Date Filed: October 16, 2026

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

Question:

(INCREMENTAL POSITIONS) Application, Sch. WP C-3.5, p. 3 of 3; Interrog. Resp. OCC-327, Att. 1, and Interrog. Resp. OCC-333, Atts. 1 and 2. Regarding the incremental full-time equivalent positions included in the Rate Year cost of service:

a. Schedule WP C-3.5, p. 3 of 3, requests 58 positions at an annual cost of $6,476,019 and a Rate Year cost of $3,238,010. The response to OCC-333 describes that figure (58) as preliminary. State the date on which the Company determined that the 58-position figure was not final and the basis on which a preliminary figure was filed as a Rate Year cost.

b. Reconcile, position by position, the 58 positions in Schedule WP C-3.5, p. 3 of 3 to the 41 Full Time Equivalent (FTE) positions in OCC-333, Attachment 1. Identify each position removed, added, re-titled or re-priced. Include the five Power Quality positions and the three Grid Modernization positions at $200,000 that do not appear in Exhibit CLP-REVREQ-2, WP C-3.5, p. 3 of 3, Payroll Expense – Incremental FTE Calculation, as filed on July 14, 2026, the two positions at $91,000 captioned Engineering Capital as filed and Grid Modernization in OCC-333, Attachment 1, and the Vegetation Management positions at $98,707 shown as 17 as filed and nine in OCC-327, Att. 1. Reconcile the net reduction of seventeen positions to the twelve Advancing the Grid positions shown on the corrected Exhibit CLP-TSP-3, p. 43.

c. Identify which of the 21 Vegetation Management positions represent the eight full-time equivalents representing 16 employees who currently divide their time between capital and operating expense work, which positions represent the 12 contractor conversions, and which position represents the one incremental resource. State the salary line in OCC-333, Attachment 1, for each group, the compensation of the 16 employees charged to capital in each of calendar years 2021 through 2025, and the reduction to outside contractor services reflected in Schedule WP C-3.31 for the 12 conversions.

d. State the basis for the CL&P allocation of 100% applied to each of the 20 EESCO positions, and the rate code applicable to each. State the basis for costing those positions at the Payroll Benefit Rate of 20.99% in OCC-327, Attachment 1, rather than at the Weighted General Service Company Overhead Rate of 64.93% for June 2026 in OCC-202, Attachment 1.

e. Provide the revised Rate Year benefits, payroll taxes and variable compensation for the incremental 41 FTE positions. Identify the schedule and line on which the $2,278,000 of Rate Year payroll in OCC-333, Attachment 1, and each related amount will appear in Schedules C-

3.5, C-3.6, C-3.12 and C-3.38. State the number of the 12 Grid Modernization positions within the 41 FTEs that the Company expects to have filled by January 1, 2028.

f. Provide each 2026 and 2027 budget, headcount plan or requisition approval that includes any of the forty-one positions. State the steps the Company will take to fill each position by the planned hiring date of January 1, 2028, shown in OCC-327, Attachment 1.

Response:

a. The engineering team developed initial information regarding the need for 58 incremental positions and provided it to the revenue requirements team for purposes of developing the revenue requirements model for the filing. However, during final review of future needs, these initial positions were reduced to 41 FTEs. The exact date of this change was not recorded, although the Company's recollection is that it was in the beginning of July 2026, after the point that changes to the revenue requirement calculations could be included in time for the filing date.

b. Please refer to RRU-048, Attachment 2, for the reconciliation of the 58 positions in Exhibit CLP-REVREQ-2, WP C-3.5, p. 3 of 3, Payroll Expense – Incremental FTE Calculation, as filed on July 14, 2026, to the 41 positions in OCC-327, Attachment 1, and in OCC-333, Attachment 1.

Regarding the reconciling the net reduction of 17 positions to the 12 Advancing the Grid positions shown on the corrected Exhibit CLP-TSP-3, at 43, the reduction in the TSP FTEs request from 58 to 41 has no relation to the Advancing the Grid positions shown in the corrected Exhibit CLP-TSP-3, at 43, these Advancing the Grid FTEs are in addition to what is being requested in the TSP revenue requirement.

c. Please refer to RRU-047, Attachment 1, for the allocation of the 21 Vegetation Management positions that represent the eight full-time equivalents, twelve contractor conversions, and one incremental resource. In reference to the salary line in OCC-333, Attachment 1, the eight full-time equivalents and one incremental resource are included on Line 16 and the 12 contractor conversions are included on Line 17. The compensation charged to capital from 2021 through 2025 of the 16 employees representing the eight full-time equivalents was:

Year	2021	2022	2023	2024	2025
Capital Labor	$692,086	$1,166,748	$987,365	$860,976	$946,319

The reduction to outside contractor services from the 12 contractor conversions will not be reflected in Schedule WP C-3.31 as it is already included as a factor within the proposed Rate

Year 1 (Ending 6/30/2028). However, the reduction to outside contractor services is $1,466,600.

d. The 20 ESC positions will allocate 100% of their time to CL&P to support the distribution operations. The benefit rate for ESC positions had inadvertently applied the CL&P payroll benefit rate. Please refer to RRU-047, Attachment 2, for a revised incremental FTE schedule with the correct benefit factor applied to ESC 20 positions.

e. Please refer to the Company's response to OCC-833, Attachment 1, for the revised Rate Year benefits and payroll taxes for the incremental 41 positions. The $2.278 million will be shown on WP C-3.5 Page 2 of 3 line 22 for $954,000 to CL&P and line 45 for $1.324 million to ESC. The Grid Modernization positions that the Company is planning would be hired in phases based on business needs and changing requirements as necessary including the timeline and scope for DERMS (in the TSP), and DERMS Demonstration and other Advancing the Grid initiatives. Currently the Company is targeting to hire 5 of the 12 incremental FTEs in 2027 and the remainder in 2028. The Company is not actively recruiting for these positions at this time pending internal approval of the 2027 staffing plan.

f. None of the 41 incremental positions are budgeted in 2026. The Company is currently in the process of developing the 2027 budget, which will continue in the upcoming months. Please refer to the Company's response to OCC-333[i].

Prior Referenced Response:

[i] OCC-333 Question:

Payroll. For each of the new positions that the Company is requesting recovery of in the Rate Year, state whether the hiring of the positions are conditioned on their approval in this case.

OCC-333 Response:

The Company is providing an update for the Full Time Equivalent ("FTE") counts included in the request for recovery in the Rate Year in this response as OCC-333, Attachment 1, (note that this is an update of Exhibit CLP-REVREQ-2, Work Paper C-3.5, page 3). The Company will update the payroll expense and other affected costs as part of its next cost of service update.

The number of FTEs included in the original filing was fifty-eight (58). This number was a preliminary number and included FTEs contemplated in the Advancing the Grid plan that is above and beyond the Targeted System Plan ("TSP") requested for review and approval in this application. The updated number of incremental FTEs to be included in the Rate Year of the Company's cost of service is forty-one (41).

Included in the forty-one (41) full-time positions are twenty-one (21) in Vegetation Management, five (5) Power Quality positions, two (2) in Distribution Planning & Forecasting and one (1) Asset Health, these are contingent on

PURA's approval in this case. In addition, for Grid Modernization there are seven (7) for Control Room Operations, three (3) for Data Innovation, and two (2) for Field Communications that the Company will consider hiring based on business needs and changing requirements as necessary, but most likely not all requested.

The Vegetation Management positions allow the Company the opportunity to improve the system's reliability and improve cost-efficiency by transitioning more work in-house to restructure vegetation management performance for the benefit of our customers. While the twenty-one (21) Vegetation Management positions appear to be incremental, in reality there is only 1 incremental resource. Of the twenty-one (21), eight (8) of the FTEs are the result of 16 employees who currently split their time 50%/50% between O&M and capital work shifting to solely working on the proposed combined O&M program, if approved, results in the equivalent of 8 incremental employees working on the O&M program; twelve (12) resources would be converted from contracted resources to internal resources of which the Company's proposed vegetation management expenses in Exhibit CLP-REVREQ-2, Work Paper C-3.31 reflect the reduction in outside contractor services; and one (1) resource would be truly incremental.

The Grid Modernization positions are needed to support large-scale distributed energy resource ("DER") integration and clean-energy advancement; develop and deploy advanced tools and analytics for integrated distribution system planning and grid modernization; and drive increased innovation and application of GenAI, LLM and machine learning capabilities.

The Company is also providing as OCC-333, Attachment 2, which is a corrected Exhibit CLP-TSP-3, page 43 of 149 that has been updated with the corrected number of FTEs in the parenthesis in the text boxes on the right.