Date Filed: October 02, 2026

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

**Question:**

(Rate Design & Tariff Structure) Refer to Connecticut General Statute § 16-19e which requires that rates be set in accordance with "the prudent management of the natural environment." Does Eversource agree that DER adoption and operation by its intermediate and large commercial customers to reduce a customer's grid demand during hours of peak demand on Eversource's transmission and distribution system supports prudent management of the natural environment including by reducing total emissions of greenhouse gases?

**Response:**

Conn. Gen. Stat. § 16-19e does not require PURA to set distribution rates in accordance with the "prudent management of the natural environment." The actual language of the statute requires that:

> In the exercise of its powers under the provisions of this title, the Public Utilities Regulatory Authority shall examine and regulate the transfer of existing assets and franchises, the expansion of the plant and equipment of existing public service companies, the operations and internal workings of public service companies and the establishment of the level and structure of rates in accordance with the following principles:
>
> (3) [t]hat the authority and all public service companies shall perform all of their respective public responsibilities with economy, efficiency and care for public safety and energy security, ***and so as to promote economic development within the state with consideration for*** energy and water conservation, energy efficiency and the development and utilization of renewable sources of energy ***and for the prudent management of the natural environment***.

Conn. Gen. Stat. § 16-19e(a)(3) (emphasis added).

Thus, the "principle" that PURA must incorporate into its rate setting exercise as a result of Conn. Gen. Stat. § 16-19e(a)(3) is that it must seek to promote *economic development* within the state with consideration of … the prudent management of the natural environment.

That said, Eversource agrees that – from an ISO-NE perspective -- DER adoption and operation by its intermediate and large commercial customers that reduces grid demand during hours of peak demand may help to reduce total emissions of greenhouse gases in a constrained wholesale market burning fuel oil to make ends meet.