consult any industrial customers on the structure of the proposed EDR? If so, provide a summary of any feedback the Company received from those customers, and whether and how the Company incorporated that feedback into its proposal.

OCC-461 Response:

As noted in the Company's response to information request OCC-460i, the Company has communicated with customers, which included industrial customers, and the Connecticut Industrial Energy Consumers ("CIEC") regarding an Economic Development Rate ("EDR"). Such communications focused predominantly on a discussion of:

- Whether a tariff (i.e., EDR) or special contract approach would apply;
- Overall structures including types of load that might qualify and which components of service would be proposed to be subject to EDR treatment (including, for example, which rate components might be affected and whether a discounted rate approach might apply);
- The period of time and duration a discount might apply;
- The form of discount, such as declining or constant discount; and
- The extent to which only incremental or new load would be eligible vs. existing load and/or load considered for business retention purposes.

Customers raised the point that many of these considerations were addressed with regard to desired structures of an EDR, in a recent UI rate case. In consideration of this input, the Company reflected in its proposed EDR a framework that gives structure from which to further address these and other considerations. In particular, the proposed EDR contemplates eligibility for only new and incremental load; a defined term (5 years) and declining discount schedule, focused on rates for Distribution service; and a targeted discount approach based on a more focused, customer-specific analysis, as discussed in the approach and processes principles that would apply as illustrated in the response to OCC-459ii. The Company was unable to more deeply vet additional input in developing its proposed EDR. As indicated in prefiled testimony, the Company presents its proposed EDR as preliminary and potentially subject to further development, and is open to additional engagement through this proceeding to further define and build out the framework and general provisions of its EDR during this proceeding.

[iii] UCONN-021 Queston:

Question: (Affordability & Customer Engagement) Refer to Exhibit CLP-ELP-1 at p. 18 which states "energy supply is the greatest challenge to residential affordability."

a. What does Eversource believe is the greatest challenge to electricity affordability for the Company's non-residential customers?
b. Has Eversource engaged non-residential customers to understand what customers believe is the greatest challenge to electricity affordability for businesses, municipalities, and organizations? If so, please explain.

UCONN-021 Response:

a. Non-residential customer bills include the same four categories of charges as residential bills, which are energy supply, transmission, public benefits and distribution. Among these categories, the greatest challenge to affordability for all customers is the cost of energy supply, coupled with the cost of public policy programs that seek to have customers paying for policies to incentivize clean energy policies, including renewable portfolio standards ("RPS") and the cost of the regional greenhouse gas initiative ("RGGI"). For all customer

segments, supply is the largest and most volatile component of the customer bill (Exhibit CLP-ELP-1, p. 19, ll. 3–5). Supply-related costs also include the costs and credits of the state-mandated Millstone contract, which are recovered through the public benefits portion of the bill (Exhibit CLP-ELP-1, p. 27, ll. 3–9).

Among these cost categories, distribution rates are relatively constant and, even when those rate change, the changes are not as significant or as volatile as these other parts of the customer bill. However, customers demand that every charge on their utility be justified, including the Company's costs. Of all the cost segments on the customer bill, the base revenue requirement receives the greatest level of scrutiny. In addition, the Company is proposing to implement the PBMRP as a solution to harness meaningful efficiency incentives and to smooth rate changes across time, given the infrastructure investment that is required for the system and that will drive rates in the future.

The relative importance of supply differs among non-residential customers. Some procure supply from competitive suppliers under arrangements that may reflect the customer's own load profile, and some produce all or part of their supply through on-site generation. The Company delivers electricity to these customers regardless of how their supply is procured, and which challenge is greatest for an individual business, municipality or organization depends on that customer's circumstances. However, because non-residential customers can invest in efficient equipment, generate on site, procure competitive supply or take supply service from the Company, supply is typically the component of the bill over which they have the widest range of options and to which they devote the most attention.

Transmission charges are also a component of non-residential customer bills, although these costs typically have a coincident benefit that arises for supply costs, which is a major factor in the Company's transmission-related investments. Transmission rates are set by the Federal Energy Regulatory Commission and costs are shared across the New England region; they are not determined by the Company (Exhibit CLP-ELP-1, p. 25, ll. 15–20).

The Company has also testified that recovering public benefits charges on a volumetric basis raises electric-input costs for commercial and industrial customers and affects their competitiveness (Exhibit CLP-ELP-1, p. 28, ll. 3–8). The Company's proposed Economic Development Rate is designed to attract and retain new electric load that businesses might otherwise locate outside Connecticut (Exhibit CLP-ELP-1, p. 119, ll. 13–15).

b. In developing the Economic Development Rate proposal in this proceeding, the Company held informal discussions with several large commercial and industrial customers and with the Connecticut Industrial Energy Consumers. Please refer to the Company's responses to OCC-460 and OCC-461, and to the Company's response to UCONN-23. Eversource also utilizes webinars and participation in site visits to understand the perspective of commercial and industrial customers. Please refer to UCONN-021, Attachment 1, for a letter previously submitted to PURA which outlines the breadth of the Company's customer engagement, including large customers.

Date Filed: October 02, 2026

**Witness: Edward A. Davis and Kimberly R. Parsons**
**Request from: UCONN**

**Question:**

(Affordability & Customer Engagement) Refer to Exhibit CLP-ELP-1 at pp. 25-26 which states that "transmission costs are shared across the region" and are "proportionally allocated" to Connecticut. Exhibit CLP-RATES-3 at pp. 186-187 describes the overall calculation of the total Transmission Adjustment Clause ("TAC").

a. Please explain the formula and methodology used to apportion the total costs of transmission across customer classes in the Connecticut service territory.
b. Please explain how this methodology is consistent with cost-causation and fairness principles.
c. For each of Rates 55, 56, 57, and 58, please provide (i) the percentage of total TAC revenue allocated to each rate class, and (ii) the total dollar amount of TAC revenue collected from each rate class, in each case for the most recent TAC reconciliation period.

**Response:**

a. Please refer to UCONN-024, Attachment 1, for the Transmission exhibits provided in the Company's most recent RAM filing, Docket No. 26-01-03.

    - Page 1 shows the determination of the average Transmission rate on line 31.
    - Page 2 shows the time-of-use breakout for applicable rate classes.
    - Page 3 shows a comparison versus the current and proposed Transmission rates by rate class.
    - Page 4 shows the Transmission Allocation. The Transmission Revenue Target (cell F13) is calculated by multiplying the average Transmission rate from page 1 by the Rate Year total sales. This Revenue Target is allocated to each rate class based on a 12 CP kW Demand Allocator (Columns C and D).

b. The Company uses a 12 coincident peak ("12 CP") allocation factor to assign transmission revenue requirements to rate schedules. This methodology is designed to reflect the methodology used in the development of the NEPOOL OATT revenue requirement and the resulting charges billed to the Company for transmission service under that tariff. From this perspective, the allocation is a "financial" nature, in that it is based only on the amount billed to the EDC's (noting, it is the amount billed first to the transmission service customer and then allocated to CL&P that is used for determining the corresponding class allocation.

Despite the diversity of customer loads that make up the monthly peak, or the load levels or utilization of the transmission system by individual customers throughout all other hours of a given month, where such demands may be greater than during the system peak, it is only the single monthly peak that is applied using this allocation method). Unlike with a resource-based distribution cost allocation, the billed transmission charge is what is being allocated. Under the current paradigm, the allocated charges and coincidence of demand for determining the share of load contributing to such charges provides a reasonable basis for allocation of costs. To the extent consideration is given to alternative approaches for class cost allocation, a review of underlying costs and consideration of utilization of the system that such charges represent might be of interest with regarding to equitable allocation, along with other rate design principals to evaluate.

c. Please refer to UCONN-024, Attachment 1, for the requested information.

Date Filed: October 02, 2026

**Witness: Edward A. Davis and Kimberly R. Parsons**
**Request from: UCONN**

**Question:**

(Economic Development Rider) Refer to Exhibit CLP-RATES-3 at pp. 198-201.

a. If an unaffiliated entity acquires a distressed commercial, nonprofit, or hospital facility and establishes a new electric-service account, would it qualify as a "New Customer" under the Economic Development Rider ("EDR")? Explain whether the answer depends on the form of acquisition or whether the premises received Eversource service during the preceding 12 months.
b. If the purchaser maintains or restores the facility's prior operations without exceeding its historical load, would any portion of that load qualify under the EDR? If not, identify any available business-retention or economic-development rate option.
c. Identify the factors controlling whether the purchaser is treated as a New Customer or Existing Customer and how Eversource would establish the applicable baseline and Incremental Load.
d. Has Eversource evaluated whether the proposed criteria could discourage the acquisition or reopening of distressed facilities? If so, provide the analysis. If not, explain why not.
e. Would Eversource support tariff language allowing EDR eligibility when an acquisition demonstrably prevents an imminent closure or permanent loss of load? Explain.

**Response:**

The Company developed the Economic Development Rider on a preliminary basis subject to further development within this proceeding. The following responses are similarly considered preliminary, and reflect details of the qualification and administrative processes of the proposed EDR, for specific use cases and scenarios, that are subject to further development and refinement.

a. The proposed EDR contemplates qualification on a customer-specific basis, for growth of existing customer load and new service. A newly acquired facility that had been previously been shut down or reduced to a minimal load that becomes a new service account might be eligible after meeting other requirements.

b. A new service for a restored operation that meets the minimum incremental load requirements, prospectively, may qualify.

c. Recognizing qualification for an existing customer of record who outright increases load at or above the minimum threshold compared with a baseline set to historical demand levels, consideration could be given to the setting of a different baseline associated with the new, incremental load (e.g., from installing more efficient equipment). Guidance may be taken from the treatment of new load and the associated CTA exemption available to customers for such incremental load.

d. The Company would need to examine this concern more closely, in the context prospectively of the proposed EDR.

e. This condition will need to be further evaluated, as to whether this condition represents and is consistent with economic development as proposed in the EDR, or business retention or another classification or condition not contemplated in the proposed EDR.

Date Filed: October 02, 2026

**Witness: Amparo Nieto**
**Request from: UCONN**

**Question:**

(Marginal Cost of Service Study) Refer to the direct testimony of Amparo Nieto, Exhibit CLP-MCOS-1 at p. 3, which identifies "fostering economically-efficient energy usage decisions that lead to a more efficient expansion of the distribution grid" as one of three major ratemaking objectives.

a. Confirm that the quoted language is accurate and complete. If not, provide the accurate language.
b. Define "economically-efficient energy usage decisions" and "more efficient expansion of the distribution grid."
c. Explain how the proposed rates for intermediate and large commercial customers advance this objective and identify all supporting analyses and workpapers.
d. Does reducing customer demand during Eversource's monthly or annual transmission-system peak provide a benefit to other customers? Explain.

**Response:**

a. The quoted language is accurate and complete. It implicitly refers to the merits of rates that incorporate marginal cost information relative to rates that are set based solely on embedded costs.

b. In economic theory jargon, economic efficiency is defined in three dimensions: *allocative efficiency* —resources are allocated (used) to produce the level of output that maximizes total social welfare, meaning the sum of consumer and producer surplus. This is achieved when the price for the next unit of consumption (kW) reflects the marginal cost of producing/delivering that unit. At that point, we know that customers' willingness to pay is equal or higher than the price they pay, and at the same time the revenue received by the utility exactly covers the costs of providing the additional unit of electricity, thereby not creating a net revenue loss or incentivizing overproduction or over-investment; the second dimension is called *productive efficiency* — the level of electricity service is such that it allows the utility to utilize its existing resources optimally, leading to the lowest feasible average unit cost; and the third dimension is dynamic efficiency — price supports efficient longer-term decisions regarding innovation in investment and technology progress.

Ms. Nieto's statement in her testimony refers primarily to the first and second dimensions of efficiency. If the rate includes price signals that reflect the marginal unit cost of meeting incremental usage on the grid, the customer is likely to make "economically-efficient energy usage decisions" including how much electricity to use at a given hour, and efficient decisions regarding use and acquisition of new equipment such as air source heat pump, if justified based on that price. This level of additional consumption patterns and levels also ultimately lead to a "more efficient expansion of the distribution grid" relative to other pricing approaches, because utilities expand the grid when the customers responsible for the cumulative demand that drives the capacity constraint face (and are willing to pay) the incremental cost, i.e., including the estimated per-unit cost of expansion. Resource allocation is therefore socially optimal. Alternatively, if the price is set higher than the prevalent marginal costs, customers may be discouraged to demand additional electricity that would have been provided at an incremental cost lower than the customer's willingness to pay. And when price is below marginal cost, customers may demand more electricity than optimal leading to accelerated expansion at times of higher utilization, and the expansion cost needs to be socialized across all customers in the long term.

c. The proposed rates for intermediate and large commercial customers are overall consistent with the results of the MCOS study in these three aspects:

- The monthly fixed charges are above the estimated monthly marginal customer costs, which allows keeping these costs -which do not change with usage—outside of the usage-related or demand charges.

- Rates for these customers do not include volumetric charges, only demand charges. The demand charges are set to recover the respective class revenue requirement which includes allocated upstream distribution grid and local distribution facilities costs. These customers are more heterogeneous compared to the residential and small commercial classes, which justifies recovering facilities costs on a size basis. The demand charges recover not only marginal costs but also sunk costs allocated to this class through the ACOS study.

- The rates do not time-differentiate distribution charges. The Company decided not to use TOU distribution rates for the intermediate and large commercial customers, and in this regard it is not strictly following the system-wide marginal cost responsibility across hours of the day. These customers tend to be the dominant load on the circuit and transformer and therefore driving local capacity needs or the expansion of the distribution facilities serving them. This in many cases includes the upstream distribution substation.

d. From a theoretical point of view, if the customer reduces demand during Eversource's monthly transmission-system peak, in the near term it reduces the financial transmission bill that the Company as a distribution business must pay for RNS to the ISO-NE. The net effect may be a benefit to other customers. On the one hand, from a financial point of view, the RNS revenue requirement allocated to Eversource would be divided by a lower amount of peak load, increasing the unit rate at the next rate revision. On the other hand, other transmission-provider transmission costs allocated to Eversource RNS would decrease. The longer-term benefit to other customers is clearly associated with load reductions that coincide with transmission system's annual peak since this lower peak load may defer investment planned on the transmission to meet annual peak load growth, i.e., long-term capacity expansion needs.

Date Filed: October 02, 2026

**Witness: Amparo Nieto, Edward A. Davis and Kimberly Parsons**
**Request from: UCONN**

**Question:**

(Marginal Cost of Service Study) Refer to Exhibit CLP-MCOS-1 at p. 3.

a. Explain how the foregoing ratemaking objective applies to the University of Connecticut and UConn Health.
b. Identify the rate schedules serving their separately metered accounts and the price signals under those rates that reward changes in the timing or magnitude of grid usage.
c. State whether Eversource evaluated the proposed rates' effects on universities, hospitals, research facilities, laboratories, or other mission-critical customers. If so, provide the analysis and workpapers. If not, explain why not.

**Response:**

a. Across the board, the Company's rates are designed to charge customers for the service they take from the system on the basis of cost causation principles, while also meeting three core rate-design objectives, which are to: (1) foster economically-efficient energy usage decisions; (2) ensure equitable rates or mitigate intra-class cross-subsidies; and (3) preserve customer affordability in the transition to a decarbonized sector. It is the Company's expectation that all customers, including large commercial customers benefit from the application of reasonable ratemaking objectives, reasonably and fairly applied. For example, the Company expects that UCONN's participation in this proceeding is undertaken because it has a genuine and valid interest in taking service pursuant to a rate set by PURA that promotes decisions for economic efficiency; that is equitable given the costs that UCONN imposes on the system; and that is affordable in relation to the service amount and quality that UCONN is seeking to obtain from the Company.

b. The rate schedules serving UCONN's separately metered accounts are: Rate 1, Rate 30, Rate 35, Rate 37, Rate 56, Rate 58, Rate 115, and Rate 116. The price signals under these rates that reward changes in the timing or magnitude of grid usage are:

| Rate Component | Rate 30 | Rate 35 | Rate 37 | Rate 56 | Rate 58 | Rate 115 |
|---|---|---|---|---|---|---|
| Distribution Demand Charge | X | X | X | X | X | X |
| P/T Demand Charge | | X | X | X | X | |
| Trans. TOU | | | X | | | |
| NBFMCC TOU | | | X | X | X | |
| GSC TOU | | | X | X | X | |

c. The Company did not evaluate the proposed rate effects on "universities, hospitals, research facilities, laboratories, or other mission-critical customers" as a sub-group of customers because, from the Company's perspective, there is no individual customer segment that is entitled to special treatment based on the "mission" that those entities have, although the Company certainly agrees the mission is vital. The Company is required by law to propose to set rates that are non-discriminatory across the customer base, so that rates and charges are fairly balanced for customers at similar usage levels. In that regard, the Company routinely reviews the "typical bills" of each rate class when designing rates to ensure the rate-design objectives of continuity and gradualism are achieved, along with equitable results across all customer classes.

Date Filed: October 02, 2026

**Witness: Amparo Nieto, Edward A. Davis and Kimberly Parsons**
**Request from: UCONN**

**Question:**

(Marginal Cost of Service Study) Refer to Exhibit CLP-MCOS-1 at p. 4 which states that preserving customer affordability in the transition to a decarbonized sector is one of three major ratemaking objectives. Does Eversource agree that all components of Eversource's electric bill need to be considered to determine whether customer affordability is being preserved?

**Response:**

All components of Eversource's electric bill affect customer's household or business electricity-related expenses, and therefore affect customer affordability. The distribution rate case only addresses distribution costs. The way that affordability is preserved is by ensuring that costs emerging from the need to decarbonize the grid or other reasons are recovered from customers in a way that does not unnecessarily burden electricity consumption or increases cross-subsidies by overly penalizing higher than average load factor users.

Any rate design effort that keeps preservation of affordability in mind must take into account realignment of charges to underlying marginal cost drivers for each component of the bill. It must also balance the gradualism objective, and may require phasing in implementation of appropriate rate structures or gradual rate rebalancing. The MCOS study can be used to guide this process, with the starting point being bringing rate closer to incremental costs, ideally by time of day or season when it is appropriate, and avoiding apportionment of large sunk costs or other costs that are unrelated to customer usage decisions into volumetric components of the rate.

Date Filed: October 02, 2026

**Witness: Amparo Nieto, Edward A. Davis and Kimberly Parsons**
**Request from: UCONN**

**Question:**

(Marginal Cost of Service Study) Refer to Exhibit CLP-MCOS-1 at p. 3 which states that "ensuring equitable rates or mitigating intra-class cross-subsidies over time" is one of three major ratemaking objectives.

a. Has Eversource reviewed whether its current rate design for each customer class achieves this ratemaking objective across the Company's entire delivery bill?
b. For each intermediate and large commercial rate class (Rates 55, 56, 57, and 58), please provide the ratio of each class's current revenue responsibility to its allocated cost of service for (i) distribution charges, (ii) transmission charges, and (iii) public benefits charges.

**Response:**

a. Yes, the Company did review whether its current rate design for each customer class ensures equitable rates or mitigates intra-class cross subsidies over time across the entire delivery bill, as shown in Exhibit CLP-RATES-2.3, Exhibit CLP-RATES-2.5, and Exhibit CLP-RATES-2.6. The revenue allocation and rate design of non-distribution rates are reviewed and approved by PURA in separate dockets from this proceeding.

b. Please refer to UCONN-29, Attachment 1, for the requested information.