Date Filed: October 27, 2026

Witness: Donald J. Scacco Jr., Digaunto Chatterjee and Douglas P. Horton
Request from: Department of Energy and Environmental Protection

Question:

(PBMRP Z- factor) Refer to Exhibit CLP-ELP-1 pp. 24-25, 99. Discuss any interaction of the proposed PBMRP and the Leadership Panel's discussion of enabling utility ownership of generation.

Response:

There is no direct interaction under the proposal currently before PURA. As the Company explained in CIEC-001[i], the Company is not advancing a specific proposal in this proceeding to authorize or implement utility ownership of generation. The Leadership Panel instead identified utility ownership as one potential resource option that should be considered as part of a broader resource-planning assessment.

Accordingly, no generation investment or related cost is included in the proposed PBMRP merely as a result of that discussion. If future legislation, regulation, or another binding governmental action were to impose a new distribution cost on the Company during the PBMRP term, any request for Z-Factor treatment would be evaluated under the Z-Factor criteria then applicable, including whether the cost is beyond the Company′s control, is not reflected in the I-Factor or another recovery mechanism, and satisfies the materiality threshold. The Leadership Panel′s policy discussion, standing alone, does not trigger the Z-Factor.

Prior Referenced Response:

[i] CIEC-001 Question:

(Executive Leadership Panel) With reference to page 21 of the Executive Leadership Panel's Direct Testimony, state whether the Company is advancing any proposal in this proceeding that would promote, allow, or otherwise enable utility ownership of generation. If the Company is advancing any such proposal in this proceeding, provide a reference to the testimony where the proposal(s) may be found.

CIEC-001 Response:

No, the Company is not advancing any specific proposal in this proceeding to promote, allow, or enable utility ownership of generation. The Company's point is that it is time to consider all alternatives to solving the energy affordability conundrum in Connecticut (and the broader New England region). This should start with development of a comprehensive independent integrated resource planning assessment that projects the state of resource adequacy under a range of scenarios – ten years out. This is the type of study completed with robust stakeholder participation

and input – including EDCs, LDCs, the legislature, and advocates for all customer segments (residential, commercial, and industrial) – that is essential to formulate an informed view of the comprehensive solution set necessary to meet the future resource adequacy needs within Connecticut. The Company is open to consideration of what would essentially be *customer-owned* generation through the utility operating model, if it would be the most cost-effective solution to meet reliability needs of Connecticut customers.