Date Filed: October 27, 2026

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

Question:

(AC-BANK AND DEBT SERVICE CHARGES) Interrog. Resp. RRU-10, Att. 4, p.1.

a. Explain why the Rating Agency Surveillance fee increased by 13.85% in 2024 compared to 2023.
b. Explain why the Rating Agency Surveillance fee increased by 12.37% in 2025 compared to 2024.

Response:

Rating agency surveillance fees are fees charged by S&P, Moody's and Fitch for their ongoing rating and monitoring of CL&P. Surveillance fees help rating agencies continuously assess the creditworthiness of a company, which can change over time due to various factors. This includes ongoing review of the Company's regulatory environment, financial performance, operations, and evaluating new developments that could impact the Company's credit quality.

In exchange for paying these surveillance fees, S&P, Moody's and Fitch provide credit ratings on CL&P. Absent paying these fees, S&P, Moody's and Fitch would not provide credit ratings. CL&P's credit ratings play a critical role in the Company's ability to attract least cost debt capital. Not paying these fees, and in turn, not maintaining credit ratings, would be extremely detrimental to CL&P's customers.

Rating agency surveillance fees are allocated to Eversource Energy and its subsidiaries rated by S&P, Moody's and/or Fitch on a pro rata basis based on the amount of debt outstanding at each entity. The increase in fees identified in parts (a) and (b) are driven by: (1) an increase in the absolute level of fees charged; and (2) an increase in the allocation to CL&P based on CL&P having a larger proportionate share of outstanding debt.