Date Filed: November 19, 2026

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

Question:

(POLITICAL AND LEGISLATIVE GOALS) Application, Schs. C-3.5, C-3.6 and C-3.7; Interrog. Resp. CIEC-015, Att. 1, Interrog. Resp. OCC-310, Interrog. Resp. OCC-611, Att. 1, and Interrog. Resp. UPA-003; Conn. Gen. Stat. § 1-91; Public Act 23-102, Sec. 3(b). Regarding the corporate performance goal of "Advance strategies to improve the Connecticut political and regulatory environment:"

a. Identify activities underlying the outcome reported for that goal and the 175% performance result for the goal category, including the activities that "contributed to the development of Connecticut Senate Bill 4," the nomination or appointment of commissioners of the Authority, and the increase to five commissioners, as shown in Interrog. Resp. CIEC-015, Att. 1, pp. 49-50. State how the Company classified each activity under the definitions of lobbying and legislative action in General Statutes § 1-91, and the basis for any activity it did not treat as lobbying.

b. For calendar years 2021 through 2025 and the nine months ended September 30, 2026, state the annual labor (including benefit and service company loadings), outside lobbyist and consultant fees, travel and other costs of the activities identified in subpart a, the Federal Energy Regulatory Commission (FERC) account in which each was recorded, and amounts charged or allocated to CL&P including separating such amounts for those recorded above and below the line.

c. Explain for officers whose labor costs are allocated rather than direct charged, how payments for lobbying and legislative activities are excluded from the amounts allocated to CL&P in Schedules C-3.5, C-3.6 and C-3.7 based on testimonies that all lobbying and government relations costs, including amounts allocated from EESCO, are recorded below the line and that officer variable compensation is charged to CL&P only when an officer is providing services to CL&P. Quantify the compensation for those officers attributable to lobbying and legislative activities included in the Test Year and the Rate Year.

d. Reconcile the annual compensation and expenditures reported to the Office of State Ethics for 2021 through 2025 by or on behalf of Eversource Energy, CL&P and EESCO to the amounts recorded in Account 426.4 and charged or allocated to CL&P. Provide an explanation for any material variances.

e. Identify each goal or initiative relating to the Connecticut political, legislative or regulatory environment in the corporate scorecard for each plan year from 2021 through 2025, including the 2024 initiative to continue to implement plans and strategies to "improve" the Connecticut

political and regulatory environment. Explain the basis for recovering any variable compensation funded by those goals and initiatives given Section 3(b) of Public Act 23-102.

Response:

a. Please refer to the Company's response to RRU-057[i] regarding the Company's regulatory outcome goal; and please refer to the Company's response to OCC-310[ii] regarding the Company's treatment for lobbying and legislative activities.

b. and c. Please refer to the Company's response to OCC-310.

d. Please refer to the Company's response to OCC-310. There are no costs associated with lobbying activities in the Company's proposed cost of service.

e. Please refer to the Company's response to RRU-057 and OCC-198.[iii] As discussed therein, the corporate performance goals do not correlate to the payment of variable pay to employees, with the exception of the Chief Executive Officer, as an individual, and the Named Executive Officers, in the aggregate. Achievement of the corporate performance goals – on an overall basis – is relevant only to the decision of the Board of Trustees to fund variable pay across the entire enterprise, not to allocate it to individual employees.

Prior Referenced Response:

[i] RRU-057 Question:

(REGULATORY OUTCOME METRICS) Interrog. Resps. CIEC-015, Att. 1 and OCC-198, Att. 1; Public Act 23-102, Sec. 2. Regarding corporate performance goals that measure the outcome of proceedings before the Authority:

a. (i) Identify each Eversource Energy Employee Annual Incentive Program and executive Annual Incentive Program plan year from 2018 through 2025 in which the outcome of a proceeding before the Authority was a scored metric or a credited achievement; (ii) include (1) the 2018 metric captioned Positive Regulatory Outcomes weighted at 8% with a target to obtain constructive rate case outcomes; (2) the 2021 Strategic Growth Initiatives achievement citing a comprehensive PURA-approved settlement agreement; (3) the 2023 initiative for constructive regulatory outcomes; and (4) the 2025 Strategic Financial Initiatives and Regulatory Outcomes metric; and (iii) state the weighting and the payout percentage for each.
b. State the amount of variable compensation charged to CL&P in each of the plan years from 2018 through 2025, and the amount included in the Rate Year funded by performance on each metric or initiative identified in response to subpart a.
c. (i) State whether the outcome of this proceeding is a scored metric or a credited achievement in the 2026 corporate performance goals, which the response to OCC-289 described as established annually by the Board of Trustees and which Ex. CLP-EMPLOYEE-4B references as the Q1 2026 scorecard; (ii) state the date on which the Board of Trustees approved them; and (iii) provide the 2026 corporate scorecard as approved, showing each metric, its weighting and its threshold, target and maximum levels.

d. State whether the Company treated any portion of the variable compensation in Schedules C-3.6 and C-3.7 as non-recoverable under Section 2 of Public Act 23-102 given it was funded by performance on a metric measuring the outcome of a rate proceeding before the Authority. If it did not, state the basis for that position.

RRU-057 Response:

a. There is no example in any year at any level of the Eversource variable pay compensation program where the "outcome of ***a proceeding*** before [PURA] was a ***scored metric or a credited achievement***." This continues to misrepresent the details, structure and function of the variable pay program.

First, Eversource Energy is a FERC-jurisdictional, public utility holding company that owns and operates regulated utility companies that are pervasively regulated by state public-utility commissions. There is no successful operation of Eversource Energy – and no attraction of capital to support transmission and distribution systems providing essential services to utility customers -- without positive regulatory outcomes. Positive regulatory outcomes are vital for any kind of company, but particularly for an investor-owned, regulated operating utility. Negative regulatory outcomes cause credit downgrades, loss of investment quality and declining ability to support the system that customers are relying on. It is fully incumbent on Eversource Energy to strive for positive regulatory outcomes for the betterment of customers and customer interests.

Second, the question refers to the Company's response to CIEC-015, Attachment 1, at pages 48-52, which identifies a corporate financial performance goal entitled "Strategic Financial Initiatives and Regulatory Outcomes," described as "Regulatory filings, storm cost recovery and strategic positioning. These terms apply across all four of Eversource Energy's regulatory jurisdictions (FERC, Connecticut, New Hampshire and Massachusetts) and are not tied specifically to "the outcome of a [PURA] proceeding."

In addition, the table presented on page 49 provides details on the "Strategic Initiatives and Regulatory Outcomes," referenced in the title, clearly specifying that the performance achieved is to "***[e]xecute*** regulatory initiatives across three states, including the Yankee Gas Service Company and Public Service Company of New Hampshire rate cases and various capital tracker and performance mechanisms." (CIEC-015, Attachment 1, page 49, emphasis added). All of the description provided describes how the Company ***executed*** on its filings and ***identifies*** the outcome achieved without grading performance on the basis of what the outcome of each rate proceeding was. In other words, it is the completion of the initiative with ***overall*** positive results that is reviewed and accounted for.

The question also refers to the Company's response to OCC-198, Attachment 1. This attachment provided the corporate financial and operating performance goals in a matrix format similar to the chart listed in CIEC-015, Attachment 1, at 49, for the years 2018 to 2023. Similar to the chart in CIEC-015, Attachment 1, at 49, there are only high level, generalized references to the strategic goal of achieving positive regulatory outcomes. Specifically, the following references are shown:

2018 Operational Performance: "Positive regulatory outcomes" and "Obtain constructive rate case outcomes," listing the completion of rate proceedings and rate settlements with "constructive outcomes" for CL&P, Yankee, Aquarion-MA and FERC. There is no reference to or grading of any specific outcome. Here, the chart identifies a weighting of 8% assigned generally to "positive regulatory outcomes" and "obtain constructive rate case outcomes," tied to positive outcomes in three of the four regulatory jurisdictions served by Eversource Energy.

2019 Operational Performance. "Obtain constructive rate case outcomes," Referencing energy storage, electric vehicle and energy efficiency projects.

2020 Strategic Growth Initiatives. Referencing "constructive outcomes" for the PSNH and NSTAR Gas rate case, and completion of the acquisition of Columbia Gas of Massachusetts Company and the sale of Aquarion-MA assets to the Town of Hingham, among other initiatives.

2021 Strategic Growth Initiatives. Referencing various "approvals" of regulatory matters, including PURA's approval of the 2021 Storm Settlement, MA Grid Mod, NSTAR Gas capital cost recovery, Massachusetts storm-cost recovery and "completion" of the Columbia Gas transaction.

2022 Strategic Growth Initiatives. Referencing that Eversource "successfully advanced several strategic initiatives and produced positive regulatory outcomes" in Massachusetts, New Hampshire and at FERC.

2023 Strategic Growth Initiatives. Referencing "constructive regulatory outcomes" without referencing any state jurisdiction.

Across these references, the terminology refers to "completion" and "approval" of regulatory proceedings, with the terminology "constructive outcomes" applied equally across all jurisdictions and *all outcomes*. There is no example in any year where the specific "***outcome*** of a proceeding before [PURA] was ***a scored metric or a credited achievement***."

b. Please refer to the Company's response to OCC-202i. Please note that variable pay is not "funded by performance on each metric or initiative identified in response to subpart a," as stated in the question. All of the references in subpart (a) are citations to the ***corporate financial and operating performance goals***, which apply to determine the CEO's variable pay, as an individual, and the executive officers (named and un-named) in the aggregate. The corporate performance goals do not determine the actual funding amount in any given year. The funding level for variable pay across CL&P and the Eversource enterprise is separately determined by the Chief Financial Officer without application of specific "metrics or initiatives," contrary to the viewpoint of the question.

c. The particular outcome of this proceeding is not a "scored metric or a credited achievement in the 2026 corporate performance goals." Calendar year 2026 is not yet complete and the proceeding will not be completed in 2026. The response to OCC-289ii contains no information specific to 2026, but states that the Board of Trustees approves the corporate financial and operating performance goals. Exh. CLP-EMPLOYEE-4B references as the Q1 2026 scorecard ***for individual employees -- not corporate performance*** set by the Board of Trustees. The 2026 corporate performance scorecard was approved in January 2026 by the Board of Trustees and is provided as RRU-057, Attachment 1.

d. There is no portion of the variable pay compensation listed in Schedules C-3.6 and C-3.7 that should be listed as non-recoverable under Section 2 of Public Act 23-102. No variable compensation paid to any individual employee was, or will be, "funded by performance on a metric ***measuring the outcome of a rate proceeding*** before [PURA]." None of the references cited in this question indicate that there is any "measurement" of the outcome of any rate proceeding in any jurisdiction. The performance indicators seek to establish that Eversource Energy has ***executed*** on its regulatory filings – meaning made the filings and obtained an overall positive outcome. It is the execution, completion and overall positive outcome that is identified, not any particular outcome.

Moreover, Public Act No. 23-102, Section 2 applies to the "attendance, participation, preparation or appeal of a rate proceeding" – none of which is remotely referenced as part of a corporate financial or operating goal in any year.

[ii] OCC-310 Question:

Lobbying/Public Advocacy Costs/Government Relations/Public Relations Expenses.

a. Please identify all lobbying/public advocacy costs/government and/or public relations expenses (direct and allocated) by category included in above-the line accounts in each of the years 2021, 2022, 2023, 2024, 2025, and the amount included in the rate year.
b. Provide a list of all employees (direct and allocated) that participate in lobbying/public advocacy costs/government/public relations activities. For each employee, provide:
   i. Job title
   ii. Total fully loaded compensation and the amounts charged to CL&P (direct and allocated) for each of the years 2021, 2022, 2023, 2024, 2025, and included in the rate year and the accounts charged.
   iii. Provide the percent of time spent on lobbying/public advocacy/government relations activities in each of the years in subpart a, the test year and expected in the rate year.
   iv. All company-paid or reimbursed expenses or allowances (direct and allocated) for each of the years in subpart a and included in the test year and rate year and the accounts charged.

OCC-310 Response:

a. All lobbying costs, including public advocacy costs, government relations expenses, and/or public relations expenses (including amounts allocated from Eversource Energy Service Company) are charged to FERC accounts that are recorded below-the-line. Therefore, there are no costs in the Test Year and Rate Year.

b. Please refer to the response to part (a), above.

[iii] OCC-198 Question:

(VARIABLE PAY) Please refer to Exhibit CLP-EMPLOYEE-1, Table 8.

a. Please provide the data in Table 8 for each year from 2018 through 2023, including a separate table for each year.

OCC-198 Response:

Please refer to OCC-198, Attachment 1, for data from 2018 to 2023.