STATE OF CONNECTICUT

PUBLIC UTILITIES REGULATORY AUTHORITY
TEN FRANKLIN SQUARE
NEW BRITAIN, CT 06051

DOCKET NO. 25-12-13 APPLICATION OF THE CONNECTICUT LIGHT AND POWER COMPANY D/B/A EVERSOURCE ENERGY FOR ORDER TO SECURITIZE 2018-2023 CATASTROPHIC STORM COSTS

July 29, 2026

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DECISION

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DECISION

I. INTRODUCTION

A. SUMMARY

The Public Utilities Regulatory Authority (Authority or PURA) finds that the net impact to ratepayers of the 2018-2023 catastrophic storm costs prudently incurred and eligible for recovery by The Connecticut Light and Power Company d/b/a Eversource Energy (Eversource or Company) is $667,930,008, plus applicable carrying charges. The Authority finds that Eversource prudently incurred $861,478,785 in its response to the 2018-2023 catastrophic storms. However, this amount is reduced by the Company's ratepayer-funded storm reserve accrual of $90,905,927 and a $2,642,850 mutual aid credit; an additional $100 million ratepayer-funded credit previously authorized in the Company's RAM proceeding results in the remaining ratepayer impact. The Authority will determine the amount of prudently incurred catastrophic storm costs eligible for securitization that is in the best interest of ratepayers in Docket No. 26-04-04, Financing Order for 2018-2023 Storm Costs of the Connecticut Light and Power Company D/B/A Eversource Energy. The Authority also denies Eversource's request to recover $396,710,288 in retrospective carrying charges.

In this proceeding, Eversource sought review of $1,376,544,736 in costs related to its response to catastrophic storms from 2018–2023, including $965,008,424 of catastrophic storm costs, $14,826,024 for prestaging event costs, and $396,710,288 for retrospective carrying charges. Eversource Brief, p. ii; Late Filed Ex. 1, Ex. CLP-01 Supplemental 2 (Ex. CLP-01 Rev. 2). The Authority's Office of Education Outreach and Enforcement (EOE) and the Office of the Consumer Counsel (OCC) identified numerous areas of purported imprudent actions, erroneous costs, or other instances where Eversource failed to meet its burden to establish eligibility for deferral and prudence of its costs. Table 1, below, summarizes Eversource's request, the recommendations of OCC and EOE, and the total prudently incurred catastrophic storm costs determined by the Authority.

Table 1: Summary of the Parties' Positions and the Authority's Determinations Regarding Catastrophic Storm Costs

	Eversource Request ($)	OCC Position ($)	EOE Position ($)	Authority Adjusted ($)
Storm Costs	965,008,424	689,544,692	859,582,997	861,478,785
Retrospective carrying charges	396,710,288	-	-	-[1]
Subtotal	**1,361,817,712**	**689,544,692**	**859,582,997**	**861,478,785**
Storm Reserve Accrual	-[2]	(205,000,000)	-[3]	(90,905,927)
Mutual Aid Credit	-	-	-[4]	(2,642,850)
Total Eligible for Recovery	-	-	-	**767,930,008**
RAM CTA Credit[5]	-	-	-	(100,000,000)
Net Eligible for Recovery	**1,361,817,712**	**484,544,692**	**859,582,997**	**667,930,008**

The Authority finds that the Company improperly combined smaller storms into singular events to meet the catastrophic storm threshold in several instances, and the related costs are not eligible for deferral, as discussed in Section III.D, Eligibility of Individual Storm "Events" for Expense Deferral, below. Additionally, the Authority finds that certain costs, identified in Section III.F, Catastrophic Storm Costs, below, are ineligible for deferral or were imprudently incurred by Eversource, including internal labor costs for storm duty, external labor and vehicle charges, and excessive food and lodging costs.

The Authority also finds that the Company's prestaging costs were not correctly reflected in Eversource's implementation of the prestaging reserve, as discussed in Section III.E, Prestaging Costs for Non-Catastrophic ERP Events, below. Table 2, below,

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[1] The Authority approves, in this decision, the *prospective* accrual of carry charges, as discussed in Section III.I, Carrying Charges, below.

[2] Eversource proposes that the catastrophic storm reserve be used to offset the costs of storms that occurred after 2023, to maximize the amount of costs eligible for securitization. Horton et. al 2026 PFT, p. 71.

[3] EOE suggested that there was an opportunity to use some of the reserve funding to lower the securitization amount but did not propose a precise amount. See EOE Brief, p. 125. EOE further clarified its position in its written exceptions, stating that securitization could result in meaningful benefits for ratepayers, and it may be appropriate to use the reserve to offset the balance of storm costs sought in the Company's future rate case. See EOE Exceptions, p. 15.

[4] EOE's proposed reduction of $2,848,072 in mutual aid revenue is included in its position (e.g., the first row of Table 1, above). See EOE Brief, pp. 86–87.

[5] The Authority authorized the Company to make "a $100 million adjustment as a one-time augmentation to the Company's [Competitive Transition Assessment (CTA)] mechanism balance to offset future securitized storm costs that will be recovered, as required by statute, through the CTA." Interim Decision, Apr. 22, 2026, Docket No. 26-01-03, Annual Review of the Rate Adjustment Mechanisms of the Connecticut Light and Power Company (RAM Interim Decision), p. 17. The adjustment "will be reconciled only after a decision is rendered in Docket No. 25-12-13, after the costs authorized by that decision and a subsequent Authority financing order are securitized, and after any resulting bonds and related expenses are submitted for recovery through the CTA in a future RAM proceeding. . . [T]he present securitized storm cost offset balance shall remain in the CTA until applied against authorized and securitized storm costs from Docket No. 25-12-13, subject to carrying charges that shall accrue at the prime rate (net of ADIT)." Id., p. 16 n.19.

summarizes Eversource's request, the recommendations of OCC and EOE, and the Authority's determinations regarding prestaging costs.

Table 2: Summary of the Parties' Positions and the Authority's Determinations Regarding Prestaging Costs

	Eversource Request ($)	OCC Position ($)	EOE Position ($)	Eligible and Prudently Incurred / Accrued ($)
Prestaging Costs	14,826,024	N/A	10,265,600	10,563,865
Prestaging Reserve	(14,288,789)[6]	N/A	-[7]	(10,563,865)
Deferred Costs	537,235	N/A	-	-
Total Deferred	**537,235**	**N/A**	**-**	**-**

Finally, as discussed in Section III.I, Carrying Charges, below, the Company may not recover retrospective carrying charges. Instead, the Authority authorizes the Company to begin accruing carrying charges from the date of this decision on the remaining balance of prudently incurred catastrophic storm costs, net of mutual aid revenue received and other amounts already collected from ratepayers as of the date of recovery.

B. BACKGROUND OF THE PROCEEDING

On April 18, 2018, the Authority adopted a settlement agreement resolving Eversource's last base distribution rate case. Decision, Apr. 18, 2018, Docket No. 17-10-46, Application of the Connecticut Light and Power Company d/b/a Eversource Energy to Amend its Rate Schedules (17-10-46 Decision). In the 17-10-46 Decision, the Authority established a three-year rate plan beginning May 1, 2018, and ending April 30, 2021, and authorized Eversource to defer the costs of catastrophic storms occurring after 2016 for recovery "in base distribution rates in the Company's next rate case" excluding $18.625 million of post-2016 costs approved by the Authority. Id., pp. 8–9. The 17-10-46 Decision also noted that the settling parties agreed that the Company could seek Authority evaluation of the prudence of "post-December 31, 2016 storm costs in either its next rate case or initiate a separate contested case involving such storm costs." Id., p. 9; see also 17-10-46 Decision, App. D (17-10-46 Amended Settlement Agreement), pp. 4–5.[8]

In accordance with the 17-10-46 Amended Settlement Agreement, on November 16, 2018, Eversource requested approval to recover post-December 31, 2016 storm

[6] The Company proposes a prestaging reserve balance of $14,288,789, as of December 2023. Interrog. Resp. 886, Att. 1.

[7] EOE noted that Eversource "is authorized to offset pre-staging costs to a dedicated pre-staging reserve for the purpose of securing resources in advance of catastrophic storms," but did not discuss the amount available in the pre-staging reserve. See EOE Brief, p. 7.

[8] The 17-10-46 Decision and the 17-10-46 Amended Settlement Agreement anticipated a single future docket to address, primarily, "the October 2017 catastrophic storm and the catastrophic storms that have occurred in March 2018." 17-10-46 Amended Settlement Agreement, p. 4. Notably, the post-December 31, 2016 storm costs were to be recovered through a May adjustment under the three-year rate plan (i.e., May 1, 2019, or May 1, 2020). Id., p. 5, fn. 3.

costs. Decision, Apr. 17, 2019, Docket No. 18-11-12, Petition of the Connecticut Light and Power Company d/b/a Eversource Energy for Approval to Recover its 2017-2018 Catastrophic Storm Costs (18-11-12 Decision), p. 2. Per the terms of the 17-10-46 Amended Settlement Agreement, the Authority authorized the Company to "recover a total storm regulatory asset of $141.026 million, over six years, beginning on May 1, 2019," for five catastrophic storms occurring between October 2017 and May 2018. Id., pp. 1, 35.[9] Consequently, the Company's current deferred storm costs began to accrue as of May 2018.

In the midst of the three-year rate plan, Tropical Storm Isaias arrived in Connecticut on August 4, 2020, causing widespread and persistent outages. The Authority opened an investigation into Eversource's response and ultimately determined that it would impose a 90-basis point reduction to Eversource's return on equity (ROE) in a future rate case and a $28 million civil penalty.[10] Decision, Apr. 28, 2021, Docket No. 20-08-03, Investigation into Electric Distribution Companies' Preparation for and Response to Tropical Storm Isaias (20-08-03 Decision), p. 2.; Decision, July 14, 2021, Docket No. 20-08-03RE01, PURA Consideration of Civil Penalty and Enforcement Action Against Electric Distribution Companies After Storm Isaias Investigation.

Although its three-year rate plan was established for April 2018 through April 2021, the Company did not subsequently file a new rate amendment application, which would have permitted the Company to seek recovery of its deferred storm costs. Instead, the Company entered into a settlement agreement with various parties to resolve the ROE reductions and civil penalty. Interim Decision, Docket No. 17-12-03RE11 (17-12-03RE11 Interim Decision); see also Interim Decision, Oct. 27, 2021, Docket No. 17-10-46RE03 (17-10-46RE03 Interim Decision). As part of the settlement, the Company agreed "to forego its right under General Statutes § 16-19 et seq. to request an amendment to base distribution rates to take effect prior to January 1, 2024, to recover its increased cost of distribution service and/or storm costs." Motion No. 40, Oct. 29, 2021, Docket No. 17-12-03RE11, Att. B (17-12-03RE11 Amended Settlement Agreement), pp. 7–8, § 1.2.1 (emphasis added).

As a result, the Company's deferred storm costs continued to accrue. As of January 2023, the Company was entitled to file a rate amendment application but has elected not do so.

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[9] The review of storm costs outside of a rate proceeding was similarly part of a previous settlement agreement that allowed the merger of Northeast Utilities (now Eversource) with NSTAR. Specifically, the Authority approved a settlement agreement under which CL&P agreed to file a request to recover "costs associated with Tropical Storm Irene and the October 2011 snow storm" less a $40 million write-down. 12-01-07 Decision, Att. A, p. 6, § 4.3.

[10] In addition, the Authority had proposed a 45-basis point reduction to Eversource's ROE in a Proposed Interim Decision. See Proposed Interim Decision, Sept. 14, 2021, Docket No. 17-10-46RE03, Application of the Connecticut Light and Power Company d/b/a Eversource Energy to Amend its Rate Schedules – Interim Rate Decrease, Low-Income Rates, and Economic Development Rates; see also Proposed Interim Decision, Sept. 14, 2021, Docket No. 17-12-03RE11, PURA Investigation into Distribution System Planning of the Electric Distribution Companies – New Rate Designs and Rates Review.

In December 2023, the Company filed an application requesting that the Authority "complete the prudence review for the 2018 to 2021 storm costs in advance of the next base distribution rate case filing" and "establish a rate to collect revenues of $50 million annually . . . ." Motion No. 59, Dec. 12, 2023 (Motion No. 59), Docket No. 17-10-46. The Authority denied the motion. Motion No. 59 Ruling, Mar. 1, 2024 (Motion No. 59 Ruling), Docket No. 17-10-46.

On March 11, 2024, the Company filed a revised application (24-03-30 Application), stating that it was "not seeking to commence recovery of [storm] costs until" a subsequent, base distribution rate case proceeding. Corresp., Mar. 11, 2024 (24-03-30 Application Corresp.), Docket No. 24-03-30, Investigation of the 2018-2021 Catastrophic Storm Costs Reported by The Connecticut Light and Power Company d/b/a Eversource Energy, p. 4.[11]

On March 28, 2024, the Authority established Docket No. 24-03-30, for the purpose of receiving and reviewing evidence of the costs reported by the Company in response to catastrophic storms and prestaging events occurring between 2018 and 2021. The proceeding in Docket No. 24-03-30 was limited to an evaluation of incurred costs, with any potential recovery of such costs to be addressed in Eversource's next rate case. See 17-10-46 Decision, p. 7 ("The costs of the October 29, 2017 storm and other catastrophic storm costs incurred subsequent to this date will be reviewed as part of a future *rate application*.") (emphasis added); see also id., p. 8 ("any additional post December 31, 2016 costs . . . would be recovered in base distribution rates in the Company's next rate case.").

On December 31, 2024, the Company filed a supplement to its 24-03-30 Application (24-03-30 Application Supplement 1), which included pre-filed testimony and exhibits related to "nine additional catastrophic storms and two additional prestaging events that occurred during the period January 1, 2022[,] through January 31, 2023." Corresp., Dec. 31, 2024 (24-03-30 Application Supplement 1 Corresp.), Docket No. 24-03-30.

Subsequently, the Company filed a second supplement to its 24-03-30 Application (24-03-30 Application Supplement 2), which included pre-filed testimony and exhibits related to "ten catastrophic storms occurring in the period February 1, 2023[,] through December 31, 2023." Corresp., July 10, 2025 (24-03-30 Application Supplement 2 Corresp), Docket No. 24-03-30, p. 1.

On July 1, 2025, the governor of Connecticut signed Public Act No. 25-173, An Act Concerning Energy Affordability, Access and Accountability (Public Act No. 25-173) into law, which, *inter alia*, amended General Statutes §§ 16-245e and 16-245f by authorizing the electric distribution companies (EDC) to recover "costs determined by the [Authority] consistent with the principles set forth in sections 16-11, 16-19, and 16-19e that . . . have

[11]The 24-03-30 Application sought a prudence review of costs for: (1) the preparation and response to 24 storms that occurred between January 1, 2018, and December 31, 2021, in which the Company incurred incremental storm expense of $4 million or more; and (2) 8 prestaging events. 24-03-30 Application Corresp., pp. 1–2.

been prudently and efficiently incurred between the period of January 1, 2018, to January 1, 2025, by an electric distribution company to prepare for and restore power to customers following storms."[12]

On July 25, 2025, the Company filed a third supplement to its 24-03-30 Application (24-03-30 Application Supplement 3), which included pre-filed testimony and exhibits. Corresp., July 25, 2025 (24-03-30 Application Supplement 3 Corresp.), Docket No. 24-03-30, pp. 1–2. The 24-03-30 Application Supplement 3 reconciles the 24-03-30 Application Supplement 1 and the 24-03-30 Application Supplement 2 to incorporate corrections and revisions identified primarily through the interrogatory process. Id., p. 2. In addition, the third storm supplement updates certain schedules to incorporate carrying charges to reflect the Company's financing costs for deferred storm costs, which the Company asserted was necessitated by three recent changes in circumstances. Id.

C. CONDUCT OF THE PROCEEDING

On December 15, 2025, Eversource filed an application (25-12-13 Application), requesting that the Authority initiate a proceeding to, in relevant part, "render[] a prudence determination on the Company's 2018-2023 catastrophic storm costs under investigation by PURA in Docket No. 24-03-30, ..." 25-12-13 Application, p. 1. The Company contemporaneously filed a motion seeking a contested proceeding and to incorporate the evidence already developed in the proceeding in Docket No. 24-03-30 into a newly docketed contested proceeding. Motion No. 1. In response, the Authority opened the instant docket to address the issues raised in the Application.

The Authority held a noticed scheduling conference on January 22, 2026, at PURA's offices, Ten Franklin Square, New Britain, Connecticut, to discuss the docket schedule and to allow parties and intervenors to identify portions of the record in Docket No. 24-03-30 to be incorporated into the record in this proceeding.

On January 29, 2026, the Authority admitted the following items, previously filed in Docket No. 24-03-30, as evidence in Docket No. 25-12-13: (1) the 24-03-30 Application (with more than 100 attachments, including testimony and exhibits); (2) all interrogatories and responses; (3) Eversource's pre-filed testimony, filed December 31, 2024; (4) Eversource's pre-filed testimony, filed July 10, 2025; and (5) Eversource's pre-filed testimony, filed July 25, 2025. Notice of Admitted Evidence, Jan. 29, 2026, pp. 1–2.

On February 13, 2026, the Company filed a supplement to its 25-12-13 Application (25-12-13 Application Supplement), which included pre-filed testimony and exhibits.

[12]Rate reduction bonds may be "issued pursuant to an executed indenture or other agreement of a financing entity, in accordance with this section and sections 16-245f to 16-245k, inclusive, [and] the proceeds . . . used, directly or indirectly, to provide, recover, finance, or refinance . . . financed utility services . . . ." General Statutes § 16-245e(a)(1) (as amended by Public Act No. 25-173, § 10). The Authority may approve the issuance of rate reduction bonds not to exceed $2.2 billion, upon a determination, "at its sole discretion" that the issuance is in the best interest of ratepayers. General Statutes § 16-245e(*l*).

The Authority issued over 100 interrogatories, and parties and intervenors issued over 1,500 interrogatories, including 608 by the Office of Consumer Counsel (OCC) and 983 by PURA's Office of Education, Outreach, and Enforcement (EOE).[13]

The Authority held noticed evidentiary hearings on March 24, 25, and 27, 2026, and April 1, 2026, at PURA's offices.

Parties and intervenors had the opportunity to file briefs by April 29, 2026, and reply briefs by May 8, 2026.[14] On April 29, 2026, the Company, OCC, EOE, the Department of Energy and Environmental Protection (DEEP), and the Office of the Attorney General (OAG) each filed a brief. The Company, OCC, EOE, and OAG each filed a reply brief on May 8, 2026.

The Authority issued a proposed final decision in this matter on June 29, 2026, and provided parties and intervenors an opportunity to file written exceptions and to present oral argument. On July 14, 2026, Eversource, OCC, EOE, DEEP, and OAG filed written exceptions.

D. PARTIES AND INTERVENORS

The Authority recognized the following as parties to this proceeding: Eversource, 107 Selden Street, Berlin, CT 06037; OCC, Ten Franklin Square, New Britain, CT 06051; EOE, Ten Franklin Square, New Britain, CT 06051; and the Commissioner of DEEP, 79 Elm Street, Hartford, CT 06106.

The Authority granted intervenor status to the following: OAG and the Connecticut Industrial Energy Consumers (CIEC).

E. POSITION OF THE PARTIES AND INTERVENORS

1. Eversource

Eversource requests a prudence determination on its outstanding balance of incremental storm costs for catastrophic storms during the period 2018 through 2023. 25-12-13 Application, p. 1. Eversource requests eventual recovery of both its reported incurred storm costs and reported retrospective carrying charges. Id. Eversource also requests an order from the Authority directing the Company to file for approval the

[13]Because the interrogatories and responses from Docket No. 24-03-30 were admitted as evidence in this proceeding, and adopted during the hearing, the Authority considers all interrogatories to be asked and answered in this proceeding.

[14]On May 8, 2026, the Company filed a motion (Motion No. 40), requesting approval to supplement the record with Late Filed Exhibit 1-SP01, including its attachments, "for the limited purpose of allowing the Company to reduce the amount it seeks to recover in this proceeding." Motion No. 40, p. 1. The Company asserts the reduction is based on its review of OCC's and EOE's briefs. Id. The Authority recognizes the Company's offer as argument, which need not be admitted as evidence; therefore, Motion No. 42 is moot.

securitization of allowable storm costs under the prudence determination (Financing Order) pursuant to General Statutes § 16-245e(*l*).[15] Id.

On December 15, 2025, Eversource requested catastrophic storm restoration and prestaging costs of $979,767,727 and carrying charges of $313,178,156, through November 30, 2025, for a total of $1,292,945,883 in the 25-12-13 Application. See 25-12-13 Application, p. 3. Eversource subsequently requested "$1,376,544,736, as calculated in LFE-001, Exhibit CLP-01 (Summary) Revised 2, filed on April 9, 2026, including restoration costs of $979,834,448 and requested carrying costs of $396,710,288." Eversource Reply Brief, p. 2 n.1. Table 3, below, shows the storm costs and carrying costs proposed for recovery through securitization by the Company, as of the close of record.

Table 3: Proposed Deferred Storm-Related Costs, through June 1, 2027

Component	Amount ($)
Deferred Storm Restoration and Prestaging Costs	979,834,488
Total Carrying Costs	396,710,288
Total Deferred Costs	**1,376,544,776**

Ex. CLP-01 Rev. 2; Late Filed Ex. 33, Att. 1.

The Company subsequently sought to modify its request to reduce the total balance sought for recovery after its review of other parties' briefs. See Late Filed Ex. 1-SP01, Att. 1. After the close of the record, the Company reduced its proposed storm balance by $709,439 for "misstatements" and by an additional $4,906,224 for adjustments based on the Company's agreement with arguments made by EOE and OCC in their briefs. Id. Eversource maintains an amended request for $1,370,929,073 of deferred catastrophic storm-related costs, inclusive of the balance of deferred restoration costs and carrying costs on the deferred balance. See Eversource Reply Brief, p. 2 n.1. Eversource calculated its total deferred costs, inclusive of carrying costs, sought for recovery through June 1, 2027, which is the assumed date of securitization. 25-12-13 Application Supplement, Horton, Fallon, Murray, Kallen, and O'Brien Pre-filed Test., Feb. 13, 2026 (Horton et al. 2026 PFT), p. 68. Table 4, below, shows Eversource's updated storm cost request, as of May 8, 2026.

[15]Public Act No. 25-173 amended General Statutes § 16-245e to give PURA the authority to approve the issuance of up to $2.2 billion of rate reduction bonds, if the authority "determine[s], at its sole discretion, that the issuance of rate reduction bonds is in the best interest of ratepayers." General Statutes § 16-245e(*l*).

Table 4: Amended Proposed Deferred Storm-Related Costs, through June 1, 2027

Component	Amount ($)
Deferred Storm Restoration and Prestaging Costs	979,834,448
Reduction for Misstatements	(709,439)
Additional Reductions	(4,906,224)
Total Deferred Costs	**974,218,785**
Total Carrying Charges[16]	396,710,288
Total Request (Costs + Carrying Charges)	**1,370,929,073**

Late Filed Ex. 1-SP01, Att. 1.

The Company claims that the deferred storm restoration costs of $974,218,785 (excluding carrying charges) include only incremental expenses for 43 storm events and 10 prestaging events that occurred from 2018–2023. See Late Filed Ex. 1-SP01, Att. 1. The Company included the costs associated with the 43 storm events because the associated incremental storm costs for each event, as outlined by Eversource, exceeded $4 million, which is the threshold by which Eversource can defer the costs for recovery through an established storm reserve (Catastrophic Storm Reserve). Horton et al. 2026 PFT, p. 16; see also 17-10-46 Decision, App. A (17-10-46 Settlement Agreement), p. 11. The Catastrophic Storm Reserve is funded at $3 million per year in base rates, plus expired storm regulatory assets that add $57.3 million per year. Horton et al. 2026 PFT, p. 16. In addition to the 43 catastrophic storms, the Company reported 10 prestaging events, which it claims should be paid for from a reserve funded by $3 million per year in base rates for the purpose of advanced preparations for forecast catastrophic storm events that did not materialize and whose incremental costs do not meet the $4 million threshold (Prestaging Reserve) and recovered as deferred costs. Id., pp. 16–17; 24-03-30 Application Supplement 1, Horton, Paruta, and Murray Prefiled Test., Dec. 31, 2024 (Horton et al. December 2024 PFT), p. 18. A list of the storm events and associated costs is included as Appendix A.

According to Eversource, the incremental storm costs are those costs which would not have been incurred, absent the storm event, including:

(1) Contractor and non-Eversource utility line crews;
(2) Contractor tree trimming, civil, service, and other crews;
(3) Payroll, related overheads, and equipment associated with Company affiliate restoration crews;
(4) Food and lodging for crews and storm restoration personnel;
(5) Materials and supplies used during the storm restoration; and
(6) Overtime payroll.

24-03-30 Application Supplement 2, Landry and Griffin Prefiled Test., July 10, 2025 (Landry and Griffin July 2025 PFT), p. 25. Non-incremental storm costs, which are

[16]Eversource did not propose an adjustment to carrying charges in the supplement based on the additional reductions. See Late Filed Ex. 1-SP01, Att. 1.

ineligible for recovery, are also incurred by the Company during a storm and include costs such as straight-time payroll and associated overheads, fixed vehicle expenses (e.g., lease costs, insurance, and facility costs), and stores overhead costs. See id., pp. 25–27.

Eversource also excludes capital costs from the incremental storm costs sought for review in this proceeding. 24-03-30 Application Supplement 2, Horton, Paruta, and Murray Prefiled Test., July 10, 2025 (Horton et al. July 10, 2025 PFT), p. 15. The Company estimates capital costs associated with storm restoration work (e.g., pole replacements) using work management tools and standard construction methods for allocating labor, vehicles, materials, and food and lodging costs to capital work. Landry and Griffin July 2025 PFT, p. 24. These costs are identified and excluded from the incremental storm cost request to allow only deferred expenses associated with catastrophic storms.

Eversource categorizes its incremental costs into seven categories:

(1) Direct labor;
(2) Materials;
(3) Payroll-related overheads;
(4) Vehicles;
(5) Contractors and vendors;
(6) Food and lodging; and
(7) Expenses/other.

Late Filed Ex. 1-SP01, Att. 1. The total costs proposed by Eversource for those categories for the storm events, and the prestaging events, are shown in Table 5, below.

Table 5: Eversource's Proposed Deferred Restoration Expenses by Category[17]

Component	Storm Amount ($)	Prestaging Amount ($)
Direct Labor	111,576,490	1,120,656
Materials	8,285,588	62,282
Payroll-related overheads	12,794,231	82,389
Vehicles	8,841,695	78,248
Outside contractors/vendors	782,940,917	12,778,326
Food and lodging	39,139,744	684,007
Employee expenses/other	1,429,759	20,116
Total	**965,008,424**	**14,826,024**

Late Filed Ex. 1-SP01, Att. 1, p. 1.

In addition to the balance of storm restoration costs, the Company calculated carrying charges on the deferred storm balance, applying the Company's authorized pre-

[17]These costs exclude the Eversource adjustments filed on May 9, 2026, as Eversource did not provide the adjustments by the above categories. See Late Filed Ex. 1-SP01, Att. 1.

tax weighted average cost of capital (WACC)[18] as the carrying cost rate, totaling $396,710,288 to account for financing charges on the deferred expenses. Late Filed Ex. 1-SP01, Att. 1, pp. 2–3. As noted above, the Company has sources of funding built into base distribution rates for both the catastrophic storm reserve and the prestaging reserve. The Company determined $276,329,127 of reserve accrual projected to be collected in base rates from May 2018 through June 1, 2027. Horton et al. 2026 PFT, Ex. ES-SFP-6. The Company proposed to use those funds, plus carrying charges at its authorized WACC, for storms occurring in 2024 and beyond (i.e., not apply the funds to storms under review in this proceeding) to maximize the benefits of securitization. Horton et al. 2026 PFT, p. 71.

2. OCC

OCC actively participated in this proceeding, issuing hundreds of interrogatories, conducting cross examination during the evidentiary hearings, and filing a brief and a reply brief. OCC argues that Eversource has failed to provide sufficient evidence to support a full recovery of its requested storm costs. OCC Brief, p. 1. OCC posits that there is sufficient evidence demonstrating that many costs were imprudently incurred by Eversource, and OCC recommends that $689.5 million of deferred storm costs be deemed prudently incurred. Id. OCC identified a number of specific reductions to Eversource's request, which are listed in Table 6, below.

Table 6: OCC Recommended Reductions and Cost Recovery

Component	Amount ($)
Eversource's Storm Cost Request (a)	**979,000,000**
Initial Recommended Reductions (b)	**(102,163,805)**
Removal of MN21P Event[19]	(3,944,026)
Reduction for Staffing Above Emergency Response Plan (ERP)	(79,600,000)
Reduction for Ineligible Storms	(18,619,779)
Subtotal of Storm Costs After Initial Reductions (c) = (a) - (b)	**876,836,195**
Additional Recommended Reductions (d)	**(187,291,503)**
20% Deduction for Incomplete Timesheets/Invoices	(175,367,239)
Removal of 50% Material Costs	(4,173,935)
Removal of ERP Awards	(5,039,329)
Removal of Non-Incremental Vegetation Management Costs	(2,711,000)
Total OCC Recommended Storm Accrual (e) = (c) - (d)	**689,544,692**
Application of Storm Reserve	(205,000,000)
Total Costs Recommended for Recovery	**484,544,692**

OCC Brief, p. 7.

[18]The 17-10-46 Decision authorized a WACC for the 2020 Rate Year (applicable to all subsequent years until base distribution rates are next adjusted) of 7.09%. 17-10-46 Decision, p. 16 (referenced as "Ratemaking Weighted Cost").

[19]Eversource agreed with the removal of costs associated with this event from its application. See Late Filed Ex. 1-SP01, Att. 1.

OCC first identifies three categories of ineligible costs: (1) costs associated with Storm Event MN21P, which did not meet the $4 million catastrophic storm threshold; (2) $79,600,000 because Eversource made imprudent staffing decisions resulting in excessive numbers of external crews; and (3) costs associated with certain storm events which were improperly combined into one event to meet the $4 million catastrophic storm threshold. OCC Brief, pp. 2–3, 46–61, 84–86.

OCC then identifies a number of additional, categorical, reductions: (1) 20% of all external labor costs, based on what OCC considers a systematic deficiency to support vendor costs across all storms in this proceeding,[20] (2) 50% of material costs since that it argues are non-incremental, (3) certain vegetation management costs incurred in 2020 that it argues are non-incremental, and (4) portions of ERP Awards that OCC argues were improperly granted as compensation to employees. Id., pp. 79–84, 87.

OCC also argues that carrying charges should only accrue on the deferred storm cost balance once a prudence determination has been made by the Authority (i.e., from the time of the final decision in this proceeding). Id., p. 91. OCC argues that applying carrying charges earlier, as requested by Eversource (i.e., from the time of cost incurrence), is not required by law, not consistent with past regulatory practice in Connecticut, and not justifiable based on the record of this proceeding. Id., pp. 92–99.

OCC also provided recommendations for future storm cost reviews. First, OCC recommends that storm cost reviews be conducted at least every two years to avoid the challenges faced in this proceeding where parties were tasked with evaluating six years of storm data for events that occurred up to eight years prior. OCC Brief, p. 100. OCC also proposed setting a monetary threshold by which storm cost reviews should be required. Id. Further, OCC urges the Authority to evaluate in a separate proceeding (such as the Company's next rate case) the rising costs of storms and restoration targets to better manage future storm costs. Id., p. 101. Lastly, OCC urges the Authority to impose an ROE penalty in the Company's next rate case based on poor performance in two overarching areas: (1) decision-making during events that resulted in excessive payments to vendors and (2) quality of filings and participation during the investigation, which manifested in numerous errors and complaints. Id.

3. EOE

EOE actively participated in this proceeding, issuing nearly a thousand interrogatories, conducting cross examination during the evidentiary hearings, and filing a brief and reply brief. EOE proposed numerous reductions, totaling $511,602,363,[21] to

[20] See, e.g., OCC Brief, p. 6 ("since Eversource has admitted that approximately 20% of the substantiation for its storm cost request was not completed correctly, Eversource cannot meet its burden to recover all requested costs."). OCC argues extensively in support of this reduction, pointing to both testimony from the Company and examples of inadequate or inaccurate timesheets and vendor invoices. See, e.g., OCC Brief, pp. 12–13.

[21] EOE argued for a reduction of $341,491,624 of carrying charges based on Eversource's initial Late Filed Exhibit 1, in which the Company calculated carrying charges through March 31, 2026. See EOE Brief, pp. 21–22; Ex. CLP-01 Rev. 2, line 74. Because EOE recommends that all carrying charges be eliminated until issuance of a prudence decision, however, the Authority interprets EOE's recommendation to include Eversource's proposed carrying charges through July 2026, a total of $396,710,288. Accordingly, EOE's

Eversource's storm cost request, based on a "forensic review over a sampling of storm events," which primarily focused on external vendor costs. EOE Brief, p. 3. The total reductions proposed by EOE are presented in Table 7, below.

Table 7: EOE Recommended Reductions

Component	Reduction ($)
Carrying Charges[22]	396,710,288
Storm – MS18H; Heatwave, Multiple Events	5,089,780
Storm – MS21M; Wind/Rain, Multiple Events	6,325,405
Storm – MN21P; December 11, Threshold[23]	3,944,026
Storm – MS23C; Wind/Wintery Mix, Multiple Events	6,147,668
Storm – MN23T; Thunderstorms, Multiple Events	7,423,737
Storm – MN23AB; Thunderstorms, Multiple Events	4,729,847
Prestaging Costs	4,560,424
Materials	2,133,679
Vegetation Costs (Year 2020)	6,575,504
Vegetation Cut-off & Equipment Costs	2,039,961
Dock Crews	6,000,000
Internal Staffing	2,136,600
Exempt Employee Emergency Response Pay	3,393,693
Standby Equipment Billing	3,300,000
Inaccurate Standby Billing for Labor	500,000
Wire Down Guards	1,538,245
Employee Mileage	425,000
Unused Equipment (Generators)	2,394,282
(Non)Competitive	1,229,884
Storm Fleet	394,659
Imprudent Cost Examples	3,888,234
Mutual Aid	2,848,072
Frontier	1,871,573
Revenew	2,479,669
Inefficient and Excessive Vendor Billing	20,000,000
Confirmed Error Reduction – Vendor Costs (Sampling)	10,014,973
Confirmed Error Reduction – Non-Vendor Costs (Sampling)	2,325,937
Prudency Reduction (Sampling)	1,181,223
Total Recommended Reductions	**511,602,363**

EOE Brief, p. 2.

total recommended reduction of $456,383,699 would expand to $511,602,363. See EOE Brief, pp. 2, 21 n.21 ("EOE would have argued for a larger reduction amount had the carrying charges been calculated based on the date of the Decision.").

[22] See footnote 21.

[23] Eversource agreed with the removal of costs associated with this event from its application. See Late Filed Ex. 1-SP01, Att. 1.

EOE identifies cost categories it considered ineligible for deferral including: (1) ineligible storm events that improperly combined smaller isolated events into one, (2) portions of prestaging costs attributed not to advance action, but restoration work, (3) non-incremental materials costs, and (4) non-incremental vegetation management costs incurred in 2020. Id., pp. 22–42. EOE also recommends reductions related to instances of expenses it considered imprudent, including: (1) specific vegetation management costs, (2) use of external dock crews to perform work that should have been done by internal crews, (3) excess internal staffing costs; (4) excessive ERP awards, (4) inaccurate or improper vendor billing for labor and equipment, (5) unvalidated employee mileage expenses, and (5) other vendor-related costs. See EOE Brief, pp. 43–115.

For some categories, EOE identifies individual expenses it considers improper, taken from a sample of records reviewed (e.g., invoices) and extrapolates its sampling findings to the entire population (or some subset thereof) of storm costs submitted by the Company. See, e.g., EOE Brief, p. 53 (extrapolating sample findings regarding vendor billing to the total storm costs). EOE also extrapolated individual errors that had been identified and acknowledged by Eversource during the course of the proceeding for both vendor and non-vendor costs to account for the fact that EOE (and other parties) could only review a portion of the evidence submitted by Eversource. See EOE Brief, pp. 118–23. EOE performed a similar extrapolation for examples of costs it believes to be imprudent. Id., p. 123.

Like OCC, EOE argues that carrying charges should only begin to accrue following a prudency decision made by the Authority. EOE Brief, p. 9. EOE argues that the current regulatory framework requires that Eversource bear the costs of financing deferred storm costs and that neither applicable law nor other factors warrant a change to the framework. See EOE Brief, pp. 12–21.

EOE also recommends numerous orders to direct the Company to incorporate more rigorous controls around the various categories of storm costs. EOE Brief, pp. 126–28.

4. DEEP

DEEP also participated in this proceeding by conducting cross examination during the evidentiary hearings and by filing a brief. DEEP, like OCC and EOE, recommends that the Authority deny the Company's request for carrying charges, arguing that it is inappropriate for the Company to accrue carrying charges on the deferred storm balance before the Authority issues a prudence determination. DEEP Brief, pp. 3–9. In addition, DEEP supports the recommendations made by EOE and OCC regarding the prudence and eligibility of Eversource's proposed deferred storm expenses. Id., pp. 2, 10.

5. OAG

OAG's participation in this proceeding was limited to filing a brief and reply brief. OAG, like OCC, EOE, and DEEP, urges the Authority to deny the Company's "unprecedented and unjustified" request to recover over $340 million in carrying charges. OAG Brief, pp. 1, 3–6; OAG Reply Brief, p. 1. OAG argues that the Authority "has

consistently and uniformly rejected awarding the recovery of carrying charges for storm costs" before the Authority issues a prudence determination. OAG Brief, p. 3. As such, OAG contends the Authority's approval of carrying costs prior to a prudence determination is "improper, unjustified, contrary to clear precedent, and would represent a seismic shift in PURA policy and practice." OAG Reply Brief, p. 1. In addition, although OAG did not independently identify any proposed adjustments to Eversource's request, OAG recommends the Authority carefully consider the substantial disallowances identified by OCC and EOE and make reductions to the Company's storm cost request to ensure ratepayers are only paying for reasonable and prudently incurred storm costs. OAG Brief, pp. 1, 6–8; OAG Reply Brief, p. 2. OAG also recommends that the Authority consider the "standards the Company should be held to in terms of its accounting and other record keeping to make a review for the Authority in future proceedings as streamlined as possible." OAG Brief, p. 8.

II. LEGAL AUTHORITY

An EDC is a company that "provid[es] electric transmission or distribution services within the state." General Statutes § 16-1(a)(23). "Electric distribution services" are defined as "the owning, leasing, maintaining, operating, managing or controlling of poles, wires, conduits or other fixtures along public highways or streets for the distribution of electricity, or electric distribution related services." General Statutes § 16-1(a)(22). Thus, the provision of distribution system infrastructure, and services collateral to providing that distribution system infrastructure, is central to Eversource's statutory function.

The Authority has broad regulatory powers and an obligation to protect the public interest and to ensure public service companies operate prudently, efficiently, and with care for public safety. See, e.g., General Statutes §§ 16-11, 16-19, and 16-19e. Further, the Authority regulates the EDCs in accordance with the principles enumerated in statutes, including General Statutes §§ 16-19e(a), 16-244, and 16-244i. Typically, "a regulated utility is entitled to an opportunity to recover prudent operating expenses as well as capital costs, including a fair and reasonable rate of return on capital investments." Decision, Aug. 25, 2023, Docket No. 22-08-08, Application of The United Illuminating Company to Amend Its Rate Schedule (22-08-08 Decision), p. 6 (citing Federal Power Commission v. Hope Natural Gas Co., 320 U.S. 591, 603 (1944); Bluefield Waterworks & Improvement Co. v. Public Service Commission of West Virginia., 262 U.S. 679, 690 (1923); Duquesne Light Co. v. Barasch, 488 U.S. 299, 310 (1989)).

Generally, ratemaking is a "prospective endeavor, in which PURA makes reasoned estimates about future events that 'reflects a prospective anticipation of what rate will be necessary to adequately compensate' the utility." Aquarion Water Company of Connecticut v. Public Utilities Regulatory Authority, 352 Conn. 381, 390 (2025) (Aquarion) (quoting Office of Consumer Counsel v. Dept. of Public Utility Control, 246 Conn. 18, 23–24 (1998)). Under the traditional ratemaking model, where authorized revenues differ from actual costs, either customers or companies bear the risk of over-recovery or under-recovery, respectively, because base rates cannot be retroactively adjusted to reconcile any difference. See Office of Consumer Counsel v. Department of Public Utility Control, 279 Conn. 584, 597 n. 6 (2006) (OCC II) ("the rule against retroactive ratemaking is that

when the estimates prove inaccurate and costs are higher or lower than predicted, the previously set rates cannot be changed to correct the error") (quoting Detroit Edison Co. v. Public Service Commission, 416 Mich. 510, 523 (1982).

However, one exception to the prospective ratemaking requirement is the regulatory deferral of expenses. See Aquarion, 352 Conn. at 391 (Noting that "[t]here are two exceptions to the use of a test year in rate-making," one of which is that a "utility may recover expenses incurred before the test year if those expenses were recognized as a deferred regulatory asset"). The creation and recovery of a regulatory asset require two regulatory touchpoints: first, the Authority must permit the "recording of deferred charges" for costs expected to be incurred in a future period, and second, the Authority can "provide an opportunity for recovery [of the incurred charges] in a future rate proceeding." See OCC II, 279 Conn. at 599–603. The "very purpose of allowing a deferred expense," the first touchpoint, is to "provide an opportunity to recover an expense in a future proceeding," the second touchpoint. Id. at 600.

When a utility has been authorized in a prior administrative proceeding to defer an expense outside of the authorized revenue requirement, it may seek to recover such expense as a retroactive reconciliation so long as "the requirements of [General Statutes] § 16-19e(a)(4) and (5) have been met," including the prudence requirement. OCC II, 279 Conn. at 599–603. A deferred expense is only eligible for recovery when PURA "at the time of the original deferral, gave reasonable assurances that recovery of the expense would be allowed at some future date." Id. at 601–02. The Connecticut Supreme Court has recognized the accounting principle that if "it is not probable that the cost will be included as an allowable cost in a future period, the cost cannot be expected to result in future revenue through the rate-making process." Id. at 599 n.8. In this context, the word *probable* means "that which can reasonably be expected or believed on the basis of available evidence or logic." Id. at 595 n.5.

In keeping with this guidance from the courts, the Authority has long recognized that "[t]he creation of a regulatory asset is extraordinary ratemaking treatment, as rate recovery for these expense variances. . . would be retroactive ratemaking and improper regulatory practice. Decision, Aug. 14, 2013, Docket No. 13-01-19, Application of The United Illuminating Company to Increase Rates and Charges (13-01-19 Decision), p. 25. "An exception to this retroactive ratemaking rule is for major expenses that are non-recurring and cannot be predicted but that could affect the financial health of a company." Id. Even then, for expenses like storm costs, "recovery is not guaranteed; rather, the company is allowed to claim it at the time of the next rate case rather than absorb it as is done with all other expenses between rate cases." Id. "[T]he deferral and subsequent recovery of expenses is an exceptional departure from established rate-making principles and, therefore, should be used only for extraordinary expenses." 22-08-08 Decision, p. 26. "Deferred expenses (i.e., carrying forward previously incurred expenses) run against this grain as manifested by the prohibitions against so-called 'retroactive ratemaking' or 'single-issue ratemaking.' As such, there is an inherent conflict between the accounting treatment and the ratemaking treatment for regulatory assets." Id.

A regulated public utility has an obligation to operate its system using "prudent and efficient management." General Statutes § 16-19e(a)(5). Therefore, in assessing a utility's management and operations, the Authority applies the prudence standard, which is the standard of care a reasonable person would exercise under the same circumstances confronting the management of the utility at the time of the decision to take such actions. See, e.g., Decision, Feb. 27, 2003, Docket No. 99-09-12-RE02, Application of The Connecticut Light and Power Company and The United Illuminating Company for Approval of Their Millstone Nuclear Generation Assets Divestiture Plan—Disposition of Proceeds; Decision, Jan. 28, 2008, Docket No. 07-07-01, Application of The Connecticut Light and Power Company to Amend its Rate Schedules, p. 16; Decision, Aug. 6, 2008, Docket No. 08-02-06, DPUC Investigation into The Connecticut Light and Power Company's Billing Issues, p. 10.

The Connecticut Supreme Court affirmed this standard, stating that the "prudence of a management decision depends on good faith and reasonableness, judged at the time the decision is made." Aquarion, 352 Conn. at 390 (citing Connecticut Light & Power Co. v. Dept. of Public Utility Control, 216 Conn. 627, 645 (1990)); Office of Consumer Counsel v. Dept. of Public Utility Control, 44 Conn. Supp. 21, 31–32 (1994); see also, Decision, June 6, 2012, Docket No. 11-12-02, Application of PSEG New Haven LLC for Establishment of 2012 Revenue Requirements (finding the "prudency standard is applied based on information that was known, or should have been known, prior to any action or inaction by a person or company."). The prudence of a management decision is judged based on what the utility knew or should have known at the time the decision was made.

The determination of prudence is fundamental to the regulatory model, which requires that rates be set based on prudent and efficient management, and that rates are sufficient, but no more than sufficient, to allow companies to operate, with adequate protection of the public interests. See General Statutes § 16-19e (permitting the Authority to regulate the level and structure of rates in accordance with enumerated principles, including "that the level and structure of rates charged customers shall reflect prudent and efficient management of the franchise operation," and "that the level and structure of rates be sufficient, but no more than sufficient, to allow public service companies to cover their operating costs . . . and yet provide appropriate protection to the relevant public interests").

Critically, within this legal framework, a public service company has the burden of proving that its costs are just, reasonable, and prudent. General Statutes § 16-22. In placing the burden on the company on matters "involving a rate," the General Assembly remedies asymmetric access to information, a critical challenge in setting rates. The utility maintains the relevant and critical information necessary for the Authority to make findings of fact and associated determinations on rates. Therefore, the Authority and other parties are at an information disadvantage compared to the utility and must rely on the utility's application materials, the utility's responses to interrogatories, and the utility's witness testimony. Accordingly, the burden of proof established by General Statutes § 16-22 addresses the information imbalance by imposing an affirmative obligation on the utility to present sufficient evidence of prudent and efficient management.

In administrative proceedings, which are subject to the provisions of the Uniform Administrative Procedures Act (UAPA), General Statutes § 4-155 et seq., the appropriate standard of proof is the preponderance of the evidence. See Jones v. Connecticut Medical Examining Board, 309 Conn. 727, 734-35, 741 n.7 (2013) (stating that "the default rule is the preponderance of the evidence standard in the absence of legislation to the contrary"); Goldstar Medical Services, Inc. v. Dept. of Social Services, 288 Conn. 790, 821 (2008) (holding identically). "That burden of proof is met when [the company] shows the facts supporting [its] case are found to be more probable than not." Connecticut Light & Power Co. v. Connecticut Dept. of Public Utility Control, No. CV-094019951-S, 2010 WL 797137, at *10 (Conn. Super. Ct. Feb. 5, 2010) (citing Tianti v. William Raveis Real Estate, Inc., 231 Conn. 690, 702 (1995)). Consequently, to carry its statutory burden, the utility must provide (or ensure the record contains) evidence that, *inter alia*, the requested costs are consistent with the principles that rates be "sufficient, but no more than sufficient," General Statutes § 16-19e(a)(4), and "reflect prudent and efficient management," General Statutes § 16-19e(a)(5).

Notably, the utility must provide more than mere declarations of fact. Connecticut Natural Gas Corp. v. Public Utilities Commission, 29 Conn. Supp. 379, 394 (1971) ("[t]here is no sacrosanctity about the testimony of any company officer regardless of his position which gives such testimony any godlike fiat that must be accepted out of hand by the PUC."); Aquarion, 352 Conn. at 395 (noting that "[b]ald statements" of utility executives regarding prudence "need to be covered with some evidential hair . . . ."). Further, "[a]n administrative agency is not required to believe any witness, even an expert." Goldstar, 288 Conn. at 830 (citations omitted). It is the Authority's province as the finder of fact to "make determinations of credibility, crediting some, all, or none of a given witness' testimony." Id.

If the regulator finds that a utility has satisfied its statutory burden, the incurred expense will be deemed prudent and be eligible for recovery in accordance with General Statutes § 16-19e. However, if the regulator finds that a utility has failed to satisfy its statutory burden, the incurred expense is not eligible for recovery. See, e.g., The United Illuminating Co. v. Public Utilities Regulatory Authority, No. HHB-CV-23-6081616-S, 2025 WL 842228, at *8 (Conn. Super. Mar. 13, 2025) ("PURA reasonably concluded that UI failed to meet its evidentiary burden to show that the [requested] expenses were reasonable and prudent."); Connecticut Natural Gas Corp., 29 Conn. Supp. at 394 (finding the utility "had the burden of proving not only the amount of these operating costs and other expenses but also the basis for the charges to its expense accounts and the propriety of including such charges for rate-making purposes."). Failing to meet this burden does not necessarily demonstrate that the utility's actions were imprudent—rather, it means only that the utility failed to meet the statutory requirements on which the regulator's determination of prudence relies.[24]

[24] In some cases, the record evidence may be sufficient for the Authority to affirmatively find that the utility's actions were imprudent. See Connecticut Light & Power Co., 216 Conn. at 640 (finding that "substantial evidence in the administrative record supports the DPUC's findings of lack of good faith and unreasonableness."). A finding of imprudence may subject the utility to consequences in addition to the denial of cost recovery, such as reductions in ROE or remedial orders.

III. AUTHORITY ANALYSIS

A. SUMMARY

Eversource requests that the Authority find that the Company prudently incurred and is eligible to recover $979,834,448 in prestaging and catastrophic storm costs and $396,710,288 of associated carrying charges. Table 8, below, summarizes the Company's request. Based on its review of the record, the Authority finds that the Company prudently incurred $861,478,785 of catastrophic storm costs in 2018–2023.

Table 8: Company Proposals and Prudently Incurred Costs

	25-12-13 Application ($)	Ex. CLP-01 Rev. 2 ($)	LFE 1-SP01, Att. 1 ($)	Prudently Incurred ($)
Catastrophic Storm and Prestaging Expenses	979,767,727	979,834,448	974,218,785	**861,478,785**[25]
Carrying Charges	313,178,156	396,710,288	396,710,288	-
Total	**1,292,945,883**	**1,376,544,736**	**1,370,929,073**	**861,478,785**

See 25-12-13 Application; Ex. CLP-01 Rev. 2; Late Filed Ex. 1-SP01, Att. 1, p. 1.

As shown in Table 8, above, the final update from Eversource was filed on May 8, 2026, after the close of record, and accompanying its reply brief. In that update, the Company sought to modify its request to reduce the total balance of deferred storm costs sought for recovery for purposes of "administrative efficiency and to eliminate the need for PURA to make decisions on items that the Company agrees are appropriate downward adjustments for the purposes of this proceeding." See Late Filed Ex. 1-SP01, Att. 1. The Company updated its proposed storm balance to include two categories of reductions that it identified after reviewing initial briefs by parties. The first category includes $4,906,224 of downward adjustments that were identified in OCC and EOE briefs and deemed appropriate by the Company. Id.; Eversource Reply Brief, p. 2. The second category includes the PwC adjustment of $709,439 that the Company inadvertently omitted from the original Late Filed Exhibit No. 1. Eversource Reply Brief, p. 7 n.22. Table 9, below, shows the individual adjustments proposed by Eversource.

[25]The Authority determines, as discussed in Section III.E, Prestaging Costs for Non-Catastrophic ERP Events, below, that the Company prudently incurred $10,563,865 of prestaging costs, which are not included in the Authority's calculation of $861,478,785, because the prestaging costs are entirely offset by the prestaging reserve and not eligible for deferral.

Table 9: Eversource Post-Brief Proposed Adjustments

Expense	Proposed Adjustment ($)	Original Reference
Removal of MN21P011	(3,944,026)	EOE Brief, pp. 2–3
Lewis Tree Charge	(13,614)	Interrog. Resp. EOE-670
Police and Traffic Cancellations	(4,413)	EOE Brief, pp. 74–75
Courier	(5,796)	EOE Brief, p. 76
Rest Time	(42,672)	EOE Brief, p. 80
Photography	(28,895)	EOE Brief, p. 81
Pilot Program	(770,851)	EOE Brief, p. 84
Toaster	(198)	EOE Brief, p. 84
Electricity Usage	(19,406)	EOE Brief, p. 85
Rent	(2,625)	OCC Brief, p. 75
Cancelled Vacation	(8,355)	OCC Brief, p. 65
Materials	(65,373)	EOE Brief, p. 40
Total	**(4,906,224)**	

Late Filed Ex. 1-SP01, Att. 1, p. 1. The Authority adopts the Company's proposed adjustments totaling $4,906,224.

Table 10, below, summarizes Eversource's amended proposal,[26] the Authority's adjustments, and the prudently incurred storm costs.

Table 10: Company Proposed and Authority Adjusted Storm Costs

	Company Amended ($)	Authority Adjustment ($)	Adjusted Total ($)
Catastrophic Storm Expenses	965,008,424	(97,913,976)	867,094,448
Eversource Adjustments after Briefs	(4,906,224)	-	(4,906,224)
Eversource Adjustments	(709,439)	-	(709,439)
Total Catastrophic Storm Expenses	**959,392,761**	(97,913,976)	**861,478,785**
Prestaging Event Expenses	14,826,024	(4,262,159)	10,563,865
Total Catastrophic Storm and Prestaging Expenses	**974,218,785**	**(102,176,135)**	**872,042,650**
Propsective Carrying Charges (through June 1, 2027)	396,710,288	(396,710,288)	-
Total Expenses	**1,370,929,073**	**(498,886,423**	**872,042,650**
Mutual Aid Credit	-	(2,642,850)	(2,642,850)
Prestaging Reserve	-	(10,563,865)	(10,563,865)
Storm Reserve Accrual	-	(90,905,927)	(90,905,927)
Total Eligible for Recovery	-	-	**767,930,008**
RAM CTA Credit	-	(100,000,000)	(100,000,000)
Net Eligible for Recovery	**1,370,929,073**	**(634,244,324)**	**667,930,008**

[26] See Late Filed Ex. 1 SP01, Att. 1, pp. 1–3.

Importantly, the prudently incurred storm costs will be covered in part, by the Company's accrued storm reserve already funded by ratepayers, which, as calculated in Section III.H, Catastrophic Storm Costs Reserve Accruals, below, includes $90,905,927 of customer funded reserves from 2018 through 2023. The Authority will consider whether it is in the best interest of ratepayers for Eversource to finance the recovery of deferred storm costs through the issuance of rate reduction bonds in Docket No. 26-04-04. See General Statutes § 16-245e(*l*) (PURA "may determine, at its sole discretion, that the issuance of rate reduction bonds is in the best interest of ratepayers"). Also, should the Authority authorize such recovery, the prudently incurred storm costs will be offset by the approximately $100 million previously authorized for collection through the Company's CTA mechanism. See RAM Interim Decision, pp. 13–17.

In addition, as discussed in Section III.G, Mutual Assistance Revenue, below, the Company received $2,642,850 in mutual aid, which reduces the amount of storm costs recoverable from ratepayers.

Additionally, as discussed in Section III.I, Carrying Charges, below, the Authority exercises its discretion to authorize Eversource to begin accruing carrying charges at Eversource's authorized WACC on the deferred storm costs, from the date of this decision through the date of securitization or other recovery authorized in a rate case proceeding.

Finally, as discussed in Section III.E, Prestaging Costs for Non-Catastrophic ERP Events, below, the Authority finds that the Company prudently incurred $10,563,865 for prestaging events from 2018–2023, which are wholly funded from the Company's prestaging reserve.

B. REPORTED STORM RESPONSE

Between January 1, 2018, and December 31, 2023, the Company prepared for and responded to 43 catastrophic storm events and 10 prestaging events.[27] Ex. CLP-01 Rev. 2. A summary list of the events is found in Appendix A.

A catastrophic storm event is one with incremental expenses exceeding the $4 million threshold for "catastrophic storms." 24-03-30 Application, Landry and Griffin Prefiled Test., Mar. 11, 2024 (Landry and Griffin March 2024 PFT), p. 7; 17-10-46 Settlement Agreement, p. 11. The Company defines prestaging costs as those arising from circumstances where the Company followed the pre-requisites for prestaging for a forecasted major storm, however, the storm conditions did not materialize or resulted in minimal damage. Landry and Griffin March 2024 PFT, p. 11. The Company explains that for an event to be considered prestaging the Company must transmit a prestaging notice to the Authority. Hr'g Tr. Mar. 24, 2026, 26:12-18. The Company defines incremental costs as those costs that would not have occurred had it not been for the storm event. Landry and Griffin March 2024 PFT, p. 22. Incremental costs include: contractor and non-

[27] The catastrophic storm events under review in this proceeding only include events after May 15, 2018, because the Authority reviewed pre-May 15, 2018 events for prudency in the 18-11-12 Decision. The prestaging events include all events experienced during 2018, as the Company did not request a review of prestaging events in Docket No. 18-11-12. See generally 18-11-12 Decision.

Eversource utility line crews; contractor tree trimming, civil, service, and other crews; payroll-related overhead and equipment associated with restoration assistance provided to the Company by affiliate companies; food and lodging for crews and storm restoration personnel; materials and supplies used during the storm restoration; and overtime payroll. Id., pp. 22–23.

In its storm costs filing, the Company reports costs for each storm in seven different cost categories. These seven cost categories are: outside contractors and vendors; direct labor costs; payroll-related overheads; food and lodging; employee expenses & other; materials; and fleet. Landry and Griffin March 2024 PFT, pp. 13–18. The Company incurred costs for external crews procured to restore work. Id., p. 13. To restore power and conduct recovery operations, the Company incurred incremental payroll costs for use of the Company's employees and other Eversource Energy operating companies' employees assisting in storm restoration. Id., p. 14. The Company incurred payroll-related overheads in relation to each labor hour worked by internal employees on storm events. Id., p. 15. The Company incurred costs to feed and lodge emergency preparedness personnel supporting the storm restoration efforts, including mutual aid, vegetation and external contractor crews. Landry and Griffin March 2024 PFT, p. 15. The Company incurred materials costs for storm-related items issued from the Company's inventory or purchased directly from vendors. Id., p. 16. The Company incurred vehicle costs associated with storm restoration work. Id., p. 17.

See Appendix C: Summary of Eversource Reported Events for a summary of the storm and prestaging events.

C. CHALLENGES REVIEWING STORM FILING

1. Summary

The Authority appreciates the significant effort undertaken by the Company in support of its request and the other parties in evaluating the record and clearly stating their positions on the eligibility, reasonableness, and prudence of the storm costs. PURA and the parties faced a formidable task reviewing the evidentiary record presented by Eversource in support of its proposed $979,834,448 in incremental storm costs. Late Filed Ex. 1-SP01, Att. 1.

Due to the sheer magnitude of the filings, both EOE and OCC noted that it was simply impossible for a party to review each and every record filed in support of the costs.[28] EOE Brief, pp. 3, 118; OCC Brief, pp. 13–14. On one hand, it reflects well on the Company that it was able to maintain and produce the volume of material in this (and the prior) proceeding. On the other, the volume of material posed a very real challenge to the parties to be able to review incurred costs for prudence. Moreover, the Company's burden to prove the prudence of its costs is not satisfied by the mere production of large

[28]EOE noted that "The sheer volume of documentation inherently limited any party, including EOE, from reviewing the totality of evidence." EOE Brief, p. 118. Similarly, OCC stated that it "did not evaluate (and could not have evaluated) every invoice for every storm." OCC Brief, pp. 13–14.

volumes of evidence—it is the Company's burden to provide evidence demonstrating that an expense is prudent, not simply that it was incurred.[29]

Here, the difficulty of evaluating the large volume of data was compounded by the age of the storms. When the Company filed the first set of storm costs on March 11, 2023, there were 32 events dating back two to five years, totaling $632,764,751 in storm costs for review. Landry and Griffin March 2024 PFT, p. 5. During the course of this proceeding, the Authority and the parties were responsible for reviewing six years' worth of storm data extending back eight years. The problem with this was made obvious during the hearing when Eversource's President of Connecticut Operations, Mr. Sullivan, provided testimony about Eversource's storm response. On two occasions, Mr. Sullivan acknowledged that his testimony was actually about more recent storms and not those under review in this proceeding because his "memory doesn't go back that far." Hr'g Tr., Mar. 25, 2026, 131:30–32 and 144:24–145:1.

That Eversource waited until 2024 to request a prudence review of storms costs dating back to 2018 is unusual. In prior years, catastrophic storm reviews were performed more frequently, and primarily in rate cases, typically every three to four years.[30] On two occasions (Docket No. 13-03-23, Petition of The Connecticut Light and Power Company for Approval to Recover Its 2011-2012 Major Storm Costs, and Docket No. 18-11-12), the Authority conducted reviews of deferred storm costs separate from rate proceedings—both times pursuant to express language in adopted settlement agreements that targeted specific storm events (i.e., Tropical Storm Irene, the October 2011 Nor'easter, Superstorm Sandy, and "the Five Storms"). See Decision, Apr. 2, 2012, Docket No. 12-01-07, Application for Approval of Holding Company Transaction Involving Northeast Utilities and NSTAR (12-01-07 Decision), Att. A, p. 6, § 4.3; 17-10-46 Amended Settlement Agreement, p. 4, § 4(b)(i). No such settlement provision applies here, and almost nine years have elapsed since the Company's last rate amendment application filing on November 22, 2017. The effect of this sequence of events is that catastrophic storm costs have been allowed to accrue to nearly one billion dollars; the evidentiary support has grown in proportion to the growth in accruals, culminating in tens of thousands of pages of records. The voluminous number of supporting records meant that a comprehensive review of each record (the ideal scenario in a prudence review) within the

[29] "[A]s a general rule of administrative law, the moving party . . . bears both the burden of production and the burden of persuasion in an administrative proceeding." Bridgeport Dental, LLC v. Commissioner of Social Services, No. HHB-CV-146024985-S, 2014 WL 6476971, at *3 (Conn. Sup. Ct. Oct. 20, 2014) (citing 2 Am.Jur.2d, Administrative Law, § 342 (2014)). See American Institute for Neuro-Integrative Development, Inc. v. Town Plan and Zoning Commission of the Town of Fairfield, 189 Conn. App. 332, 340 (2019) ("In reviewing a challenge to a commission's administrative decision, we . . . must be mindful of the fact that . . . the applicant . . . bore the burden of persuading the commission that it was entitled to [its requested relief].").

[30] The Company's three previous rate case applications were filed on January 8, 2010, June 9, 2014, and November 22, 2017, respectively. See Decision, June 30, 2010, Docket No. 09-12-05, Application of The Connecticut Light and Power Company to Amend Its Rate Schedules, pp. 40–41; Decision, Dec. 17, 2014, Docket No. 14-05-06, Application of The Connecticut Light and Power Company to Amend Rate Schedules (14-05-06 Decision), p. 93;17-10-46 Decision, App. A, Att. 5.

reasonable timeframe of a proceeding was impracticable. The Authority, OCC, EOE, and other parties were simply unable to review the totality of the evidence in the record.

These conditions were exacerbated by the Company's request for an expedited schedule in this proceeding. Over the last two years, the Company expressed frustration related to its various unsuccessful attempts to obtain a prudence review and cost recovery outside of a general rate proceeding. 25-12-13 Application, pp. 13–20; Correspondence, Mar. 12, 2024, Docket No. 24-03-30, pp. 7–9. To mitigate the potential impact of the massive storm cost deferral and to potentially take advantage of the recently available securitization option, the Authority endeavored to accommodate the Company's request for a prudence review and to do so in an expedited manner. Nonetheless, the speed of the proceeding made it even more difficult for the Authority and the parties to evaluate the large record. Notably, despite the Company's request for a timely decision, the Company's repeated requests for extensions of time to produce discovery also contributed to this difficulty. See Motion Nos. 4–9, 13–15, 18, 20, 39, and 40.

As such, the parties sampled information from the record, to identify any examples of improper or imprudent costs. See EOE Brief, p. 3; OCC Brief, p. 14. In some instances, EOE and OCC sought to extrapolate those findings to the entire population of storm costs, when EOE and OCC discovered what each believed were erroneous or imprudent expenses and believed that the same type of errors or imprudent expenses would exist throughout the filings. See EOE Brief, p. 3; OCC Brief, p. 14. This method appears to have led EOE and OCC to recommend substantial reductions to the proposed cost recovery.[31]

Because of the volume and complexity of the Company's filings (i.e., since each and every supporting record could not be evaluated), the parties and the Authority had to rely to a large extent on evaluating the reasonableness and prudence of Eversource's accounting and operational practices to control and verify costs. Accordingly, the Authority reviewed in detail the Company's controls in place during the period from 2018 through 2023. Further, because OCC and EOE recommended extrapolations based on sampled findings, the Authority reviewed the methodologies used by OCC and EOE in performing such extrapolations.

In this decision, the Authority takes steps to ensure that Eversource, parties, ratepayers, and the Authority never again face a cumulative backlog of storm costs of this magnitude, scope, and prolonged timeline. Ultimately, this will require a change in the established regulatory framework for catastrophic storm cost recovery. That consideration is more appropriately undertaken during the course a rate case, in which the Authority can consider the impacts of storm cost recovery in the context of the Company's overall operating environment. Although the Authority intends to address this

[31] It is difficult to quantify the exact amount attributable to the extrapolations done by EOE and OCC since not all recommendations made by the parties were a result of extrapolated samples, but the Authority estimates that EOE recommends approximately $75 million in extrapolated reductions and OCC recommends upwards of $275 million in extrapolated reductions. See EOE Brief, p. 2 and OCC Brief, p. 7 (each showing a listing the categories of reductions).

issue in the Company's next rate case, this decision begins identifying areas that should be re-evaluated and tasking Eversource with proposing solutions.

2. Accounting and Operational Controls

a. Summary of Company Controls

Two related sets of internal controls are supposed to ensure the integrity of the Company's storm costs: (1) accounting controls and (2) operational controls. Accounting controls should ensure that storm costs are properly identified, classified, and recorded, so that only incremental, storm-related costs are presented for review. Operational controls should ensure that the underlying costs were prudently incurred and adequately documented, so that the amounts presented are both accurate and supportable.

For each storm event, the Company establishes a dedicated storm work order in its accounting system and records all related transactions to a standard set of accounting codes, or code block, including company, work order, functional cost control center, and cost element codes. Landry and Griffin March 2024 PFT, pp. 21–22. The Company uses cost elements to distinguish straight-time labor, which it treats as non-incremental, from overtime, which it treats as incremental, to apportion premium and shift-differential pay between those categories, and to identify materials, fleet, contractor, and employee-expense costs. Id., pp. 22–26. Internal labor and employee expenses are entered into the Company's online timekeeping and expense systems against the prescribed storm work order, supported by timesheets and receipts, reviewed and approved by supervisors, and subject to weekly review for discrepancies and improper time coding. Id., pp. 25–26; Hr'g Tr., Apr. 1, 2026, pp. 78:25–79:4. Internal labor costs and employee expense reimbursements are governed by Eversource APS #19 (redesignated as Time Reporting Policy beginning in July 2022). Landry and Griffin December 2024 PFT, p. 28; Landry and Griffin December 2024 PFT, Ex. ES-ACCT-4 Supplemental (Ex. ES-ACCT-4 Supp.).

Because external contractors and vendors account for the large majority of storm costs, the Company applies a multi-step quality control review to vendor invoices. In the first step, the Company's emergency preparedness personnel compile daily data on the number of crews, their mobilization and demobilization dates, and hours worked, and collect daily contractor timesheets that are reviewed and signed by an Eversource representative overseeing the crew. Landry and Griffin March 2024 PFT, pp. 28–29. The Company assigns Field Resource Coordinators (FRCs) to oversee external line crews in the field, observe their work, and review and sign contractor timesheets; the contractor's representative also signs and attests to each timesheet. Interrog. Resp. OCC-394. For tree crews, an Arborist performs a comparable role. Hr'g Tr., Mar. 24, 2026, 161:8–17.

In the second step, when an invoice is received, financial and administrative personnel match it to the daily data and the timesheets, reconcile crew members, rates, and hours, recalculate the invoice, and resolve any discrepancies with the vendor, after which operations personnel validate the hours worked. Landry and Griffin March 2024 PFT, p. 29. The third step addresses any invoice that remains in dispute, which may be paid in part as a "short-pay" bill. Id., pp. 27–32; Eversource Brief, pp. 38–39. Vendor

payments are subject to the Company's Delegation of Authority Policy, which requires that management-level personnel approve transactions related to their area of business. Ex. ES-ACCT-4 Supp., p. 5. Beginning in 2022, the Company added a process to manually recreate line crew invoices, by employee, position, hours, and day, to validate contractor invoices. Interrog. Resp. EOE-939, p. 2; Hr'g Tr., Mar. 24, 2026, p. 124:9–125:3. The Company's Accounting and Finance organization performs a final validation of the documentation supporting line crew contractor invoices, re-examining vendor invoices over $10,000. Landry and Griffin March 2024 PFT, pp. 36–37.

Starting in October 2021, the contractor timesheet content is governed by requirements outlined in Order No. 8 of the Authority's decision in the Tropical Storm Isaias investigation, which directed Eversource to record specified minimum information for external and contractor line crews and damage assessors, including the amount and description of work performed, beginning and ending locations, paid travel time, paid time for mobilization, demobilization, and standby, and employee names, dates, and hours worked. 20-08-03 Decision, p. 134 (Order No. 8). The Company adopted a revised timesheet template in its ERP in compliance with Order No. 8, which the Authority approved on October 5, 2021. Eversource Reply Brief, pp. 24–26. The Company also developed the Eversource Contractor Storm Daily Time and Work Report Procedure (Timesheet Procedure) to support the implementation of the new timesheet. The Timesheet Procedure states that specified information "must be documented daily" by each contractor representative, including time waiting for assignment (standby) and travel time, which by its terms applies to contractor line, service, and tree crews, contract wire guards, and contract damage assessors. Interrog. Resp. EOE-200, Att. 1, pp. 4, 9. The Company's vegetation management contractors use a separate timesheet template that does not require the recording of standby or travel hours. Interrog. Resp. EOE-395.

Lastly, the Company also relies on third-party review of its controls, including an annual audit of internal control over financial reporting by its external auditor and three assertion-based examinations of the Summary of Incremental Storm Costs performed by PricewaterhouseCoopers LLP (PwC). Landry and Griffin March 2024 PFT, pp. 37–38; Eversource Reply Brief, pp. 56–59.

b. Positions of the Parties and Intervenors

EOE and OCC voiced concerns regarding the execution of these controls. EOE ultimately concludes that the design of the Company's controls "appears reasonable for a manually intensive process" but contends that the record demonstrates that the execution of the controls was ineffective. EOE Brief, p. 92. EOE observes that the Company relies on manual processes rather than systemic verification; that the storm request includes approximately 30,000 invoices; and that the Company acknowledged during the course of the proceeding errors or unsupported amounts in 169 interrogatory responses and conceded over $2 million in reductions, including at least 20 instances of double-counted costs. EOE Brief, pp. 92–93. EOE recommends a minimum 50-basis-point reduction to the Company's authorized return on equity (ROE), to be addressed in the Company's next rate case, to account for the control environment. EOE Brief, p. 94. With respect to timesheets, EOE contends that the Company systematically failed to

ensure proper completion of external line crew timesheets as required by Order No. 8. EOE Brief, pp. 94–96; Hr'g Tr., Mar. 24, 2026, pp. 74:19–75:13. EOE further contends that the vegetation crew timesheets are inadequate because they omit standby and travel detail and recommends additional timesheet requirements and a further ROE penalty for the Company's failure to adhere to its own procedure. EOE Brief, pp. 97–98.

OCC raises related concerns. OCC argues that the Company imprudently accepted and submitted incorrect timesheets, and that, because timesheets are the primary substantiation for the vendor invoices that comprise approximately 81% of storm costs, incomplete timesheets render the associated invoices unsupported. OCC Brief, pp. 21–28. OCC also argues that the Company's reliance on FRCs to validate timesheets is ineffective for the following reasons: the FRC is in some instances an employee of the same vendor whose timesheet is being approved; FRC approvals are frequently not contemporaneous, with timesheets signed days, weeks, or in some instances months after the work date; and a single FRC overseeing multiple crews working in different locations cannot personally verify each crew's hours. OCC Brief, pp. 28–33.

DEEP supports the cost review and analysis conducted by EOE and OCC and urges the Authority to consider their analysis. DEEP Brief, p. 3.

The Company maintains that its controls were reasonable and that its storm costs were quantifiable, fully supported, and properly assigned to storm activities. Eversource Brief, pp. 33–44. The Company contends that internal controls are designed to provide reasonable assurance rather than perfection, that manual controls are an accepted approach in an operationally complex environment, and that the exceptions identified across the proceeding represent approximately 0.2% of the total storm cost population and are, with limited exception, immaterial in amount. Eversource Reply Brief, pp. 54–63. With respect to timesheets, the Company contends that Order No. 8 required the adoption of a revised timesheet format, which the Authority approved, but did not mandate flawless completion of timesheets in the field as a precondition for cost recovery, and that timesheets are one of several forms of documentation that support invoiced costs. Eversource Reply Brief, pp. 21–27.

c. Authority Analysis

The Authority finds that the design of the Company's accounting and operational controls is reasonable. The structure of storm work orders, accounting code blocks, cost-element classification, and the multi-step invoice review reflects a coherent framework for identifying and recording incremental storm costs. However, the Authority is concerned, consistent with the observations of EOE and OCC, with the Company's execution of controls and reliance on manual verification. As noted above, the manual verification is especially problematic with regard to the volume and age of the storms under review.

First, the Authority notes that the volume and pervasiveness of confirmed errors is significant. The Company conceded errors, unsupported amounts, or misclassifications in 169 interrogatory responses and has agreed to over $2 million in reductions, including at least 20 instances of double-counted costs and individual conceded errors as large as $251,161. EOE Brief, pp. 92–93; Interrog. Resp. EOE-873. No control environment can

be expected to eliminate every error, and many of the individual errors identified were small in amount. Moreover, the Authority observes that absent the diligent and detailed review of EOE and other participants, ratepayers would have been burdened with millions of dollars in unjustifiable costs—as conceded by the Company. The Authority does not take this lightly. While the issue before the Authority is not whether the Company's policies achieved actual perfection, the Company's controls, as executed, must produce a recovery request that is demonstrably accurate. That errors of this number were identified largely through the discovery efforts of EOE, OCC, and the Authority, rather than through the Company's own controls, indicates that the Company's review process did not reliably detect the errors it was designed to detect.

Second, the Authority shares the concern of EOE and OCC regarding the Company's reliance on manual timesheet verification by FRCs. The Company's verification framework depends substantially on the FRC's contemporaneous observation of contractor crews and signatures on contractor timesheets. However, as noted by OCC, the record indicates that the FRC is in some instances an employee of the same vendor whose timesheet is being verified, that FRC signatures are in numerous instances affixed well after the work date, and that a single FRC overseeing multiple crews working in different locations cannot personally observe each crew's hours. OCC Brief, pp. 28–33. The Company is correct that Order No. 8 did not require flawless field completion of timesheets. See 20-08-03 Decision, p. 119, 134. Order No. 8 did, however, establish minimum documentation requirements, and the Company's own Timesheet Procedure states that the specified information "must be documented daily." Interrog. Resp. EOE-200, Att. 1, p. 9. Where contractor timesheets are incomplete and the Company's verification rests on FRC observations that are not themselves on record, the Authority cannot confirm that the associated costs were accurately billed.

Third, the Authority finds the Company's implementation of vegetation crew timesheets in need of improvement. The Timesheet Procedure applies by its terms to tree crews, yet the Company's vegetation-specific timesheet template does not require the recording of standby or travel hours. Interrog. Resp. EOE-200, Att. 1, p. 4; Interrog. Resp. EOE-395. The absence of that information prevents the Company, the Authority, and other parties from assessing vegetation crew utilization and the prudence of billed travel. The Company also confirmed at hearing that its time records do not distinguish standby time from time spent standing down, and that hours recorded as standby may be billed at the working rate. Hr'g Tr., Apr. 1, 2026, 16:22–17:10.

Fourth, and underlying each of the foregoing concerns, the Company's reliance on a manual, paper-based timesheet process is itself a source of many errors that went undetected in the Company's control environment. See Late Filed Ex. 21, pp. 1–3 (showing the manual hand-offs that occur for contractor onboarding, work management and tracking, and demobilization). A paper process does not enforce contemporaneous completion, so the record reflects timesheets signed days, weeks, or months after the work date. The process also provides no practical means of enforcing the completion of required fields, so the record reflects timesheets missing the information required by Order No. 8 and the Company's own requirements. The process also does not reliably distinguish working, standby, and standing-down time. Hr'g Tr., Apr. 1, 2026, 16:22–17:3.

Supporting documentation is often in formats that cannot be produced for review, as the Company acknowledged when it explained that documentation material to validate a contractor timesheet existed only in non-exportable systems such as email. Hr'g Tr., Mar. 25, 2026, 6:14–7:22.

Ultimately, however well designed in concept, the Company's accounting and operational controls produce a record that is lacking key verifiable information. The Authority finds that the Company should begin to re-evaluate its continued use of a manual, paper-based timesheet.

To improve the implementation of record-keeping and accounting controls, particularly in the area of daily timesheet recording, the Authority directs the Company to evaluate options to replace the manual, paper-based contractor timesheet process with an electronic field time-capture system. The Authority does not direct the Company to procure or to develop a new product, but to evaluate options available in the utility industry. The Authority directs the Company to consider the following factors when conducting the evaluation: (1) the ability to capture timesheet entries electronically in the field, at the time the work is performed; (2) requirements that the daily review and electronic attestation of each crew's time entries by both the contractor's representative and the responsible Eversource FRC or arborist are entered before the system permits the recording of time for that crew's next operational day, with any exception logged and reconciled; (3) the establishment of structured fields that cannot be left incomplete (including each item of information required by Order No. 8 of the Isaias Decision and by the Company's Timesheet Procedure); (4) a separately recorded field to indicate productive (working) time, standby time, and standing-down time, and separately record travel time; (5) the ability for the system to function in the field without grid power and without network connectivity, capturing and storing time entries on the device and synchronizing them when connectivity is available; and (6) the ability to generate a complete, exportable audit trail of entries, edits, and attestations capable of being produced for the Authority's review.

3. Eversource Timesheets

a. Positions of the Parties and Intervenors

Both EOE and OCC recommend a global disallowance for improperly filled out contractor timesheets, arguing that Eversource has failed to meet its burden to support at least 20% of the external contractor and vendor costs. OCC Brief, p. 6; EOE Brief, p. 96. OCC recommends a disallowance of at least 20% of the Company's storm cost request as adjusted by OCC's other recommended reductions, which is equivalent to $175,367,239.[32] OCC Brief, pp. 6–7. EOE did not recommend a specific disallowance, noting instead that "there are far too many instances of inaccurate or incomplete timesheets to reasonably cite and an analysis to estimate the actual percentage would be overly time-consuming and add little value." EOE Brief, p. 96. Instead, EOE

[32]OCC's recommended disallowance is based not on total external contractor costs sought for review, but on the total storm cost request as reduced by OCC's other recommended disallowances. See OCC Brief, p. 7.

recommends the Authority impose an ROE penalty of 50 basis points for the Company's noncompliance with Authority directives about timesheets. Id.

In support of their positions, EOE and OCC cite to testimony of Company President Steve Sullivan:

> Now, there was . . . somewhere on the range of 30,000 invoices associated with this filing. Each of those would potentially have several timesheets associated with that. So between those line workers filling out those timesheets to the best of their ability, and then the back office of those contractors then translating that into an invoice, **if 80% of the time they got it correct, you'd easily be able to trot out 6,000 invoices and an order of magnitude above that timesheets and say, this was not filled out perfectly in accordance with that. And we would agree with that.** We're doing the best we can under extreme circumstances to get the best information that we can. But at the end of the day, we're really relying on that field resource coordinator verifying that we have a certain number of crews for a certain number of hours that we're working on restoration. And then we have a back office staff that's reviewing those invoices and timesheets and doing the best they can to make sure that they're legitimate.

Hr'g Tr., Mar. 24, 2026, 74:19–75:13 (emphasis added). OCC and EOE interpret this statement as an admission by Eversource that 20% of all timesheets are incomplete, inaccurate, missing, or otherwise not valid, and so only 80% of external contractor costs are verifiable and supported. OCC Brief, p. 3; EOE Brief, p. 95. OCC supports this interpretation by providing numerous examples where, during the course of the proceeding, Eversource acknowledged erroneous costs, at least three of which were due to incorrect timesheets or invoices (e.g., responses to Interrogatories EOE-252, EOE-267, and EOE-130). OCC Brief, pp. 12–13. Both OCC and EOE also provide numerous examples of inaccurate or incomplete timesheets.[33] See EOE Brief, p. 96; OCC Brief, pp. 23–25.

[33]EOE identified the following interrogatory responses containing improper or missing timesheets: "EOE-307 (missing timesheet); EOE-402 (missing signatures); EOE-786(d) (incomplete information); EOE-971(b) (missing start/end times); EOE 951 (multiple missing fields, including omitted information on travel); EOE-952 (missing work distribution details); EOE-955 (missing work distribution details); EOE-953 (incorrect timesheet document and missing information); OCC-152 (missing signatures and most information)." EOE Brief, p. 96. OCC provided examples of incomplete or invalid timesheets from one event, but noted that other events would likely indicate the same lack of information: "Exhibit CLP-45(A) (Confidential) p. 22-26 (lacks time start and stop), 62-64 (undated signatures), 68-76 (undated signatures), 80 (no work date), 83-85 (undated signatures), 94 (only work location is AWC), 100 (no work location), 102 (no work location for Sunday work), 104 (no work location), 106 (billed for 18 hours of work with no location or stop time), 108 (work listed as "storm" with no location), 110 only work location is AWC and no stop time), 112 (no stop time), 116 (no work location), 118 (no work location). 405 (no work or work location indicated), 407-415 (no mobilization or demobilization location indicated), 695 (no locations indicated for travel/demobilization), 698 (no locations indicated for travel/demobilization), 700 (no work location, description of work, start or stop time), 704 (no work location, description of work, start or stop time), 749 (no demobilization location or start/stop times indicated), 756 (no travel locations indicated despite 4 hours of travel time noted), 763 (no demobilization location or start/stop time indicated), 772-

OCC also asserts that Eversource's reliance on FRCs and arborists to validate timesheets is imprudent. OCC Brief, p. 33. FRCs and arborists are responsible to directly observe the field the work line crews and vegetation management crews and review and sign-off on timesheets contemporaneously. Interrog. Resp. OCC-394; Hr'g Tr., Mar. 24, 2026, 161:8-17. In practice, it appears that this does not always happen. Many timesheets are unsigned by FRCs or arborists. See, e.g., Landry and Griffin July 2025 PFT, Ex. ES-ACCT-3 Supplemental 2 (Ex. ES-ACCT-3 Supp. 2), CLP-45(A) (Confidential), pp. 82, 693–95, 1378–1380, 2142–55. When timesheets are signed, they may be signed days or months after the work was done. See, e.g., Ex. ES-ACCT-3 Supp. 2, Ex. CLP-49(A) (Confidential), pp. 2020–21, 2027–28, 2134–38, 2170–71, 2173–87, 5919–21; Ex. ES-ACCT-3 Supp. 2, Ex. CLP-45(A), pp. 62–64, 71–73, 77–80, 83–85, 386–415, 696–98, 700, 792–97, 802–12, 846–47, 1292–1307, 1328–33, 1336–44, 1398, 1496–98, 1528–29. Further, while FRCs or arborists use the Company's outage management system (OMS) to monitor locations of crews, they are often assigned multiple crews which can be operating in different locations at the same time, limiting how often crews can actually be monitored in person. Hr'g Tr., Mar. 24, 2026, 79:8–12; see, e.g., Ex. ES-ACCT-3 Supp. 2, Ex. CLP-45(A) (Confidential), p. 772 (showing different work locations for different crews starting at 1:30 p.m., 1:40 p.m. and 2 p.m.). Practically, this means that FRCs and arborists must recall the work of multiple crews from days or months before. This process calls into question whether Eversource's use of contractor timesheets and FRCs and arborists to validate them are sufficient controls to ensure that only charges associated with actual vendor work are included in the storm cost request.

For its part, Eversource acknowledges that its timesheets are not perfect, but disagrees with EOE's and OCC's characterization of its testimony. Eversource Reply Brief, pp. 11–12 ("From these transcript passages, it is clear that Mr. Sullivan did not 'admit' that '20% of the Company's substantiation for its storm request was not completed correctly'"). The Company also states that the timesheets should not be evaluated against a standard of perfection and that timesheets are but one (primary) supporting record and the totality of the record has sufficient detail to support the invoiced amounts. Eversource Reply Brief, pp. 10–20. Eversource states that OCC and EOE have failed to support their assertions that the timesheets are imprudent, because the parties do not

775 (total hours worked do not match event start and end times), 785-786 (total hours worked do not match event start and end times), 843 (total hours worked do not match event start and end times), 846 (total hours worked do not match event start and end times), 845 (no travel or mobilization/demobilization locations, no work description or location, no event start and end times), 848 (total hours worked to not match event start and end times), 849 (no work location, description of work, or event start or stop times indicated), 1089-1091 (no work location, description of work, or event start or stop time), 1097 1230 (no or nondescript work locations) , 1227-1233 (no event start and end times indicated), 1272-1275 (no work location, work description, event start or end time indicated), 1285 (no work location, work description, event start or end time indicated), 1299-1301 (no work location, work description, event start or end time indicated), 1337-1339 (no work location, work description, event start or end time indicated), 1341-1345 (no work location, work description, event start or end time indicated), 1357 (no work location, work description, event start or end time indicated), 1396-1398 (hours worked do not match event start and end times), 1441-1443 (no work location or work description), 1457-1459 (no work location or work description), 1463- 1465 (no work location or work description) 1528-1529 (no work location, work description, event start or end time)." OCC Brief, pp. 23–25.

consider the full set of circumstances facing the Company when implementing the Timesheet Procedure. Id.

b. Authority Analysis

Regarding the first point, the Authority agrees with Eversource that Mr. Sullivan's testimony should not be construed as an admission that Eversource submitted insufficient support for 20% of vendor costs. The Authority interprets the testimony to have been an attempt by Mr. Sullivan to explain the difficulties Eversource faces with contractors properly filling out the timesheets. At most, Mr. Sullivan was simply acknowledging that not all of the timesheets are perfectly filled out. Because Mr. Sullivan did not admit that 20% of the requested external contractor costs were invalid, the Authority finds that this testimony is not an appropriate basis to support a broad 20% reduction in external contractor costs.

OCC's and EOE's concerns have merit, nonetheless. The parties have cited numerous examples of missing or incomplete timesheets. Timesheets play a central role in validating actual work being done in service of Eversource customers. Thus, the Authority accepted OCC's recommendation in the Tropical Storm Isaias investigation that contractor timesheets be updated to ensure that they capture "a more detailed accounting of the work for which cost recovery is sought." 20-08-03 Decision, p. 119.

While timesheets play a central role in supporting vendor costs, and the Authority required more robust timesheet records starting in 2021, these standards do not mandate perfection. The Authority credits Eversource's testimony that the Company encountered challenges, even resistance from contractors, when implementing the new timesheets. The question before the Authority here is not whether timesheets are perfect, but instead, whether Eversource took prudent actions to implement the new timesheets and ensure vendors and employees provide sufficiently "detailed accounting of the work" done during response and restoration. Ultimately, the Company must demonstrate, by a preponderance of the evidence, that its claimed external contractor costs were valid and prudently incurred.

Although there are examples where the Company has included timesheets that lack the full set of minimum information, Eversource has made reasonable decisions and taken prudent actions to implement the new timesheets and to verify the accuracy of external contractor work. The new timesheets were in effect on October 5, 2021. Interrog. Resp. OCC-108, p. 2. In July 2022, the Company put in place its Timesheet Procedure, which, in part, established procedures and instructions regarding contractor timesheet requirements for line crews, vegetation management crews, wire guards, and damage assessors. Id., pp. 2–3. The procedure identified internal roles responsible for overseeing various contractor work including timesheet records. Interrog. Resp. OCC-108, Att. 2, p. 5. The procedure also identified pre-storm actions including incorporating timesheet requirements into vendor contracts, educating contractors on timesheet requirements, providing instructions to crews in hiring emails, and requiring annual reviews of contracts. Id., pp. 6–7. Additionally, the Company has held annual in-person "Contractor Summits" (the first held on July 12, 2023). The purpose of the Contractor

Summits is to ensure the Company works directly with contractors to review and practice implementing the timesheet and invoicing requirements. Interrog. Resp. OCC-108, p. 3.

Furthermore, the roles and responsibilities of the FRCs and arborists (for vegetation management crews) serve as a primary resource "to oversee crews in the field, monitor their activities, and verify the accuracy of their timesheets." Interrog. Resp. EOE-939, p. 1; Hr'g Tr., Mar. 24, 2026, 95:6–14, 157:16–22. Eversource established the positions because it determined that contract crews would not reliably meet the detailed requirements of the timesheets when conducting hazardous restoration activities under difficult weather conditions and long hours. Interrog. Resp. EOE-939, p. 1; Hr'g Tr., Mar. 24, 2026, 74:1–18. Eversource specially trains the FRCs to conduct this work. Interrog. Resp. EOE-939, p. 1.

On top of the responsibilities of FRCs and arborists, Eversource established an additional layer of invoice review. Interrog. Resp. EOE-939, p. 2. Upon receipt, the Company recreates invoices from timesheets and other internal records. Id. When an error or inconsistency is identified, such as those involving missing signatures or inconsistent work hours or assignments, Company office personnel work with employees and vendors to resolve the discrepancy. Id. Eversource does retain records of this process, but while this information is available to Eversource, it is not in an "exportable system" so Eversource was unable to provide these records to support each charge or timesheet in this proceeding.[34]

In addition to procedures around the timesheets, Eversource has other controls in place to monitor external crews, including hiring emails, which include timesheet and invoicing requirements. Interrog. Resp. EOE-59, Att. 1, p. 2. The hiring emails also include other instructions to enable Eversource to manage vendors including on-boarding requirements, responsibilities of vendor foreman, equipment requirements, roster submissions, identification of the main point of contact from Eversource, among others. Id., pp. 2–6. Implementing these procedures gives the Company additional information to determine validity of contractor invoices.

Although the Authority evaluated the effectiveness of the internal controls in Section III.C.2, Accounting and Operational Controls, and directs the Company to evaluate new options going forward, here the Authority considers the reasonableness with which Eversource implemented the systems currently in place. Despite the imperfect implementation of its timesheet procedures, the Company has demonstrated that it has taken reasonable actions to obtain accurate timesheets from contractors. These actions include implementing policies, procedures, and training programs to achieve that goal. Nonetheless, the Authority expects to see improvement in this regard and that Eversource will continue to implement the timesheets, train FRCs and arborists to minimize timesheet errors, and to work with contractors to ensure that timesheets reflect an accurate

[34]For example, when asked about specific time charges from a vegetation management contractor, Eversource provided email records of tree crew rosters for an external vendor that it can use to validate timesheets. Hr'g Tr., Mar. 25, 2026, 6:24–8:15; see also Interrog. Resp. EOE-965-SP01, Att. 1, Att. 2. These types of emails are not available to export in bulk to support all timesheets. Hr'g Tr., Mar. 25, 2026, 7:14–22.

accounting of work performed. To ensure that the Company continues to improve its timesheet implementation process, the Authority directs Eversource to develop a proposal that identifies metrics and criteria for reviewing and evaluating contractor FRC, and arborist adherence to timesheet requirements. This review shall consider whether to include an evaluation and score based upon completeness and timeliness of the contractor's, FRC's, and arborist's timesheets. Completeness includes a score for all the required fields pursuant to the Company's Timesheet Procedure and Order No. 8. The timeliness factor should consider inclusion of a score recognizing whether timesheets were completed within 24 hours.

4. EOE Recommended Extrapolations

a. Summary

To address the reality that only a portion of the record could be scrutinized in detail, EOE proposed methods to extend individual findings of erroneous charges to the entire population of storm costs. EOE Brief, pp. 118–23. EOE's extrapolation proposed three reductions for unsupported costs:

(1) $10,014,973 for Eversource-confirmed external vendor cost errors;
(2) $2,479,785 for Eversource-confirmed non-vendor cost errors; and
(3) $1,181,223 for EOE-identified imprudent costs.[35]

EOE Reply Brief, pp. 118–23. EOE derived the extrapolated amounts for each category from identified erroneous costs that resulted in Eversource agreeing to reductions during the proceeding, including $903,541 for external vendor costs, $299,438 for internal labor costs (i.e., non-vendor costs, such as internal labor and meals), and $393,741 for costs that EOE identified as imprudently incurred. Id., pp. 119–24.

For each of the categories, EOE argues that an extrapolation of these costs is proper because the identified errors were indicative of a "pervasiveness of errors" that warrant an adjustment to the entire population of storm costs. EOE Brief, pp. 93, 118, 122–23. EOE argues that it was necessary to project the sample findings to the entire population of storm costs to better reflect the total errors because only a sample of the total evidentiary record could feasibly be reviewed. Id., p. 118 ("The various storms included hundreds of individual filings comprised of well over 100,000 pages of confidential invoices and corresponding documents to support the Company's request. The sheer volume of documentation inherently limited any party, including EOE, from reviewing the totality of evidence. This limitation forced parties to perform sampling of the various individual expenses.").

b. External Vendor Costs

EOE argues that the $903,541 of conceded adjustments should be extrapolated (or generalized) to more accurately capture the total number of errors in the entire

[35]The samples identified by EOE as imprudent and used as the basis for extrapolation are reviewed by the Authority in the various subsections of Section III.F, Catastrophic Storm Costs, below.

population of external vendor costs. EOE Brief, p. 118. To determine an estimate of the total costs attributable to errors, EOE conducted a focused review of four events. EOE Brief, p. 118. EOE's vendor support cost extrapolation is supported by "targeted reviews of the three most recent storm events (i.e., MS23G, MS23H, MS23J) and the most recent prestaging event (i.e., MS22F)" which represented approximately 8% of total external vendor costs.[36] EOE Brief, p. 118. This review resulted in $903,541 of identified reductions across the four events, with which Eversource agreed. Id., pp. 119–21 (listing the agreed reductions and supporting interrogatories). The proportion of identified charges to each of the four events' total costs ranged from 0.74% to 7.12%, with an average of 1.41%. Id., p. 120. EOE then applied the average of 1.41% to the total vendor costs (after excluding other reductions recommended by EOE)[37] to determine the recommended extrapolated reduction of $10,014,973. Id., p. 121.

EOE selected a sample of the four most recent events on which to focus (including three storm events and 1 prestaging event). EOE Brief, pp. 118–19. Eversource argues that the four storm events reviewed by EOE included those where the largest identified errors were found, from the original set of adjustments agreed to by Eversource (which accounted for over 50% of the agreed upon reductions). See Eversource Reply Brief, pp. 59–60, 74 (showing the identified reductions for each storm). EOE argues, however, that "the larger error rates were the direct result of a more thorough analysis" of the four events. EOE Written Exceptions, p. 6. Specifically, EOE "reviewed all external vendor invoices for the four storm events but did not question certain, less material expenses or expenses that were already being argued more broadly."[38] EOE Written Exceptions. fn.10. Further, EOE argues it selected the four storm events because they "were expected to benefit the Company as the timesheets were supposed to have been enhanced as a result of Order No. 8 of the Isaias Decision." EOE Written Exceptions, p. 6.

The Authority agrees with EOE that the volume of storm costs under review (and therefore the volume of supporting records) makes it reasonable to review a representative number of samples and determine a reasonable extrapolation from the sample findings. As discussed more fully in Section III.E.3, Prestaging Vendor Cost Errors, which prestaging addresses costs, and Section III.F.3.m, Vendor Cost Errors, which addresses catastrophic storm costs, the Authority finds that Eversource has not

[36]The four events include a total of external vendor costs of $63,233,059 out of a total requested $795,719,243, representing 7.9% of the total vendor costs ($63,233,059 / $795,719,243 = 0.079). Late Filed Ex. 1-SP01, Att. 1.

[37]The initial set of reductions (i.e., those reductions Eversource agreed to during the course of the proceeding) involved 40 of the 53 events, and the associated adjustments accounted for 0.2% of the total storm costs. Eversource Reply Brief, p. 59.

[38]EOE also notes that "[t]he Company challenged EOE's Written Comments whereby EOE shared a preliminary perspective that the Company's errors would require extrapolation to determine the impact on the effect of the overall submission. See Ex. ES-RP-1 Supp. 3, pp. 39–40. The Company responded to 'EOE's assertions" by incorrectly concluding that EOE would extrapolate the total errors "without record evidence' EOE has clearly identified an unbiased methodology for extrapolating errors that the Company has acknowledged for a sample of storm events." EOE Brief, p. 118 n.176.

met its burden of proof with respect to $7,765,227 ($7,643,340 + $121,887 = $7,765,227) of vendor costs.

c. Internal Labor and Imprudent Costs

Regarding EOE's extrapolation for internal labor (non-vendor costs), EOE reviewed a small number of samples from the same events, 25 in total,[39] but did not use the results of that review to extrapolate to the entire population of non-vendor costs. EOE Brief, pp. 122–23. EOE used its identification of $299,438 of inaccurate non-vendor costs to support its conclusion that the Company included inaccurate incremental non-vendor costs in its request. Id., p. 122. Due to the small sample size, however, EOE proposed using the 1.41% error rate from its review of vendor costs and applied that to the non-vendor costs, resulting in a proposed reduction of $2,325,937. Id. EOE applied an error rate measured from one category of costs to an entirely different category of costs, but did not provide a valid reason for doing so, other than noting it "leveraged" the confirmed vendor error rate because its sample size was too small. EOE Brief, p. 123.

As noted in Section III.A, Summary, above, the Company's final request was reduced to reflect the confirmed internal labor cost errors and other costs that EOE identified as imprudent. The Authority finds that Eversource has not met its burden of proof with respect to $299,438 for internal labor costs (i.e., non-vendor costs, such as internal labor and meals), and $393,741 for costs that EOE identified as imprudently incurred. The Authority does not, however, further reduce Eversource's storm costs.

5. Potential Future Storm Filing Modifications

In the preceding sections, the Authority outlined several challenges with reviewing a filing that includes nearly $1 billion in storm expenses, some of which date back eight years. Both the timeline and the volume of data introduced significant challenges for the Authority's and parties' review. Practically speaking, neither the Authority nor any party was able to review all of the supporting documentation submitted by Eversource; the only feasible option was to review a portion of the evidence. To avoid such challenging circumstances in the future, the Authority expects to closely consider how the EDCs document future storm costs and how such costs should be evaluated and recovered. For its part, Eversource suggested several potential modifications to the existing storm cost recovery framework in Connecticut, including:

(1) Reconsideration of the criteria defining what is a catastrophic storm, including (potentially) making the criteria independent of incurred costs;
(2) Adjustment to the funding of the reserve accrual amount allowed in rates;
(3) Establishment of a threshold or cap on the deferred storm balance, that if exceeded, would trigger a review proceeding;
(4) Reconsideration of rules around the application of carrying charges; and

[39] EOE reviewed "six employee labor charges for the MS22F event (Interrog. Resp. EOE-634)," "five employee labor charges for the MS23J event (Interrog. Resps. EOE-633, EOE-711)," "three [meals] for the MS22F event (Interrog. Resp. EOE-496)" four meals "for the MS23H event (Interrog. Resps. EOE-924, EOE-966)," "employee expenses for four charges for the MS23G event (Interrog. Resp. EOE-811)" and "three charges for the MS23H event (Interrog. Resp. EOE-923)." EOE Brief, pp. 121–22.

(5) Potential implementation of a (reconciliation) mechanism to better align costs with the timing of their incurrence.

See Horton et al. 2026 PFT, pp. 54–57 (discussing a framework in Massachusetts that has contemplated some of these factors).

Any modifications to the EDCs' storm cost recovery framework must be considered in a rate case where the whole of the Company's operating costs and revenues may be evaluated in context. To that end, the Authority directs Eversource to propose in its rate case in Docket No. 26-05-10, Application of The Connecticut Light and Power Company d/b/a Eversource Energy to Amend its Rate Schedules, a proposal to modify the regulatory framework for deferred storm expenses. The Authority also invites other parties and intervenors to Docket No. 26-05-10 and any other EDC base distribution rate case to consider and propose both: (1) improvements to storm cost documentation and internal review processes, and (2) adjustments to the regulatory recovery framework.

D. ELIGIBILITY OF INDIVIDUAL STORM "EVENTS" FOR EXPENSE DEFERRAL

1. Summary

In the 25-12-13 Application, the Company includes a number of relatively smaller "events," in which its response and restoration activities span multiple days with variable weather and multiple outage peaks over some time period. The Authority determines that three of the Company's reported storms, MS18H011, MS21M011, and MN23AB011 were not distinct catastrophic storm events, but a compilation of minor events which, when combined, exceed the $4 million threshold.

A catastrophic storm is an event that causes the Company to incur incremental operating expenses in excess of $4 million. Interrog. Resp. OCC-120; 17-10-46 Settlement Agreement, p. 11. A "non-catastrophic" storm is an event in which the Company incurs less than $4 million of incremental expenses.[40] Interrog. Resp. OCC-120. Costs for catastrophic storms are deferred to the Company's reserve for catastrophic storms and are subject to a prudence review by the Authority; non-catastrophic storm costs are not eligible for deferral.[41] Id.

A relevant distinction can be made between: (1) a non-catastrophic event, which the company must respond to using money collected in base rates, with a risk to the Company and customers of under or over-recovery, respectively, and (2) a catastrophic storm event that qualifies for deferred accounting. The Authority has approved the use of a catastrophic storm reserve and special deferral treatment for catastrophic storm costs

[40]Prestaging events are unique in that they are costs incurred in preparation of events that do not materialize to the level anticipated. Interrog. Resp. OCC-120. Prestaging events require a utility to provide advance notice to the Authority. Hr'g Tr., Mar. 24, 2026, 26:12–18. If the Company prepares for an event and the total prudently incurred incremental expenses exceed $4 million, then the event is a catastrophic storm and any "prestaging" costs are included in the catastrophic storm costs eligible for deferral. Id.

[41]The Company currently receives $4.2 million per year for non-catastrophic storm costs in its base distribution rates. Interrog. Resp. OCC-120; 17-10-46 Decision, App. A, Att. 3, line 51.

to provide utilities with protection from extraordinary events that require them to expend large sums that could not be collected from customers in the near-term. See 13-01-19 Decision, p. 30. The purpose of establishing a deferral for catastrophic storm costs is to "allow a utility to seek recovery for an unplanned non-recurring expense between rate cases." Id., p. 32. Additionally, allowing catastrophic storm deferrals can protect ratepayers from the risk of a utility over-recovering imputed storm costs in years where expected storms do not ultimately materialize, because base rates do not include a preset amount of expenses for catastrophic storms.

Although the $4 million threshold is the financial criterion for drawing this distinction, a catastrophic event is not merely some window of time (e.g., four days or a week) during which the Company incurs operating expenses in excess of $4 million in responding to outages. A catastrophic event must first definitively be *an event*, that is, a single event, and, to qualify for deferred cost recovery in addition to the revenues established for a Company's standard storm response operations, the Company's response must be such that would be otherwise unnecessary but for the *catastrophic* magnitude of the single event. In other words, Eversource's activities must be extraordinary—above the level of activity reasonably expected to be recovered within base rates in response to typical minor storm and outage events.

EOE argues that 5 of the Company's reported 43 catastrophic storms, namely, MS18H011, MS21M011, MS23C011, MN23T011, and MN23AB011, are improperly classified as catastrophic events. EOE Brief, p. 23. EOE states that each of these events consist of several smaller and distinct events improperly combined into single reported catastrophic storm events by the Company. Id. Similarly, OCC argues that Eversource has attempted to manufacture qualifying storms by combining several days of elevated temperatures and terming them a "storm." OCC Brief, p. 84.

The Company argues that each of the events identified by EOE were not compilations of individual and discrete events but instead were events that spanned multiple days and each multiday event having "variable periods of intensity." Eversource Reply Brief, p. 78. Eversource argues, for example, that it is not uncommon for catastrophic events to include "discrete thunderstorm cells or precipitation episodes." Id. Eversource also argues that storm events are not defined by (1) the variability or regularity of restoration curves, (2) whether NOAA assigned a meteorological label to the event, or (3) whether the Company activated its emergency response plan (ERP). Eversource Reply Brief, p. 78.

The Authority evaluated each of the five events identified by EOE and finds that the Company has not demonstrated that MS18H011, MS21M011, and MN23AB011 are eligible for deferral as catastrophic events. As discussed in Section III.F.3.b.ii, Overstaffing of Event MS23C011, below. The Authority finds that MN23T011 is, however, a single event eligible for deferral. Therefore, the Authority finds that the $16,145,032 in costs associated with those events are not eligible for deferral. Each event is discussed individually below.

Table 11: Eligibility of Storm Events for Expense Deferral

Event	Company Request ($)	Ineligible Expenses ($)	Eligible Expenses ($)
MS18H011	5,089,780	(5,089,780)	-
MS21M011	6,325,405	(6,325,405)	-
MS23C011	6,147,668	-[42]	6,147,668
MN23T011	7,423,737	-	7,423,737
MN23AB011	4,729,847	(4,729,847)	-
Total	**29,716,437**	**(16,145,032)**	**13,571,405**

2. Event MS18H011

The Company requests $5,089,780 in incremental expenses for MS18H011. Late Filed Ex. 1-SP01, Att. 1, p. 1. The Company argues that MS18H011 was an extended heatwave that began on June 29, 2018, and continued through July 6, 2018. 24-03-30 Application, Sullivan, Hayhurst, Colorio, DiPaola-Tromba, Desautels, and Scerbo Pre-filed Test., Mar. 11, 2024 (Sullivan et al. March 2024 PFT), Ex. ES-IMT-1A. Although heatwaves can be extreme events that ultimately qualify as catastrophic storms, there is insufficient evidence in the record demonstrating that Eversource's response to MS18H011 was a response to a single catastrophic event, rather than a series of responses to a series of heat-related outages over eight days, as an expected part of its typical day-to-day operations. Accordingly, the Company's claimed $5,089,780 of expenses for MS18H011 are not eligible for deferral as catastrophic storm costs.

EOE argues that MS18H011 is not an eligible storm for deferral treatment. EOE Brief, pp. 23–24. EOE explains that the Company included costs for activities that spanned over nine days where only one single day was classified as an event by NOAA. Id., p. 24. Additionally, the Company's outage data for the storm demonstrates separate outage peaks on multiple days between June 28, 2018, and July 6, 2018, with outages being short-lived as the Company resolved every reported outage within 24 hours, with the average duration of outages lasting less than 12 minutes. Id.; Interrog. Resp. EOE-75, Att. 2. EOE argues that there is no basis for the Company to arbitrarily aggregate costs for extended periods of time when there are no underlying weather events. EOE Brief, p. 24.

OCC presents similar arguments for excluding costs related to MS18H011 from recovery within the regulatory asset. OCC argues that MS18H011 shows that, with such significant peaks and valleys in the outage data, the outages over the nine days from June 28, 2018, through July 6, 2018, would be classified as at least two or three individual storm events. See OCC Brief, pp. 84–85. OCC adds that, because those "separate

[42]The Authority shows no adjustment here for the purposes of illustrating that event MS23C011 is eligible for expense deferral as a catastrophic storm event. However, the Authority deems $634,000 of expenses associated with this event as imprudent, as discussed in Section III.F.3.b.ii, Overstaffing of Event MS23C011, below.

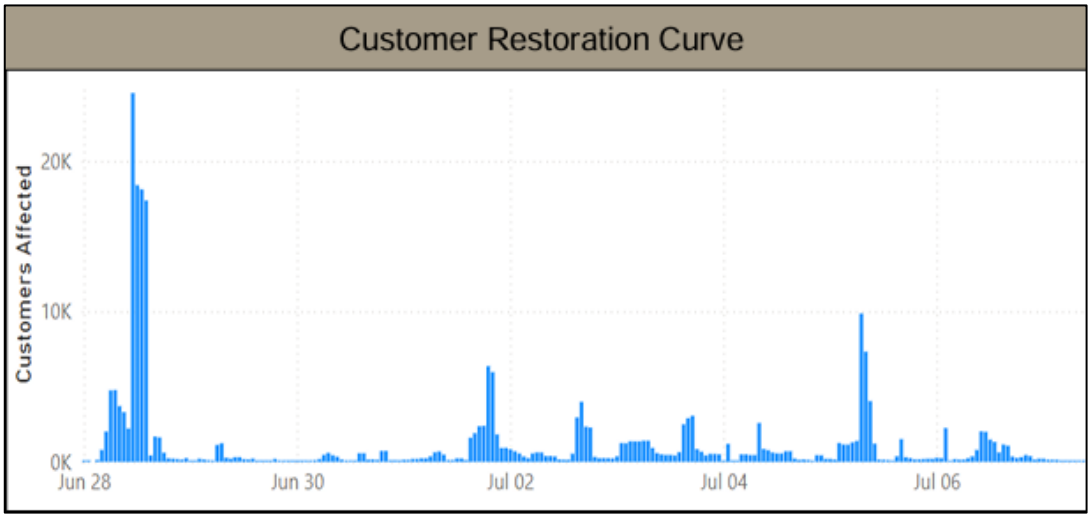
events would not qualify for the financial threshold of storm cost recovery, it appears Eversource attempted to combine them to create one qualifying event." Id., p. 85.

The Company argues that it is proper to consider MS18H011 as a single event because both the Federal Emergency Management Agency (FEMA) and the Connecticut Department of Emergency Management and Homeland Security (DEMHS) classify "extreme heat" as a natural hazard that poses increased risk to public safety and thus requires emergency response from the Company. Interrog. Resp. OCC-179, p. 2. Further, the Company's ERP also classifies extreme heat waves as a "weather-related event." Interrog. Resp. EOE-381, Att. 1, p. 16. The Company argues that it's improper to subdivide extreme heat waves into the individual thunderstorms (or resulting outages) that occur therein as recommended by EOE and OCC. Eversource Reply Brief, p. 82.

The Authority finds that the several days of extreme heat between June 28, 2018, and July 6, 2018, should not be considered as a singular storm event. Although heatwaves may be events that, depending on the severity, can require preparation and response by Eversource as a catastrophic event, a period of extreme heat does not necessarily rise to the level of a catastrophic event, and singular episodes of high heat that are proximate in time are not necessarily a single event. To evaluate a heat wave in order to determine whether it qualifies as a catastrophic event, the Authority considers the evidence regarding the claimed event period, including the pattern of outages and whether Eversource made coordinated planning and response decisions to respond to the heatwave or simply responded to individual outage events in the normal course of business, without explicit planning for the heatwave itself.

The Authority is not persuaded that MS18H011 constitutes a catastrophic event, and the record does not indicate that the pattern of outages or the Company's response to the outages went beyond what is expected as its standard response procedures to isolated outage incidents. As shown in Figure 1, below, there was a series of outages that occurred from June 28, 2018, through July 6, 2018, with distinct clusters of peaks.

Figure 1: MS18H011 Customer Restoration Curve



Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-1, p. 1.

To prepare for the heat, the Company included in its "morning Operations calls leading up to [June 29, 2018]" plans to return "all critical Transmission and Distribution Assets to their normal configuration." Interrog. Resp. EOE-75, Att. 3, p. 3. The Company also (1) placed line and underground crews on call, (2) scheduled "engineering resources" to support the system operations center, (3) ensured transformer and other material availability at area work centers, and (4) reached out to local contractors to determine their availability to respond to the heatwave. Id. There is nothing in the record to indicate that the Company took any additional action after these preparatory calls to coordinate response to the event. The Company did not declare the heatwave as an ERP event, nor did it send a notice of prestaging of resources to the Authority. Interrog. Resp. EOE-75.

The Company's own technical forecast discussions characterized the event primarily as a prolonged heat wave beginning on Sunday, July 1, 2018, accompanied by isolated and scattered thunderstorms. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-1, pp. 3–10. The forecast discussions did not indicate a significant threat of thunderstorms and winds, but focused on the extended hot and humid conditions, accompanied by scattered showers and isolated thunderstorms. Id., pp. 3–10, 20. The heat was characterized as extreme, with excessive heat watches and excessive heat warnings in effect from July 1 through July 2, and heat warnings in effect from July 3 through July 5. Id., pp. 3–10.

There is insufficient evidence that the Company took coordinated and incremental steps to prepare for a single storm event. The record indicates that the Company monitored weather reports and included discussion of the heat during operations calls, but both those actions are, or should be, routine actions taken by the Company for which base distribution rates are designed as compensation. Hr'g Tr., Mar. 24, 2026, 17:22–23 ("we're looking at weather forecasts, literally 365 days a year.").

Further, the Company uses local contractors to meet day-to-day operations, and, generally only looks for additional crews from outside of Connecticut for events that exceed the day-to-day needs. Tr., 21:17–23:7. For this event, the Company relied solely on internal and local contract crews to respond, and, indeed, most of the restoration work (80%) was done by internal line crews. Interrog. Resp. OCC-179, p. 2. Accordingly, the Authority finds that the Company's evaluation of the availability of local crews is common practice for smaller event response, and that the Company did not need to secure additional outside resources (beyond what internal and local contract crews could manage) indicates that the Company was not planning for and did not respond to what could be considered a catastrophic event.

Importantly, a review of Figure 1, above, indicates that the largest grouping of outages occurred during the period of June 28–June 29, 2018, which is prior to onset of the heatwave. The heatwave only began to "ramp up" on June 29, 2018, which had temperatures approaching "near" the 90 degree mark. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-1, pp. 2–3. It was not until July 1, 2018, that National Weather Service (NWS) declared excessive heat watches for Connecticut. Id., pp. 3-4. The Authority concludes that the grouping of outages that occurred during the period June 28–29, 2018, were unrelated to the heat event itself.

Preparing for summer temperatures over an eight-day period in late June and early July is, or should be, normal practice. The record indicates that, on balance, Eversource responded to a series of heat-related outages as essentially normal operations, with isolated periods of outages that required individual response efforts. The record does not indicate that the Company coordinated efforts in response to the eight-day heatwave, and it would be improper to aggregate the costs over those days to reach the threshold for catastrophic storm cost recovery. There is no evidence that any individual heat-related outage occurrence exceeded the $4 million threshold because the Company did not separately track costs attributable to the individual heat-related occurrences and there were a number of discrete outage events in which the Company incurred costs. Accordingly, the Authority finds that MS18H011 is not eligible for storm cost deferral. As such, the $5,089,780 of expenses for this event are not eligible for deferral as catastrophic storm costs.

3. Event MS21M011

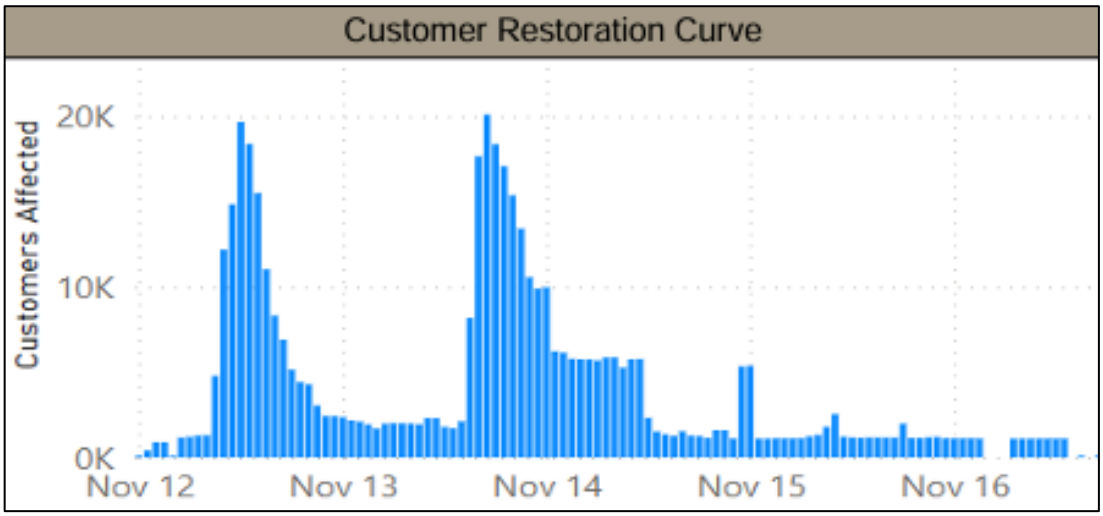
The Company requests $6,325,405 in incremental expenses for MS21M011. Late Filed Ex. 1-SP01, Att. 1, p. 1. The Company argues that MS21M011 should be considered a single weather event that includes multiple phases that impacted its system over a four-day period. Eversource Reply Brief, pp. 86–87; Interrog. Resp. EOE-387, pp. 1–2. The Authority finds that the Company improperly combined separate weather events into MS21M011, and that there is no single catastrophic storm eligible for storm cost deferral. Accordingly, the Company's claimed $6,325,405 of expenses for MS21M011 are not eligible for deferral as catastrophic storm costs.

EOE argues that the Company combined multiple distinct events in order to meet the $4 million eligibility threshold for catastrophic storms. EOE Brief, p. 25. EOE notes that NOAA reported three separate activities in several counties between November 12, 2021, and November 13, 2021. Id.; see Ex. ES-IMT-4-23, p. 14. EOE argues that the purpose of the $4 million dollar threshold is to address truly catastrophic storm events, not successive rounds of smaller, non-catastrophic, distinct events. EOE Brief, p. 25.

Eversource argues that the distinct periods of outages that occurred, as seen in Figure 2, below, are attributable to successive rounds of storm activity that impacted the Company's service territory over the course of a single event. Eversource Reply Brief, p. 87. The Company argues that the initial peak on November 12, 2021, corresponds to the onset of the storm, during which high winds and heavy rain caused widespread damage to electric infrastructure, resulting in a rapid increase in customer outages. Id. The Company further argues that subsequent peaks reflect additional rounds of adverse weather conditions, including renewed periods of strong winds and rainfall, on approximately November 13 and 15, 2021.[43] Id.

[43]Eversource argues that multiple phases of a weather pattern should be considered a single event if the phases of weather: (1) Originate from the same large-scale atmospheric disturbance (e.g., frontal systems or nor'easter/tropical remnants); (2) Produce compounding impacts within the same general time window; (3) Require continuous or escalating deployment of resources under one extended incident

Figure 2: MS21M011 Customer Restoration Curve



Sullivan, Hayhurst, Colorio, DiPaolo-Tromba, Desautels, Scerbo, Prefiled Test., December 31, 2024 (Sullivan et al. December 2024 PFT), Ex. ES-IMT-4-23, p. 1.

Though Eversource argues otherwise, the record indicates forecasts of smaller individual events. Specifically, NOAA identified three separate weather events, suggesting Eversource, in turn faced three distinct events. Ex. ES-IMT-4-23, p. 14. Additionally, the Company's technical forecast discussions consistently characterized the severe weather threat as low and anticipated primarily heavy rain, gusty winds and isolated thunderstorms. Sullivan et al. March 2024 PFT, Ex. IMT-4-23, pp. 3–5. The Company utilizes the NOAA Storm Prediction Center (SPC), which is a daily map that forecasts the likelihood and intensity of severe thunderstorms across the United States. Id. The SPC utilizes a standardized 5-level color-coded scale (from Marginal to High Risk) to summarize the combined threat of tornadoes, large hail, and damaging winds. The SPC forecasts placed Connecticut within a Marginal Risk area, which represents weather conditions similar to those experienced several times each year and not extraordinary storm activity. Id., pp. 12–13. While the record indicates that four weak tornadoes (EF0-EF1) occurred within portions of Connecticut, the overall weather impacts consisted largely of localized wind, rainfall, and thunderstorm activity occurring over multiple days rather than a single catastrophic event causing widespread system damage. Id., pp. 2–7, 20. These conditions are more consistent with the types of weather-related outages and restoration activities reasonably expected to occur during the ordinary course of utility operations, for which compensation is imputed in base rates.

Further, while the Company may have determined the weather pattern to emerge from a "single large-scale atmospheric disturbance," the record indicates there were two separate fronts that arrived at different time periods. A warm front arrived on November 11-12, 2021, and a cold front arrived on November 13, 2021. Id., p. 1. The existence of

response; and (4) Are evaluated as part of a unified restoration strategy under the Incident Command System (ICS). Interrog. Resp. EOE-386, pp. 1–2.

two separate fronts appears to indicate that there were smaller events associated with separate atmospheric disturbances.

Second, the Authority is not convinced that the four-day period of weather in this instance constitutes "the same general time window." MS21M011 consisted of three distinct outage peaks, on November 12, November 13, and November 15. Sullivan et al. December 2024 PFT, Ex. ES-IMT-4-23, p. 1. From an emergency response perspective, if multiple weather patterns coincide and the system impacts are compounded then it is possible to properly consider them as one event.

Finally, the record does not indicate that Eversource evaluated the weather conditions as a single compounded catastrophic weather event. It is clear from the restoration curves shown in Figure 2, above, that Eversource had not fully restored customers from the first phase on November 12, 2021, before the second phase hit on November 13, 2021, and then again had not fully restored customers impacted by the second phase before the third phase hit on November 15, 2021. Sullivan et al. December 2024 PFT, Ex. ES-IMT-4-23, p. 1. Though the succession of events demanded several days of storm response, the Company did not activate its incident management team, declare an ERP event, or conduct prestaging activities. Interrog. Resp. EOE-386, p. 2. Additionally, the Company did not provide any evidence in the record to indicate coordination or communication with local officials and emergency responders during the timeframe. See Interrog. Resp. RSR-55 (showing the Company did not provide any record of communications with such entities). While such actions are not prerequisites for an event to be deemed catastrophic, in this instance, such actions may have indicated the Company's expectation of a single, compound catastrophic weather event.

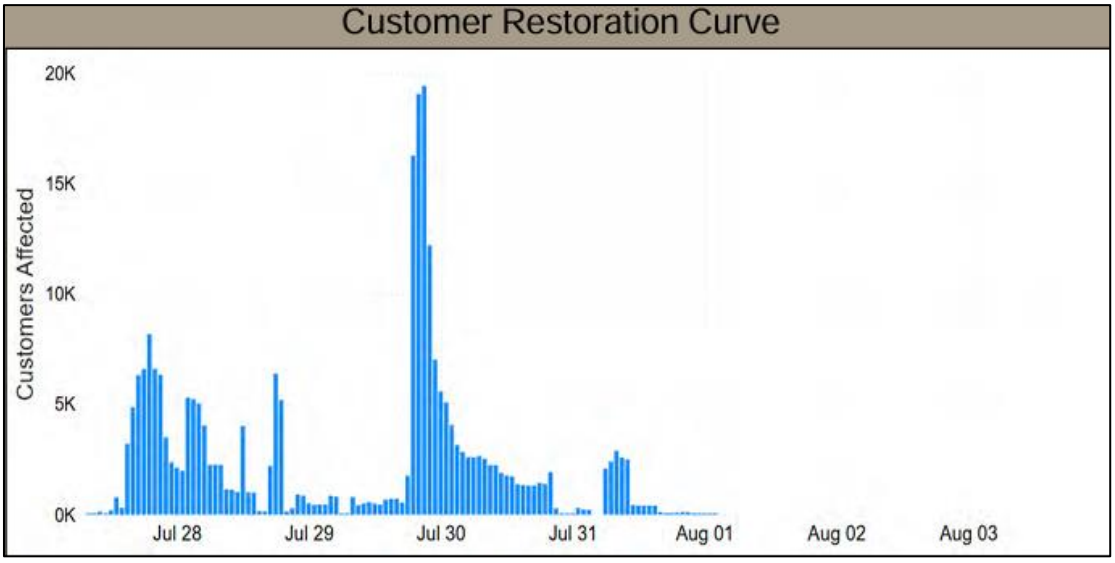
Instead, the weather reports, including those on which the Company relied, the time period in which the storms occurred, and the Company's analysis and actions at the time indicate that MS21M011 does not qualify as a single weather event. The Authority finds that the Company improperly combined separate weather events into one reported storm, designated as MS21M011. Accordingly, the Authority finds that MS21M011 is not eligible for storm cost deferral. As such, the $6,325,405 of expenses for this event are not eligible for deferral as catastrophic storm costs.

4. Event MN23T011

The Company requests review of $7,423,737 in incremental costs for MN23T011. LFE 1-SP01, Att. 1, p. 1. The Company makes the same argument for this storm as offered in support of its request for MS18H011: that variability in restoration curves, including peaks and valleys, is typical of extended, heat-driven events and does not suggest the improper aggregation of unrelated incidents. Eversource Reply Brief, p. 82. The Company explains that severe thunderstorms with high winds and rain moved through Connecticut on July 27, 2023, causing damage to the Company's electric distribution system and power outages. Id., p. 83. The Company asserts that their response and the associated costs were based on system impacts and operational necessity, not on after-the-fact variability in outage curves. Id.

EOE argues that this event was generally consistent with the different events identified by NOAA during the same period where NOAA identified separate events on the evenings of both July 27, and July 29, 2023. EOE Brief, p. 31. Similar to MS18H011, EOE's primary concern is the Company appears to have included multiple days of "heat" into a single event in order to derive aggregated costs that are in excess of the $4 million eligibility threshold. Id. EOE notes that the MN23T011 restoration curves strongly suggest there were separate events driving the activity that align with the NOAA events, demonstrating different events that did not occur over an extended duration of time. Id. The restoration curves are shown in Figure 3, below.

Figure 3: MN23T011 Customer Restoration Curve



Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-49, p. 1. EOE performed a targeted review of line crew invoices for this storm and confirmed the outage spike aligned to invoice activity where certain vendors were released and other vendors were onboarded. Id. During review, EOE discovered that two of the three vendors that were onboarded on July 29, 2023, billed for multiple hours of standby before receiving any assignments, with other vendors also billing for standby on July 29, 2023. EOE Brief, p. 32. EOE argues that the pervasive recording of standby on July 29, 2023, supports the position that there were multiple "minor" storm events, compensation for which is already included within the Company's base rates. Id.

OCC argues that MN23T011 experienced limited outage events and they were concentrated on July 28, and July 30, 2023, with the most impactful outages on July 30, 2023. OCC Brief, p. 85. OCC explains that it is unclear whether a heat wave should qualify as a storm; however, if it does, then in the case of MN23T011, it appears it should qualify as two separate storms. Id.

The record shows that MN23T011 was a heat event that Eversource clearly and intentionally prepared for and responded to. Starting July 26, 2023, the Governor implemented an extreme heat protocol for the state for a four-day heatwave. Sullivan et

al. July 2025 PFT, Ex. ES-IMT-4-49, p. 19. Weather forecasts called also for hazardous weather with the potential for tornadoes and severe thunderstorms. Id., Ex. ES-IMT-1A, p. 23. The Company took steps to prepare for and respond to heatwave events that would require timely restoration for impacted customers because of the potential for public health emergencies due to exposure to extreme hot weather. Id., p. 22. The Company activated:

(1) Resource Specialists on storm shifts;
(2) On call status for all Station Electricians, Electric Field Operation AWC crews, and Internal Transmission crews;
(3) On call status for four Electric Field Operations tree crews and two Response Specialist Organization (RSO) crews per AWC;
(4) All Field Engineers and Designers to report to AWCs for damage assessment; and
(5) Affiliated Contractors and Internal Project crews as needed for storm response.

Id., p. 24.

Eversource prepared for this event as a heatwave, and the timing of individual thunderstorms within the heatwave are not necessarily reasons to disqualify the event as a series of events grouped together. When considering whether to recognize storm response work as falling within the definition of a "catastrophic event," the ultimate question before the Authority is whether Eversource incurred prudent expenses in excess of $4 million for a single storm event. The determination is necessarily a fact-based inquiry, and not every string of hot days will fall within the definition of a catastrophic event.

The record demonstrates that the weather impacts during this period were limited and episodic. The NWS advisories issued during the event primarily consisted of Heat Advisories, with Flood Watches and Severe Thunderstorm Watches issued for a portion of the event period. Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-49, pp. 4–8. The UConn outage prediction model forecast between 300 and 600 trouble spots associated with thunderstorms on July 27, 2023. Id., pp. 29–30. Although the forecast acknowledged the potential for damaging wind gusts and isolated tornadoes, the predicted impacts remained within the range the Company routinely encounters. Id. Notably, the Company's ERP level 5 planning assumptions contemplate events involving substantially greater levels of outage activity. Interrog. Resp. OCC-20, Att. 1, p. 16.

The fact that the weather impacts were limited and episodic merely reflects a flaw in the design of the catastrophic storm definition and may provide reason to revisit the framework; it is not, however, reason to disqualify this event. There is sufficient evidence that Eversource undertook coordinated actions to prepare for and respond to an emergency heatwave event. The Authority finds that this event qualifies as a single catastrophic storm event and does not disallow $7,423,737 in incremental costs as recommended by EOE and OCC.

5. Event MN23AB011

The Company requests $4,729,847 in incremental expenses for MN23AB011. Late Filed Ex. 1-SP01, Att. 1, p. 1. The Company argues that MN23AB011 significantly

impacted customers, including large numbers of outage and non-outage events, which elevated staffing levels and coordinated contractor support over multiple days. Eversource Reply Brief, p. 84. The Authority finds that the Company improperly combined separate weather events into MN23AB011, and that there is no single catastrophic storm eligible for storm cost deferral. Accordingly, the Company's claimed $4,729,847 of expenses for MN23AB011 are not eligible for deferral as catastrophic storm costs.

The Company argues that heat and humidity, along with forcing from a strong mid-level jet, produced severe storms and strong wind gusts between September 8 and September 11, 2023. Eversource Reply Brief, p. 83. The Company asserts that the frontal boundary and low-pressure system located to the west and east of northwestern Connecticut was the focus for rounds of showers and thunderstorms, with strong to severe thunderstorms more widespread on September 8, 2023, and that on September 11, 2023, heavy thunderstorms developed in an unstable, moist environment, resulting in flash flooding in Connecticut. Id. The Company asserts that its event declarations and cost tracking for this event were based on system impacts, operational necessity, and public safety considerations. Id., p. 84.

EOE argues that, based on the Company's characterization of the storm, MN23AB011 was generally aligned to the different events identified by NOAA on September 8 and September 11, 2023. EOE Brief, p. 33. As with MS18H011, EOE's primary concern with the MN23AB011 event is that the Company appears to have included multiple days of "heat and humidity," which resulted in thunderstorms on several different days, into a single event in order to aggregate costs to exceed the $4 million eligibility threshold. Id. EOE argues that the Company's restoration curve clearly demonstrates separate peaks on different days, which strongly suggests that there were separate events driving activity. Id., p. 34. EOE further argues that the Company's own internal communications support the fact that different events were reported to management; the Company's Storm Impact Analytics (SIA) team identified two events with one event projected to start on September 7, 2023, and end on September 8, 2023, and the second event expected to occur on September 9, 2023. Id. Additionally, the UConn team[44] identified a 24-hour trouble spot prediction from September 8, 2023, through 8:00 a.m. on September 9, 2023, and a separate 48-hour trouble spot prediction from September 10, 2023, through 2:00 a.m. on September 12, 2023. Id. EOE asserts that those predictions align with the outage curves and support the conclusion that there were multiple events. Id.

The record demonstrates that MN23AB011 was not a single continuous catastrophic storm event, but rather a series of separate weather occurrences spanning several days. See Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-50, p. 3. Internal communications identified different projected weather events and response periods, which correspond to the distinct outage activity reflected in the restoration curves. See Interrog. Resp. EOE-658, Att. 2; Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-50, pp. 17–

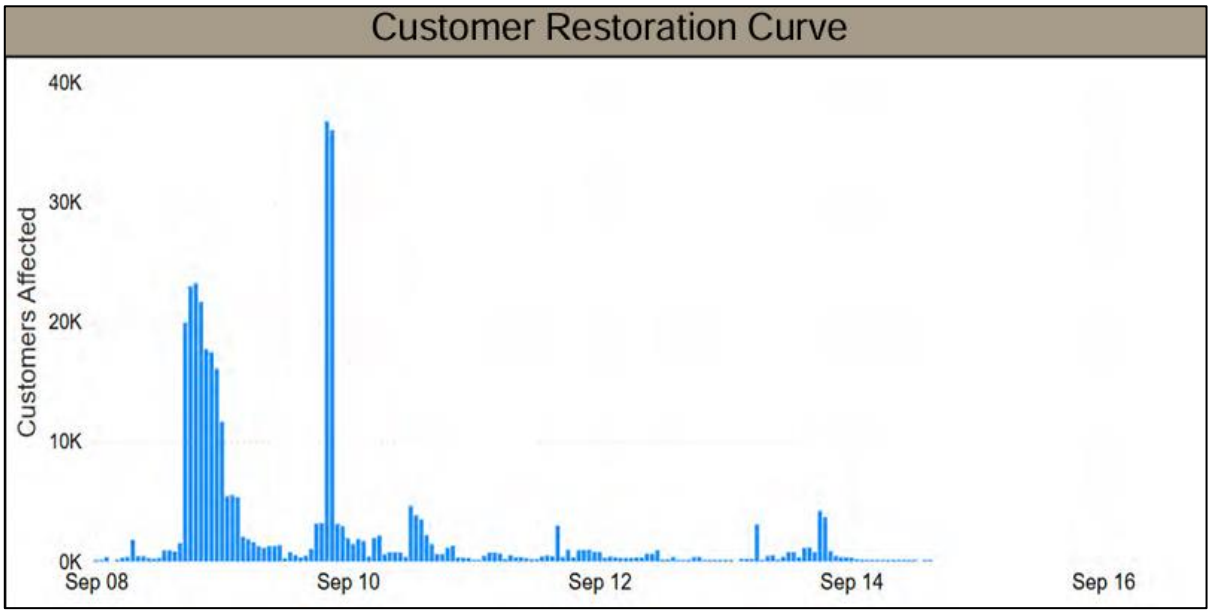
[44]The UCONN group is part of a research lab that develops storm damage modeling technology and forecasting to help Eversource plan for reliable service throughout Connecticut. Sullivan et al. March 2024 PFT, p. 41.

19; Interrog. Resp. EOE-658, Att. 1. The Company's own description of the event identifies severe thunderstorms occurring on September 8, 2023, followed by a separate round of heavy thunderstorms and flash flooding on September 11, 2023. See, e.g., Ex. ES-IMT-4-50, pp. 3, 7; Eversource Reply Brief, p. 83. Additionally, the governor did not implement the state's extreme heat protocol for those days, and NWS heat warnings were limited in duration. See Sullivan et al. July 2025 PFT, Ex. ES-IMT-1A, p. 26 (showing a Heat Advisory in effect for the afternoon and early evening of September 8, 2023). In this case, there was no heatwave-related emergency event declared, although Eversource did prepare for thunderstorms projected to occur over multiple days and implemented emergency staffing for the period of Friday, September 8, 2023, through Monday, September 11, 2023, which is some indication that Eversource was preparing for an extended event. See id., pp. 27–29. Finally, the event synopsis and NOAA narrative characterize the weather during this period as heat and humidity that contributed to thunderstorm development over several days. Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-50, pp. 3, 7. According to NOAA, strong to severe thunderstorms occurred on September 8, 2023, resulting in reports of tree and powerline damage and minor street flooding, while a separate round of thunderstorms on September 11, 2023, produced localized flash flooding. Id., p. 7.

The separate forecasts from the Company's SIA team, UConn, and NOAA align with the distinct outage peaks reflected in the Company's restoration curves and further support the conclusion that the Company was responding to multiple weather events rather than a single continuous storm. Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-50, p. 1.

The Authority is not persuaded that thunderstorms occurring several days apart, connected only by a period of heat and humidity, should be treated as a single catastrophic storm event, particularly when there was not a heat-related emergency in effect for the period. Accordingly, the Authority finds that the thunderstorms were two separate and distinct events that Eversource improperly combined. The outage restoration curves, as shown in Figure 4 below, show that the September 8–9, 2023 thunderstorm-related outages were fully restored prior to the event on September 10, 2023. There was no compounding effect of the two events, and they were distinct events to which Eversource separately responded. Even if those larger events were to be considered one, there was a third minor outage event on September 11, 2023, which was not the subject of any of the weather and damage forecasts, until September 11, 2023. See Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-50, p. 4.

Figure 4: MN23AB011 Customer Restoration Curve



Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-50, p. 1.

Additionally, a review of the restoration curve shown in Figure 4, above, shows that there was a low-level, but continuous set of new outages over the course of September 12, 2023, and again on September 14, 2023. Eversource included entirely unrelated and new outage events occurring from September 12–14, 2023, well after the September 11, 2023, outage events were restored. Eversource clearly identifies the storm timeline from September 8–11, 2023, but also claims that restoration was fully completed by September 14, 2023. See Sullivan et al. July 2025 PFT, Ex. ES-IMT-1A, p. 27-28. A review of the restoration curves indicate that the outages from September 11, 2023, were restored before September 12, 2023. There is nothing in the record to indicate that the outages from September 12, 2023, through September 14, 2023, had anything to do with the events from September 8–9, September 10, or September 11, 2023. Therefore, it was inappropriate for Eversource to have included costs from those restoration events in MS23AB011.

The Authority cannot discern what costs are associated with response and restoration activities occurring during the separate weather events (September 8–9, September 10, September 11, or September 12–14, 2023) because Eversource did not provide information to disaggregate the number of outages and associated response work done during that time period. See, e.g., Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-50, p. 1 (providing only the total number of trouble spots, outages, and associated costs). Because the Company combined these separate weather events under a single storm work order and did not independently track the costs attributable to each event, the Authority cannot determine whether any individual event independently satisfied the eligibility requirements for recovery. The total costs proposed by Eversource total $4,729,847 (only $729,848 above the threshold), and the Authority finds that none of the

individual restoration periods would individually qualify as catastrophic. See Ex. CLP-01 Rev. 2. The burden is on Eversource to demonstrate that costs are properly defined as catastrophic, and the Company has not done so here. The Authority finds that there is insufficient evidence that Eversource's expenses related to M23AB011 were due to a catastrophic storm event. Accordingly, the Authority finds that M23AB011 is not eligible for storm cost deferral. As such, the $4,729,847 of expenses for this event are not eligible for deferral as catastrophic storm costs.

E. PRESTAGING COSTS FOR NON-CATASTROPHIC ERP EVENTS

1. Summary

Eversource requests review of $14,826,024 in prestaging costs. The Authority finds that Eversource (1) improperly included non-prestaging costs in its request, (2) failed to properly implement the prestaging reserve, and (3) improperly employed deferred accounting for prestaging costs not funded by the reserve accrual.[45] Consequently, the Authority determines that Eversource incurred $10,563,865 in prudent, funded prestaging costs, and Eversource included $4,262,159 in ineligible prestaging costs in its request, including (1) $707,658 of non-prestaging costs, (2) $121,887 of imprudent prestaging costs for vendor errors, and (3) $3,432,614 of prestaging costs that are ineligible for deferral. As explained below, the annually lapsing prestaging reserve, which is built into base distribution rates, is used to offset the Company's prestaging expenses, and the Authority has not authorized the Company to defer any additional prestaging expenses.

It is well established that the Company must prestage in anticipation of a major storm response. See, e.g., 14-05-06 Decision, p. 92 ("recogniz[ing] the major benefits of prestaging resources to storm restoration and public safety"). The Authority allows the Company to recover prestaging costs, but "[a]s these are preparation costs for storms that never occur, the Authority will look for prudent decision-making in incurring these costs." 14-05-06 Decision, p. 92. "The Authority also recognized that decisions on prestaging must be made several days in advance of catastrophic storms, when the severity and timing of such storms may not be known," encouraging the Company "to make conservative decisions to ensure the state is adequately prepared for a catastrophic storm." Id.

The Authority defines prestaging costs as "costs incurred in advance of potential catastrophic storms." 18-11-12 Decision, p. 14. "Prestaging costs typically include securing external line and tree crews and performing other advance preparations so that the Company may comply with storm preparedness and restoration requirements." Id. "[T]he prestaging reserve was designed to apply to prestaging costs for catastrophic storms that do not materialize." Id. "CL&P's practice is to apply only those prestaging costs to the prestaging reserve if the storms do not materialize."[46] Id. When a

[45]As discussed further in Section III.E.4, Ineligible Prestaging Deferral, below, the Company requests $3,523,954 for prestaging costs that are ineligible for deferral. The Authority established an annually lapsing prestaging reserve and has never authorized deferral of prestaging costs for storms that did not materialize.

[46]In 2015, the Company, which was previously referred to as CL&P, was rebranded as Eversource Energy.

catastrophic storm materializes, however, the Company need not apply the prestaging reserve towards prestaging costs for the catastrophic storm. See 18-11-12 Decision, p. 14.

In the 14-05-06 Decision, the Authority specified the following conditions for recovery of prestaging costs:

1. That prestaging reserve accruals are for costs for storms that do not occur.
2. Prestaging reserve amounts are separately calculated from the storm reserve.
3. Unused prestaging reserves are not accumulated, but transferred to the storm reserve at the end of each calendar year.
4. Activity in these accounts are subject to audit and review.

Id. (citing 14-05-06 Decision, pp. 92–93).

Beginning on December 1, 2014, to reduce the Company's "financial disincentive" to incur prestaging costs, the Authority authorized "the Company to fund a reserve for prestaging costs at the $2 million/year requested level." 14-05-06 Decision, pp. 92, 233. When establishing the prestaging reserve, the Authority required that "[u]nused amounts will not be accumulated for future years," but instead "should be transferred to the non prestaging storm reserve" at the end of each calendar year. Id. Finally, the Authority required the Company to "separately account for storm reserve and prestaging storm reserve amounts . . . subject to audit and review at the Company's next rate filing or any other period deemed necessary by the Authority." Id., pp. 92–93. The annual prestaging reserve was increased to $3 million per year, beginning on May 1, 2018. 18-11-12 Decision, p. 14 (citing 17-10-46 Decision, p. 58; 17-10-46 Amended Settlement Agreement, Amended Att. 3; Late Filed Exhibit No. 11).

2. Remediation and Materials Costs

The Authority finds that the Company included $707,658 in ineligible prestaging costs in its request.

Prestaging costs are only those costs incurred "for the purpose of securing resources in advance of catastrophic storms" and are limited to "preparation costs for storms that never occur." 14-05-06 Decision, pp. 91–92. Prestaging costs include "securing external line and tree crews, food and hotel support to accommodate such crews, and travel time for those crews" and "pre-positioning supplemental lineworkers prior to" storms.[47] Id., pp. 91–92. The prestaging reserve was never intended to include remediation and restoration costs incurred in responding to an event, and the Authority has not explicitly authorized Eversource to apply response, restoration, or remediation

[47] Although not explicitly stated in prior decisions, travel time includes both travel to and from Connecticut, so it includes mobilization and demobilization billed hours.

costs to the prestaging reserve. Such costs are not incurred in advance of the storms, but after storms.

The Company classifies costs as prestaging costs if an event does not become a catastrophic event: "When crews are pre-staged and the event does not materialize as expected, costs do not typically exceed the $4 million threshold and, as a result, those costs are then classified as prestaging and fall to the prestaging reserve."[48] Interrog. Resp. EOE-442, p. 2. If these costs include remediation and restoration work done by pre-staged crews, then the Company classifies that work as prestaging because the pre-staged crews performing the work "are acting directly in alignment with the purpose" of their having been pre-staged. Id., p. 1. The Company asserts that "[t]he main purpose of pre-staging crews is to reduce outage times and increase safety for customers . . . . Moreover, the work they perform is crucial to eliminate trouble events from the system and better prepare to endure the weather event, should it escalate." Id.

Here, the Authority finds that certain costs included in the Company request for review of prestaging costs are not prestaging costs. Specifically, the Company included costs associated with remediation and restoration work in its request. Costs associated with remediation and restoration work are not "costs incurred in advance of potential catastrophic storms." 18-11-12 Decision, p. 14. As such, those costs are ineligible prestaging costs. Eversource did not separately account for its prestaging costs in its request, because all work done by pre-staged crews is charged to one work order. Hr'g Tr., Mar. 24, 2026, 33:18–34:10.

EOE reviewed a sample of prestaging records for three events (MS20M, MS22D and MS22F) to identify instances where the Company had included storm remediation costs within its prestaging events. See EOE Brief, pp. 35–39. The invoices EOE identified as including labor charged for storm remediation work are listed in Table 12, below.

Table 12: Examples of Remediation Work Improperly Included as Prestaging Costs for Events MS20M, MS22D, and MS22F

Storm	Vendor	Non-Prestaging Costs	Reference
MS20M	Asplundh	$3,800	Ex. CLP-30(A), pp. 5–8[49]
MS20M	Asplundh	$5,468	Ex. CLP-30(A), pp. 15–19
MS20M	Asplundh	$1,114	Ex. CLP-30(A), pp. 117–120
MS20M	Lewis Tree	$2,380	Ex. CLP-30(A), pp. 777–782
MS20M	Asplundh	$1,102	Ex. CLP-30(A), pp. 504–507

[48]The Company states that all prestaging costs are included in the catastrophic storm reserve if the event materializes and incremental costs meet the $4,000,000 threshold for storm deferral. Interrog. Resp. EOE-442, p. 2.

[49]The invoice and timesheet indicated the charges were applied to storm event MS20K not MS20M. Ex. ES-ACCT-3, Ex. CLP-30(A), pp. 5–8.

Storm	Vendor	Non-Prestaging Costs	Reference
MS20M	Stone Const.	$2,659	Ex. CLP-30(A), pp. 1077–1080
MS20M	US Ecology	$1,469	Ex. CLP-30(A), pp. 912–914
MS20M Total		**$17,992**	
MS22D	Asplundh	$6,795	Ex. CLP-43, pp. 31–33[50]
MS22D	IB Abel	$3,863	Ex. CLP-43, p. 943
MS22D	IB Abel	$372,391	Ex. CLP-43, p. 948[51]
MS22D	MJ Electric	$38,893	Ex. CLP-43, pp. 1662–1663
MS22D	Riggs Distler	$12,077	Ex. CLP-43, pp. 1775–1776[52]
MS22D	Riggs Distler	$26,683	Ex. CLP-43, pp. 1780-1781[53]
MS22D	SNEW	$10,372	Ex. CLP-43, pp. 1786–1788[54]
MS22D Total		**$471,075**	
MS22F	Asplundh	$14,289	Interrog. Resp. EOE-478[55]
MS22F	MJ Electric	$37,917	Ex. CLP-44, pp. 856–57
MS22F	Power Line	$83,342	Ex. CLP-44, pp. 932–33
MS22F	Riggs Distler	$67,472	Ex. CLP-44, pp. 956–58[56]
MS22F Total		**$203,020**	

EOE Brief, pp. 35–38.

The Authority has reviewed the above charges and concurs with EOE that they are remediation costs and not properly classified as prestaging costs. Accordingly, the Company may not recover these costs, which total $692,087 ($17,992 for MS20M + $471,075 for MS22D + $203,020 for MS22F).

In addition to the above-identified events, EOE argues that reductions should be made to all prestaging events, even those not specifically identified, since Eversource

[50]Remediation charges were identified by looking at time codes indicating double time (or DT). Ex. ES-ACCT-4 Supp., Ex. CLP-43, pp. 31–33.

[51]The timesheets failed to include details regarding the type of work, which is a required field, so remediation work was identified by hours charged at the double time rates, which agree to the Pricing Schedule provided on page 473 of Attachment 2 (Confidential) of the Company's response to Interrogatory at EOE-058-SP01 for the Emergency Response rates in lieu of the lower Travel/Standby rates. Ex. ES-ACCT-2 Supp., Ex. CLP-43(A), p. 948. Accordingly, double time hours were attributed to remediation for the prestaging event.

[52]Includes labor and equipment costs assigned to remediation. Ex. ES-ACCT-2 Supp., Ex. CLP-43(A), pp. 1775–76.

[53]Includes labor, equipment, and meal costs assigned to remediation. Ex. ES-ACCT-2 Supp., Ex. CLP-43(A), pp. 1780–81.

[54]Includes labor and equipment costs assigned to remediation. Ex. ES-ACCT-2 Supp., Ex. CLP-43(A), pp. 1786–88.

[55]Includes labor, equipment, and meal costs assigned to remediation. Interrog. Resp. EOE-481.

[56]Includes labor, equipment, and meal costs assigned to remediation. Ex. ES-ACCT-4 Supp., Ex. CLP-44(A), pp. 956–58.

acknowledges that it includes remediation and restoration work in the prestaging costs. EOE Brief, p. 36. EOE estimates the total amount of restoration work included in Eversource's request by evaluating the proportion of the above-identified restoration costs to total event costs for the prestaging events EOE sampled. See id., pp. 36–39. Based on this analysis, EOE recommends that the Authority reduce Eversource's total request for prestaging costs by $4,560,424. EOE Brief, p. 9.

The Authority declines to make the global reduction recommended by EOE for prestaging costs. The Authority recognizes the validity in EOE's position that other prestaging events likely include restoration and remediation costs that should be excluded. However, the Authority finds that EOE provides an insufficient basis to extend the sampled findings to the whole population of storm costs. Accordingly, the Authority adjusts Eversource's prestaging costs review request by $692,087, which reflects removal of the restoration and remediation costs associated with MS20M, MS22D, and MS22F.

In addition, as discussed in Section III.F.5, Materials, the Authority finds that 25% of materials expenses are non-incremental and thus not eligible for deferral. Only five prestaging events included materials expenses (i.e., MS18A011, MS20M011, MS21E011, MS22D011, and MS22F011). Accordingly, the Authority finds ineligble $15,571 of materials expenses from the five prestaging events, which represents 25% of the materials expenses requested. Table 13, below, summarizes the 25% reduction for ineligible materials expenses in each of the five prestaging events.

Table 13: Eversource-Requested and PURA-Allowed Materials Costs

Event	Eversource Proposed ($)	Authority 25% Adjustment ($)	Incremental Materials Cost ($)
MS18A011	624	(156)	468
MS20M011	46	(12)	34
MS21E011	1,885	(471)	1,414
MS22D011	53,047	(13,262)	39,785
MS22F011	6,680	(1,670)	5,010
Total	**62,282**	**(15,571)**	**46,711**

Late Filed Ex. 1-SP01, Att. 1.

Table 14, below, summarizes the Authority's adjustments for ineligible prestaging costs and the total eligible incurred prestaging costs.

Table 14: Authority Adjustments for Ineligible Prestaging Costs

Prestaging Work Order	Eversource Request ($)	Non-Prestaging Costs Adjustment ($)	Non-Incremental Materials ($)	Eligible Costs ($)
MS18A011	116,731	-	(156)	116,575
MS18F011	1,092,877	-	-	1,092,877
MS19J011	384,960	-	-	384,960
MS20G011	1,746,289	-	-	1,746,289
MS20M011	3,941,713	(17,992)	(12)	3,923,709
MS21B011	1,716,976	-	-	1,716,976
MS21D011	62,674	-	-	62,674
MS21E011	1,236,763	-	(471)	1,236,292
MS22D011	1,955,538	(471,075)	(13,262)	1,471,201
MS22F011	2,571,503	(203,020)	(1,670)	2,366,813
Total	**14,826,024**	**(692,087)**	**(15,571)**	**14,118,366**

Late Filed Ex. 1-SP01, Att. 1, p. 1.

To ensure that this improper mingling of prestaging costs with remediation costs does not occur in the future, the Authority directs the Company to separately provide costs for prestaging events where the prestaging costs are distinct from the response and remediation costs. The prestaging activities that should be distinct include securing external line and tree crews, food and hotel support to accommodate such crews, and travel time (both to and from CT) for those crews. Interrog. Resp. EOE-375. Prestaging costs include incremental internal labor and overhead costs incurred in advance of the storm. Prestaging costs also include those costs incurred to ensure that materials and staffing are available at field locations, such as at field crew staging areas and substations. Id. Those categories of costs are properly categorized up until response and restoration activities begin. The lone exception to this rule is external vendor demobilization costs which are considered in the category of prestaging travel costs.

When determining the point at which prestaging activities transition to response and remediation costs, the Authority provides the following guidance. The Authority recognizes that emergency weather events rarely have a defined beginning (e.g., onset of storm) and end (e.g., end of extreme weather and when response and restoration activities commence). The Authority has previously identified a marker that signifies the change from storm onset and when response and restoration activities generally begin. See Decision, June 30, 2021, Docket No. 20-12-46, PURA Implementation of Residential Customer Credit and Reimbursements by Electric Distribution Companies for Storm-Related Outages (20-12-46 Decision), p. 8; see also Hr'g Tr., Mar. 24, 2026, 36:3–12 (Eversource emphasizing the lack of a bright line to determine the beginning of an event). The marker is left to the Company to determine, based on the following criteria:

(1) the expiration of a NWS warning;

(2) an official declaration issued by a state or federal agency, related to an emergency event, and/or
(3) meteorological data that enable the Company to safely deploy resources into the field to commence restoration and recovery activities.

20-12-46 Decision, p. 9.

Eversource is already required to record and report this information to the Authority. Id., pp. 29–30. As such, Eversource will be required to use this marker as the dividing line between prestaging activities and restoration activities. The means by which Eversource distinguishes prestaging and restoration activities (i.e., by establishing separate work orders) is up to the Company. In future proceedings regarding the prudence of storm costs, the Company is required to account for all prestaging costs as defined in this section and in accordance with the 14-05-06 Decision.

3. Prestaging Vendor Cost Errors

As discussed in Section III.C.4, EOE Recommended Extrapolations, above, and Section III.F.3.m, Vendor Cost Errors, below, the Authority finds that it is more likely than not that erroneous charges of at least 1.20% exist in the Company's prestaging costs. Thus, the Authority finds that 1.20% is a reliable minimum error rate for the Company's vendor costs, which, applied across all of the remaining prestaging events, after subtracting the other reductions applied by the Authority, results in a reduction of $121,887. The calculation for this reduction is shown in Table 15, below.

Table 15: Total Adjustment for Imprudent Prestaging Vendor Costs

Prestaging Event	Total Vendor Costs ($)	Ineligible Expenses ($)	Total to be Adjusted ($)	Error Rate	Total Imprudent ($)
MS18A011	133,091	-	133,091	1.20%	1,597
MS18F011	624,622	-	624,622	1.20%	7,495
MS19J011	356,390	-	356,390	1.20%	4,277
MS20G011	1,597,449	-	1,597,449	1.20%	19,169
MS20M011	3,692,283	(17,992)	3,674,291	1.20%	44,091
MS21B011	1,624,103	-	1,624,103	1.20%	19,489
MS21D011	58,692	-	58,692	1.20%	704
MS21E011	1,077,183	-	1,077,183	1.20%	12,926
MS22D011	1,482,502	(471,075)	1,011,427	1.20%	12,137
Total	**10,646,315**	**(489,067)**	**10,157,248**	**1.20%**	**121,887**

Accordingly, the Authority finds that the Company has not met its burden with respect to $121,887 of vendor costs.

Table 16, below, summarizes the Authority's adjustments for non prestaging costs made in Section III.E.2, Remediation and Materials Costs, above, and for vendor errors discussed in this section, to identify the total prudently incurred prestaging costs for each event.

Table 16: Prudently Incurred Prestaging Costs

Prestaging Event	Eversource Request ($)	Eligible Costs ($)	Vendor Errors ($)	Prudently Incurred Costs ($)
MS18A011	116,731	116,575	(1,597)	114,978
MS18F011	1,092,877	1,092,877	(7,495)	1,085,382
MS19J011	384,960	384,960	(4,277)	380,683
MS20G011	1,746,289	1,746,289	(19,169)	1,727,120
MS20M011	3,941,713	3,923,709	(44,091)	3,879,618
MS21B011	1,716,976	1,716,976	(19,489)	1,697,487
MS21D011	62,674	62,674	(704)	61,970
MS21E011	1,236,763	1,236,292	(12,926)	1,223,366
MS22D011	1,955,538	1,471,201	(12,137)	1,459,064
MS22F011	2,571,503	2,366,813	-	2,366,813
Total	**14,826,024**	**14,118,366**	**(121,887)**	**13,996,479**

4. Ineligible Prestaging Deferral

The Authority finds that the Company requested $3,432,614 of costs in excess of the prestaging reserve, which are ineligible for deferral. The Company's request for deferral of these costs misunderstands the conditions applicable to the prestaging and catastrophic storm reserves. As stated in Section III.E.1, Summary, above, when establishing the prestaging reserve, the Authority required that "[u]nused amounts will not be accumulated for future years," but instead "should be transferred to the non prestaging storm reserve" at the end of each calendar year. 14-05-06 Decision, p. 92. Moreover, as discussed in Section III.I.3, Retrospective Carrying Charges, a company may only recover costs as a regulatory asset where the Authority has explicitly allowed the company to defer the costs for review in a future administrative proceeding. Both the 14-05-06 and 17-10-46 Decisions are silent as to the issue of deferring prestaging costs in excess of the prestaging reserve accrual for future recovery. As such, prestaging costs are ineligible for deferral.

In addition, Eversource failed to separately account for prestaging costs and has instead comingled the prestaging reserve with the catastrophic storm reserve. See Late Filed Ex. 1-SP01, Att. 1, pp. 2–3 (showing one spreadsheet including both prestaging and catastrophic storm costs and accruals). The Company is required to "separately account for storm reserve and prestaging storm reserve amounts . . . subject to audit and review at the Company's next rate filing or any other period deemed necessary by the Authority." 14-05-06 Decision, pp. 92–93. The comingling of the two reserves is improper because the two reserves were established with separate rules and requirements. The prestaging reserve was established to provide funds to support necessary prestaging activities on an annual basis. Id., p. 92. At the end of each calendar year, Eversource is required to move any unused prestaging funds into the catastrophic storm reserve. Id. This means that the prestaging reserve balance resets to zero at the start of each calendar year, whether Eversource has unspent reserve funds or unrecovered expenses. As such, if at

the end of a calendar year Eversource has prestaging costs unfunded by the prestaging reserve, it is not permitted to treat such costs as a deferred expense.

In its written exceptions, the Company argues that prestaging costs are eligible for deferral because PURA provided the Company with assurance of future recovery of costs in excess of its prestaging reserve in the 14-05-06 Decision. Eversource Exceptions, pp. 4–10. In support of this argument, Eversource points to the language in the 14-05-06 Decision recognizing that, "since it has strongly encouraged both EDCs to take actions that will require them to incur pre-staging costs, the [Authority] should provide surety that the costs are recoverable to lessen any financial disincentive to take those actions." Id., p. 4 (citing 14-05-06 Decision, p. 92). The Authority disagrees with Eversource's framing. Notably absent from Eversource's exceptions is the sentence that immediately follows in the 14-05-06 Decision: "The Authority concludes that the requested funding level of $2 million per year is reasonable given that costs were incurred in 2012 and 2013." 14-05-06 Decision, p. 92. Additionally, the Authority stated unequivocally that "[u]nused amounts will not be accumulated for future years. At the end of each calendar year, unused pre-staging amounts should be transferred to the non pre-staging storm reserve." Id.

Eversource argues that the Authority's recognition in Docket No. 14-05-06, for the first time, that prestaging costs should be recognized for individual recovery is evidence that the Authority provided assurance that prestaging costs were eligible for deferral and future recovery as a regulatory asset; in context, however, the provision quoted by Eversource is merely justification for the creation of the prestaging reserve. Similar to (but distinct from) a deferral, a reserve is one tool in PURA's toolbox to provide for recovery of costs that are uncertain to materialize, while protecting ratepayers from the risk of that uncertainty. The 14-05-06 Decision structured the prestaging reserve such that Eversource could collect $2 million in incremental revenue per year to allocate to any prestaging events for storms that did not ultimately materialize, while protecting ratepayers from overpaying in the event that prestaging costs did not amount to $2 million in a given year, by ordering that any unused accrual should be transferred to the catastrophic storm reserve.

Eversource's exceptions argue that the 14-05-06 Decision somehow also implied that incurred amounts above $2 million were eligible for deferral, because "[t]he creation of a 'reserve' for pre-staging costs is, in itself, an indication that the amount that may be incurred (and deferred) would exceed the annual customer contribution in rates. If not, then there is no reason to have a 'reserve.' The cost simply becomes an annual expense with an offsetting customer contribution included in rates." Eversource Exceptions, p. 5. The Authority disagrees. A reserve is a departure from the base rate model because it may allow for revenues to be shifted from one period of time and/or one cost category to another (e.g., the catastrophic storm reserve allows for unused revenue from one rate year to be allocated to catastrophic storm expenses in another year, incremental to that year's reserve revenues). In this case, the reason for the creation of the prestaging reserve was to balance the Authority's recognition that the Company would intermittently incur some incremental costs in response to the Authority's expectations for storm response, balanced with the recognition that—like storm costs—these expenses are not well-suited for normal base rate expense treatment because they are unpredictable and

potentially nonrecurring. See Hr'g Tr., Mar. 27, 2026, p. 82:21–83:2 (discussing the trade-offs in recognizing prospective storm costs in base rates and noting "[if] we put $100 million into base rates. So now let's say we have ten storms that are $40 million, so we've incurred $400 million in a year, like we're sunk as a company. Let's say we had none. The customers now have to pay $100 million for storms that just didn't happen."). When the Company's prestaging costs do not amount to $2 million in a calendar year, the unused amount lapses into the catastrophic storm reserve, allowing it to be allocated to prudently incurred catastrophic storm costs in that year or another year. If the Authority intended costs above $2 million in a calendar year to be deferred for future recovery, it would be inefficient and illogical to create a prestaging reserve that lapsed annually.

Reserves and deferrals are distinct concepts. The Company has been, in some circumstances, allowed to defer expenses for which there is no reserve, such as environmental remediation expenses. See 17-10-46 Settlement Agreement, p. 8. The Authority and its predecessor agencies have addressed the unpredictability of storm costs with varying combinations of these tools in the past. Despite Eversource's assertion that the deferral of material storm costs is a relatively new phenomenon, Eversource Exceptions, p. 62, the Company's deferred costs for the restoration of Storm Felix—an ice storm that occurred in 1973—was one of the issues analyzed by the Connecticut Supreme Court in Connecticut Light & Power Co. v. Public Utilities Control Authority, 176 Conn. 191 (1978). In that case, the Connecticut Supreme Court discussed the disallowance of continued amortization of expenses for the Storm Felix costs, and the issue in dispute was whether the cost had already been fully amortized. Id., pp. 213–15. Notably, that decision does not reference a storm reserve at all. Conversely, in 1993, the Authority's predecessor, the DPUC, addressed a situation in which the Company had fully depleted its storm reserve balance and faced a shortfall of $8.2 million. See Decision, June 16, 1993, Docket No. 92-11-11, Re Connecticut Light and Power Company (92-11-11 Decision), p. 10. The remedy discussed in that case was not a regulatory asset, but rather whether the annual reserve accrual should be increased so that the Company's reserve balance could eventually return to a reasonable level. See id. (authorizing an increase of annual reserve funding from $1 million to $3 million based, in part on Company testimony that "it would take more than 20 years just to zero out the debit balance" at the lower funding rate). Hence, the Authority (and its predecessor) has authorized deferrals without reserves and authorized reserves without deferrals. The fact that the Company's currently authorized treatment of catastrophic storm costs includes both tools does not mean that the authorization of any reserve is also an authorization to defer amounts in excess of the reserve.

Because the Company did not account for the prestaging costs separately and did not implement the reserve properly, the Authority had to determine the amounts accrued in the reserve based on the information available in the record from January 1, 2018, through December 31, 2023. The Company did not provide a monthly tracking of the prestaging reserve for calendar year 2018. See Interrog. Resp. OCC-117, p. 2 (OCC requesting detailed accounting for 2018, and Eversource's response pointed to Interrog. Resp. EOE-71, Att. 1, which showed only the 2018 year-end balance of the prestaging reserve). Instead, the Company reported only a prestaging reserve balance, as of December 31, 2018, of $1,859,366. Interrog. Resp. EOE-866, Att. 1. As such, based on

information in the record, the Authority could not validate the 2018 year-end balance of the prestaging reserve. The Authority then sought to determine the 2018 year-end balance based on the Company's reported 2018 prestaging expenses in the record.

The Company reported $1,209,608 of prestaging expenses incurred in 2018 ($116,731 for MS18A011 and $1,092,877 for MS18F011). Late Filed Ex. 1-SP01, Att. 1, p. 1. The Company accrued $2,666,667 in funds from customer rates during the course of 2018.[57] See 14-05-06 Decision, p. 92; 17-10-46 Settlement Agreement, Att. 3. That amount must be reduced, however, by $579,552 because the Authority directed the Company to apply $579,552 of unspent 2018 prestaging accrual to offset the catastrophic storm reserve costs approved in the 18-11-12 Decision.[58] 18-11-12 Decision, p. 15. The Company reported $1,209,608 of prestaging expenses incurred in 2018 ($116,731 for MS18A011 and $1,092,877 for MS18F011). Late Filed Ex. 1-SP01, Att. 1, p. 1. There is no additional information in the record regarding prestaging activity in 2018 (i.e., Eversource did not report additional prestaging events). Accordingly, the balance at 2018 year-end for the prestaging reserve should be a credit of $877,799 (accrual of $2,087,215 - $579,552 - $1,209,452 = $877,799). Based on the rules of the prestaging reserve, the prestaging credit balance of $877,799 must roll over to the catastrophic storm reserve on December 31, 2018. Table 17, below, shows the calculation of the 2018 prestaging reserve.

Table 17: Prestaging Reserve Activity, 2018

Activity	Amount ($)
2018 Total Accrual in Rates (a)	(2,666,667)
Accrual Amount Applied in 18-11-12 Decision to Offset Storm Costs (b)	579,552
2018 Accrual Applicable to 2018 Prestaging Events (c) = (a) + (b)	(2,087,251)
2018 Prestaging Events in Application[59] (d)	1,209,452
Difference: 2018 Credit Balance and Reported Storms (c) + (d)	**(877,799)**

18-11-12 Decision, p. 15; Late Filed Ex. 1-SP01, Att. 1.

The Authority similarly tabulated the annual prestaging reserve balances through December 31, 2023, accounting for the Authority's reductions to certain prestaging events for non-prestaging activities, as discussed in Section III.E.2, Remediation and Materials Costs, above, and for vendor cost errors, as discussed in Section III.E.3, Prestaging Vendor Cost Errors, above. The annual prestaging reserve accounting is shown in Table 18, below. Because the prestaging reserve resets to zero at the start of each calendar year, one of two things happens at the end of each year: (1) any unused reserve accrual

[57]The 17-10-46 Decision authorized $3,000,000 per year (or $250,000 per month) in prestaging reserve accruals beginning on May 1, 2018. 17-10-46 Decision, App. A, Att. 3. Prior to that, the annual reserve accrued at $2,000,000 per year (or $166,667 per month). 14-05-06 Decision, p. 92. Accordingly, the total amount recovered in rates was $2,666,667 (8 months * $250,000 + 4 months * $166,667).

[58]Eversource did not request recovery of any prestaging expenses in Docket No. 18-11-12 but reported that $579,552 of prestaging reserve had been unspent by the end of 2018. 18-11-12 Decision, p. 15.

[59]This value is reduced from the Company's application amount of $1,209,608 by the $156 materials reduction shown in Table 14, above.

is rolled over into the catastrophic storm reserve; or (2) any remaining unpaid balance of costs is ineligible for deferred recovery. The total amount of unused prestaging reserve accrual transferred to the catastrophic storm reserve is $5,992,839, as shown in Table 18, below.

Table 18: Prestaging Reserve Accrual, Costs, and Additions to Catastrophic Storm Costs Reserve, 2018–2023

Year	Company Proposed ($)	Prudently Incurred (Table 16) ($)	Prestaging Accrual ($)	Authority Approved ($)	Transferred to Catastrophic Reserve ($)	Ineligible Expenses ($)
2018	1,209,608	1,200,359	(2,087,251)	1,200,359	(886,892)	-
2019	384,960	380,683	(2,500,000)[60]	380,683	(2,119,317)	-
2020	5,688,002	5,606,737	(3,000,000)	3,000,000	-	2,606,737
2021	3,016,413	2,982,822	(3,000,000)	2,982,822	(17,178)	-
2022	4,527,041	3,825,877	(3,000,000)	3,000,000	-	825,877
2023	-	-	(3,000,000)	-	(3,000,000)	-
Total	**14,826,024**	**13,996,479**		**10,563,865**	**(6,023,386)**	**3,432,614**

See Late Filed Ex. 1-SP01, Att. 1, p. 1.

As shown in Table 18, above, the total amount of eligible, prudent prestaging costs is $10,563,865, after the Authority's reduction for identified non-prestaging expenses (i.e., remediation- and restoration-related work and materials), the reduction for vendor errors, and the reduction for amounts in excess of the annual prestaging reserve and not allowed for deferral. The total allowable prestaging expense of $10,563,865 is $4,262,159 less than Eversource's request of $14,826,024. Because these costs are entirely offset by the prestaging reserve accrual, there is no balance to be securitized, as ratepayers have already fully funded the eligible prestaging costs.

F. CATASTROPHIC STORM COSTS

1. Summary

The Company requests review of $959,392,761 in catastrophic storm costs. The Authority finds that the Company prudently incurred $861,478,785 in catastrophic storm costs, as summarized in Table 19, below.

[60]The 18-11-12 Decision applied the January and February 2019 prestaging accruals to offset the storm costs allowed in that decision and, therefore, two months of accruals are not available for prestaging events under review in this proceeding. 18-11-12 Decision, p. 15.

Table 19: Company Proposed and Authority Adjusted Catastrophic Storm Expenses

Expense	Company Proposed ($)	Authority Adjustment ($)	Adjusted Total ($)
Direct Labor	111,576,490	(3,393,693)	108,182,797
Payroll-Related Overhead	12,794,231	-	12,794,231
Outside Contractors / Vendors	782,940,917	(76,012,425)	706,928,492
Food and Lodging	39,139,744	(10,188)	39,129,556
Materials	8,285,588	(2,022,325)	6,263,263
Vehicles	8,841,695	(323,752)	8,517,943
Employee Expenses / Other	1,429,759	(6,561)	1,423,198
Eversource Adjustment 1	(709,439)	-	(709,439)
Eversource Adjustment 2	(4,906,224)	-	(4,906,224)
Eligibility of Individual Storm "Events" for Expense Deferral[61]		(16,145,032)	(16,145,032)
Total	**959,392,761**	**(97,913,976)**	**861,478,785**

See Late Filed Ex. 1-SP01, Att. 1, p. 1.

2. Direct Labor and Payroll Related Overheads

a. Summary

The Company requests review of $111,576,490 in incremental direct labor costs and $12,794,231 in incremental payroll-related overhead associated with catastrophic storms. Late Filed Ex. 1-SP01, Att. 1, p. 1. The Authority finds $3,393,693 in storm stipend and ERP Award payments made to employees were imprudently incurred and are ineligible for deferred recovery. The Authority finds that the Company prudently incurred $108,182,797 in incremental direct labor costs and $12,794,231 in incremental payroll-related overheads. Table 20, below, summarizes the incremental direct labor costs and payroll-related overhead that the Authority finds the Company prudently incurred.

Table 20: Direct Labor and Payroll-Related Overhead Expenses

Expense	Company Proposed ($)	Authority Adjustment ($)	Prudently Incurred ($)
Direct Labor	111,576,490	(3,393,693)	108,182,797
Payroll-related Overhead	12,794,231	-	12,794,231
Total	**124,370,721**	**(3,393,693)**	**120,977,028**

Direct labor costs are the incremental payroll costs the Company incurs for the use of its own employees and the employees of its operating affiliates in storm restoration. Landry and Griffin March 2024 PFT, p. 14. Payroll-related overhead includes other costs, such as health and retirement benefits and non-productive time, charged in relation to

[61] See Section III.D, Eligibility of Individual Storm "Events" for Expense Deferral, above.

each labor hour worked by internal employees on storm events. Id., pp. 14–15. Only incremental direct labor and payroll-related overhead costs are recoverable. Non-incremental costs are, by definition, costs that are already imputed in base distribution rates and are not allowable for recovery a second time via regulatory asset treatment. 20-08-03 Decision, p. 126.

For employee labor, the Company treats straight-time pay as non-incremental, because that work is performed during regularly scheduled hours the employee would have been paid for regardless of the storm, and treats direct overtime as incremental. Landry and Griffin March 2024 PFT, pp. 22–26. Shift-differential and premium pay are split between incremental and non-incremental rather than assigned entirely to either. Id., p. 23. The Company treats payroll-related overheads charged from its own employees as non-incremental, and payroll-related overheads charged from the employees of its affiliates as incremental. Id., pp. 22–26. The Company determines whether labor is incremental using the cost element attribute within its general ledger code block, rather than a formula. Interrog. Resp. EOE-642.

The methodology by which the Company classifies and tracks incremental labor did not materially change across the 2018–2023 period. The principal change relevant to this category concerns the Company's compensation policy for salaried, overtime-exempt employees who work in support of storm events (Storm Payment Compensation Policy), which the Company revised in July 2019, December 2021, and July 2023 (July 2019 Revision, December 2021 Revision, and July 2023 Revision, respectively). The Storm Payment Compensation Policy, and the payments made under it, are discussed in Section III.F.2.b, Exempt Employee Emergency Response Plan Payments, below. The incremental overtime costs for the Company's internal Response Specialist-Line employees are discussed in Section III.F.2.c, Internal Labor Overtime Attributed to Response Specialist-Line Hiring Restrictions, below.

b. Exempt Employee Emergency Response Plan Payments

Eversource requests review of $5,039,329 in storm stipend and ERP Award costs (jointly, ERP Payments) associated with 10 storm events. The Authority finds $3,393,693 in ERP Payment expenses are imprudent. Consequently, the Authority removes $3,393,693 from the Company's review request. Table 21, below, summarizes the ERP Payments expenses the Company prudently incurred.

Table 21: ERP Payment Expenses

Expense	Company Proposed ($)	Authority Adjustment ($)	Prudently Incurred ($)
ERP Stipends	1,577,147	(1,577,147)	-
ERP Awards (December 2021 Revision)	1,226,510	(439,958)	786,552
ERP Awards (July 2023 Revision)	2,235,672	(1,376,588)	859,084
Total	**5,039,329**	**(3,393,693)**	**1,645,636**

Overtime-exempt salaried employees do not receive overtime pay for their normally scheduled work. Interrog. Resp. EOE-74. For storm events from 2018 through November 2021, the Company paid ERP stipends to certain exempt employees. Id. After a storm, senior management would determine which exempt employees received an ERP stipend based on variables such as storm severity, timing, and a review of hours worked. Id.

In the 18-11-12 Decision, the Authority directed Eversource to "submit for Authority review and approval a set of metrics to be used to determine ERP Awards for salaried employees." 18-11-12 Decision, pp. 25–26 (Order No. 2).[62] The July 2019 Revision provided that: (1) ERP Awards would range from $500 to $6,000; (2) ERP Awards would be considered only for events at ERP Level 4 or below; and (3) that no ERP Awards would be provided for an employee's normally scheduled hours or for "the first nine hours of unpaid overtime weekly." July 2019 Revision, Att. 1.

The Company subsequently revised its Storm Payment Compensation Policy in December 2021 (i.e., December 2021 Revision) and again in July 2023 (i.e., July 2023 Revision). Late Filed Ex. 17, p. 1. The December 2021 Revision provided that exempt employees below the director level would be paid their hourly rate for each overtime hour worked (Overtime Hourly Payment) in declared events at the applicable event level, which for Connecticut is ERP Level 4. Late Filed Ex. 17, Att. 1, p. 3. The July 2023 Revision extended the Overtime Hourly Payment to non-declared events, paying exempt employees their hourly rate for overtime worked up to a maximum of 8 hours in each 28-day period. Interrog. Resp. EOE-862; Interrog. Resp. EOE-862, Att. 3; Late Filed Ex. 17, Att. 1, p. 9.

EOE recommends that the Authority remove $3,393,693 from the Company's review request. EOE Brief, pp. 50–53. First, although the Company submitted the July 2019 Revision to the Authority, Order No. 2 required the Company to submit its ERP Award metrics to the Authority for review and approval, and the Authority did not approve that filing. Interrog. Resp. EOE-331, p. 2. The Company has confirmed that the Authority has not explicitly approved its change in policy. EOE Brief, p. 51 (citing Interrog. Resp. EOE-331, p. 2). In addition, the Company revised the Storm Payment Compensation Policy again in December 2021 and July 2023 (i.e., December 2021 Revision and July 2023 Revision) without submitting either revision to the Authority for approval. Late Filed Ex. 17, p. 1.

Second, the Company did not adhere to the terms of the July 2019 Revision. The Company paid ERP stipends (not ERP Awards under the July 2019 Revision) for the October 2019 MS19H event, the August 2020 MS20C event, and the December 2020 MS20N event, each of which occurred after the July 2019 Revision. See Interrog. Resp. EOE-330, Att. 1; Interrog. Resp. OCC-116, Att. 1. Additionally, MS19H was an ERP Level 5 event, which is above the ERP Level 4 threshold established for ERP Awards in the July 2019 Revision. See Sullivan et al. March 2024 PFT, Ex. ES-IMT-2 (Ex. ES-IMT-2), p. 1.

[62] In the 18-11-12 Decision, the Authority allowed recovery of the ERP Award payments but determined that the criteria for such payments should be improved. 18-11-12 Decision, pp. 25–26.

Regarding MS20N, the $433 stipend was, by the Company's own account, an overtime premium rather than a storm stipend. Interrog. Resp. EOE-330, Att. 1; Interrog. Resp. OCC-116, Att. 1. The MS20C stipend was paid for Tropical Storm Isaias, the Company's response to which the Authority found imprudent in the 20-08-03 Decision. See 20-08-03 Decision, p. 131; OCC Brief, p. 81.

Additionally, the December 2021 Revision and the July 2023 Revision did not carry over a key limitation from the July 2019 Revision, namely the exclusion of the first nine hours of weekly overtime from the ERP Award. See Late Filed Ex. 17, Att. 1. In addition, the July 2023 Revision extended ERP Awards for exempt employees to non-declared events (i.e., ERP Level 5). Interrog. Resp. EOE-862, Att. 3, p. 4.

EOE recommends removing the full amount of the stipends associated with MS19H, MS20C, and MS20N because the Company did not comply with July 2019 Revision. EOE Brief, p. 52. Specifically, EOE asserts that Order No. 2 "made it quite clear that the Authority intended that storm stipends should be eliminated and that any ERP Awards should be based on an approved set of metrics for salaried employees." Id. For the three ERP Awards associated with non-declared or ERP Level 5 events (i.e., MN23T, MN23AB, and MS23H), EOE recommends removing the full amount because a compensation policy consistent with Order No. 2 and the July 2019 Revision would not have authorized ERP Awards for events above the ERP Level 4 threshold. Id., p. 53. For the four ERP Awards associated with ERP Level 4 events (i.e., MS22K, MS23F, MS23G, and MS23J), EOE recommends a partial reduction that removes up to the first nine overtime hours for each employee, consistent with the July 2019 Revision. Id., pp. 52–53. EOE notes that the Authority would be justified in disallowing all of the ERP Payments but recommends a reduction of $3,393,693 as a minimum. Id. Table 22, below, summarizes EOE's recommended reductions to the ERP Payments associated with MS19H, MS20C, MS20N, MS22K, MN23T, MN23AB, MS23H, MS23F, MS23G, and MS23J.

Table 22: EOE Recommendations for ERP Payments

ERP Payment	Event	ERP Level	Amount ($)	EOE Recommended Reduction ($)
Stipend	MS19H	5	151,214	151,214
Stipend	MS20C	2	1,425,500	1,425,500
Stipend	MS20N	4	433	433
ERP Award (December 2021 Revision)	MS22K	4	1,226,510	439,958
ERP Award (July 2023 Revision)	MN23T	N/A	42,164	42,164
ERP Award (July 2023 Revision)	MN23AB	N/A	40,514	40,514
ERP Award (July 2023 Revision)	MS23H	5	81,126	81,126

ERP Payment	Event	ERP Level	Amount ($)	EOE Recommended Reduction ($)
ERP Award (July 2023 Revision)	MS23F	4	691,125	430,303
ERP Award (July 2023 Revision)	MS23G	4	345,190	267,447
ERP Award (July 2023 Revision)	MS23J	5 / 4	1,035,553	515,034
		Total	**5,039,329**	**3,393,693**

EOE Brief, p. 52.

OCC recommends that the Authority disallow the entire $5,039,329 in ERP Payments. OCC Brief, p. 84. First, OCC recommends that the Authority remove the ERP Payments associated with MS19H, MS20C, and MS20N because the Company failed to comply with the requirements of Order No. 2 and the July 2019 Revision. Id., p. 81. Specifically, OCC recommends removing $151,214 in ERP Payments associated with MS19H because MS19H is an ERP Level 5 event and the July 2019 Revision required that events be ERP Level 4 to be eligible for ERP Awards. Id., p. 81. In addition, the Company "mistakenly flagged [the $433 ERP Payment associated with MS20N] as a storm stipend but were actually overtime premiums." Id. (citing Interrog. Resp. EOE-330). As such, OCC recommends removing the $433 ERP Payment associated with MS20N as it did not comply with the July 2019 Revision. OCC Brief, p. 81. Additionally, OCC recommends removing the $1,425,500 in ERP Awards associated with MS20C because the Company did not employ "objective criteria" as required by Order No. 2. Id., p. 82. OCC asserts that "it appears the awards were entirely arbitrary and subjective, with some employees working far more time and receiving far less ERP Awards than other employees who worked far less time." Id., pp. 81–82.

Second, OCC recommends removing the ERP Awards associated with MS22K, MN23T, MN23AB, MS23H, MS23F, MS23G, and MS23J because the Company did not comply with the metrics in the July 2019 Revision for these awards. OCC Brief, p. 82. Instead, OCC contends that the Company awarded the ERP Awards for these storms under the December 2021 and July 2023 Revisions, which the Company "unilaterally created and implemented . . . ." Id. OCC argues "[r]atepayers should not have to pay for employee overtime accrued outside of the [July 2019 Revision]." Id., p. 83. As such, OCC recommends removing the ERP Awards associated with these events from the Company's review request. Id.

In the alternative, OCC recommends removing the $164,254 in ERP Awards associated with MN23T, MN23AB, and MS23H as these events are not ERP Level 4 or lower events. Id.; see Interrog. Resp. EOE-862, Att. 2. In addition, OCC recommends reducing the ERP awards associated with MS22K, MS23F, MS23G, and MS23J by the first nine hours worked as required by the July 2019 Revision. OCC Brief, pp. 83–84.

In response to EOE's and OCC's recommendations, the Company asserts that it complied with the July 2019 Revision and "there was no perpetual obligation to consult with OCC before making any refinements to the Compensation Policy." Company Reply Brief, p. 94. In addition, the Company contends that the December 2021 Revision and

the July 2023 Revision are consistent with Order No. 2 because they both apply objective criteria to determine when storm payments are authorized, and remain within the $500 to $6,000 range described in the July 2019 Revision. Late Filed Ex. 17. As such, the Company argues the Authority should reject EOE's and OCC's recommendations. OCC Reply Brief, p. 93.

The Authority declines to remove all ERP Payments (i.e., $5,039,329) from the Company's review request. Instead, the Authority adopts OCC's and EOE's more targeted reduction, which removes from the Company's review request ERP Payments that are inconsistent with the July 2019 Revision (i.e., $3,393,693). Specifically, the Authority reduces the Company's review request by $1,577,147 for the three stipends associated with MS19H, MS20C, and MS20N because the Company did not comply with the July 2019 Revision, which replaced stipends with ERP Awards that are awarded based on a set of metrics. The $151,214 stipend associated with MS19H is removed for the further reason that MS19H was an ERP Level 5 event, which is above the ERP Level 4 threshold set in the July 2019 Revision. In addition, the Authority reduces the Company's review request by $163,804 for the three ERP Awards associated with MN23T, MN23AB, and MS23H because these events are non-declared or ERP Level 5 events and, therefore, above the ERP Level 4 threshold set in the July 2019 Revision. Additionally, the Authority reduces the Company's request by $1,652,742 for the four ERP Awards associated with MS22K, MS23F, MS23G, and MS23J to reflect a partial reduction that removes up to the first nine overtime hours for each employee, consistent with the July 2019 Revision. Accordingly, the Authority reduces the Company's review request by $3,393,693 ($1,577,147 + $163,804 + $1,652,742) to reflect the removal of the Company's imprudent ERP Payments.

The July 2019 Revision permits ERP Awards for events at ERP Level 4 or more severe. EOE observes that the Company's Massachusetts and New Hampshire affiliates permit ERP Awards only for events at ERP Level 3 or more severe, and questions why the Company applies a less stringent standard in Connecticut. EOE Brief, p. 51. In response, the Company states that the comparison is inapt because its affiliates operate in different regulatory environments, are subject to different storm-response requirements, and do not define storm events in the same manner. Company Reply Brief, p. 94. Going forward, the Authority finds it reasonable to align the Company's Connecticut ERP Award standard with the standards currently in place for its Massachusetts and New Hampshire affiliates, which reserve ERP Awards for events at ERP Level 3 or more severe. The Company has not demonstrated that a more permissive ERP Award threshold in Connecticut is warranted. Exempt employees remain eligible for the Overtime Hourly Payment for less severe declared events.

To address the deficiencies in the Company's Storm Payment Compensation Policy prospectively, the Authority directs the Company, in consultation with OCC, to submit, as part of the Company's rate amendment application in Docket No. 26-05-10, a revised compensation policy for the Authority's review and approval that: (1) permits ERP Awards only for ERP Level 3 events or lower (i.e., more severe events), consistent with the Company's New Hampshire and Massachusetts affiliates; and (2) excludes a minimum of nine overtime hours before an ERP Award applies.

c. Internal Labor Overtime Attributed to Response Specialist-Line Hiring Restrictions

The Company's direct labor costs in its review request include incremental overtime for the Response Specialist-Line class of employees. Response Specialist-Line employees serve as the Company's first responders to trouble calls and outages and perform a range of restoration, switching, inspection, and emergency response tasks within a continuous, shift-based operation. Interrog. Resp. EOE-642. The incremental storm costs for Response Specialist-Line employees total approximately $21,366,000. Interrog. Resp. EOE-837, Att. 1; EOE Brief, p. 49. The incremental storm costs for this class of employee accounts for the largest share of the Company's incremental storm direct labor costs, approximately 18.93%. Interrog. Resp. EOE-837, Att. 1; Interrog. Resp. EOE-642, Att. 1.

The Company states that the Response Specialist-Line position is contractually limited to 126 full-time equivalent (FTE) employees. Interrog. Resp. EOE-642. The contractual limitation is due to the collective bargaining agreement between the Company and Locals 420 and 457, dated June 1, 2022, which provides between 81 and 100 positions for initial staffing and a maximum of 126 positions. Interrog. Resp. EOE-712; Interrog. Resp. EOE-806. For 2024, the average annual compensation of a Response Specialist-Line employee, comprising base pay, overtime, and premium pay, was approximately $330,000, and the class of employees as a whole earned more in overtime compensation than in base salary. Interrog. Resp. EOE-642.

EOE argues that it was imprudent for the Company to agree to limit the headcount of a class of employees in a manner that produces incremental overtime and premium compensation exceeding the employees' average base pay. EOE Brief, pp. 49–50. EOE calculates that, for 2024, average overtime for the Response Specialist-Line class was approximately 110% of average base pay, and approximately 136% when average annual premiums are included. Id., p. 49. EOE argues that an increased headcount could yield more productive hours at a lower cost, that the Company bears the burden of demonstrating that it is staffing the class at the correct level and at the lowest cost, and that the Company has not done so. Id., pp. 49–50. As such, EOE recommends a minimum reduction of 10% of all incremental Response Specialist-Line costs from the Company's review request, or $2,136,600. Id., p. 50. In addition, EOE recommends that the Authority require the Company to perform a cost-benefit analysis to substantiate the headcount of any employee class whose average annual overtime exceeds 50% of average base pay. EOE Brief, pp. 50, 127.

OCC asserts that the overtime paid to the Company's non-exempt employees requires examination as many of these employees earn nearly as much or more in overtime than in base pay. OCC Brief, p. 83 . If overtime pay is the same hourly rate as base pay, OCC opines that overtime might benefit ratepayers. Id. However, if overtime pay is at a higher hourly rate than base pay, then capping the number of FTEs may not benefit ratepayers. Id.

The Company disputes EOE's recommendation. The Company contends that although the 126-FTE figure is a contractual maximum, Eversource "maintains its flexibility to add more personnel and staffing" without breaching the collective bargaining agreement, and that the appropriate full-time staffing level reflects numerous tradeoffs, including that a newly added position is a permanent, year-round cost regardless of storm activity, and that overtime and outside contractors are used to address peak or overflow work. Interrog. Resp. EOE-712, p. 1; Interrog. Resp. EOE-712, Att. 1, p. 190; Eversource Reply Brief, pp. 43–50. The Company testified that it built the RSO to cover rotating shifts on a continuous basis, that this structure allows the Company to scale its response through internal overtime, and that it has found the approach to be cost effective for the more frequent, smaller storm events. Hr'g Tr., Mar. 25, 2026, 111:1 to 5; 112:2 to 20.

The Authority finds that the contractual limit on the number of Response Specialist-Line staff does not necessarily mean that the Company has incurred excess costs in responding to catastrophic storms. The Company makes hiring decisions about Response Specialist-Line staff and line workers based on a number of factors, including day-to-day work, training requirements, attrition, and benefits of local contract crews. Interrog. Resp. EOE-644-SP01, pp. 4–5. Further, the evidence in the record shows that Eversource has increased the number of line workers from 2020 to 2024 by 105 (266 in 2020 to 371 in 2024). Id., p. 4. Accordingly, while the Authority agrees with EOE and OCC that Eversource must consider cost containment in determining its appropriate staffing levels, the Authority finds that the Company has met its burden in this instance.

3. Outside Contractors and Vendors

a. Summary

The Company requests review of $782,940,917 in outside contractors and vendors expenses associated with 43 catastrophic storm events. Late Filed Ex. 1-SP01, Att. 1, p. 1. The Authority reviewed the Company's outside contractor and vendors expenses, including expenses for tree work, generators, wire down guards, and communication needs. In addition, the Authority reviewed the Company's standby billing for equipment and labor. Notably, external contractors and vendors expenses constitute 81% of the Company's total request.[63]

The Authority finds that the Company did not demonstrate that it prudently incurred $76,012,425 of the outside contractor and vendors expenses. Consequently, the Authority reduces the Company's review request by $76,012,425, as summarized in Table 23, below.

[63]External contractor and vendor costs make up $795,719,243 of $979,834,448 total costs, or 81%. Late Filed Ex. 1-SP01, Att. 1.

Table 23: Adjustments to Outside Contractor and Vendor Costs

Item	Authority Adjustment ($)
Excessive Overstaffing of MS23C011	(634,000)
Vegetation Management	(46,850)
Standby Billing for Equipment	(378,376)
Standby Billing for Labor	(47,000)
Wire Down Guards	(338,245)
Revenew Contract Settlements	(2,479,669)
Mid-Con Colorado Crew for MS23F011	(1,139,599)
Subtotal	**(5,063,739)**
Vendor Cost Errors	(7,643,340)
Revenew Outstanding Audits	(63,305,346)
Total PURA Adjustment	**(76,012,425)**

The Company procures several types of external crews to restore power and conduct recovery work during storm events. Landry and Griffin March 2024 PFT, pp. 13–14. The Company procures mutual aid crews, which are field crews procured from other electric utility companies. Id. Mutual aid crews perform restoration and recovery work on the Company's electric facilities including restoring service, shifting high-voltage conductors, and splicing conductors. Id. The Company also procures independent contractors. Id., p. 14. Independent contractors perform the same work as mutual aid crews; however, the line workers in these crews are not affiliated with any electric utility company. Landry and Griffin March 2024 PFT, p. 14. Additionally, the Company procures vegetation management crews to clear trees and vegetation, so that physical workers can access broken or failed facilities in order to safely perform restoration work. Id. In addition, the Company incurred costs for work performed by environmental vendors to clean-up any oil that spilled from broken or failed oil-filled equipment, such as transformers. Id. Lastly, the Company incurred additional outside contractor and vendors expenses, including costs associated with civil crews, construction representatives, damage assessors, police and traffic control, service crews, and the costs associated with staging logistics such as tower lights, generators, travel trailers, and other similar or related costs. Id.

External line crews procured by the Company are managed by the Company's geographic Emergency Operational Centers (EOCs) and their respective Restoration Management Teams (RMT). Sullivan et al July 2025 PFT, p. 62. Once external crews are assigned to a specific EOC, the EOCs assign crews to an individual RMT. Id. RMTs then assign work to the crews and update the system to reflect their progress. Id. The Company explains that the size of each work unit is limited to ensure that RMTs are not overloaded with too many crews to manage. Id. In addition to external crews being assigned to RMTs, the Company employs crew guides that remain with each crew the entire time the crew is working on the system. Sullivan et al July 2025 PFT, p. 63. The crew guides are responsible for coordinating event assignments from the RMTs to the contractor supervisor and checking in with the ERP team every 2–4 hours to report the

status of the crews and any obstacles that might be affecting the crews' ability to perform restoration work. Id.

The majority of the Company's outside contractors and vendors costs are for labor, primarily external crew labor, which the Company argues is necessary to perform repair work needed to restore power. Sullivan et al July 2025 PFT, p. 74. The most expensive external crews are crews that travel the longest distance to Connecticut; these crews are relatively more expensive because the Company must pay for their actual work time plus their travel home time. Id.

The Company explains that the costs of external crews have increased due to several directives the Authority put in place regarding the prestaging of crews and resources prior to potentially severe emergencies. Id., p. 88. The Authority emphasized that the Company needed to secure resources ahead of time so that crews are available during the first 48 hours of a major storm to assist in storm preparation and response efforts as well as public safety. 20-08-03 Decision, p. 47. The Authority required the Company to establish minimum crew requirements and to increase its external crew number guidelines by at least 10% for ERP Level 3 and higher-class events. Id., pp. 55, 114, 132 (Order No. 1). In 2023 storm events, the required numbers of minimum line crews increased by 67–175% when compared to the required numbers in 2018–2021 storm events (see Figure 5, below). Additionally, the Authority required the Company to include a minimum number of service crews, tree crews, and damage assessor crews based on the ERP Event Level in its event level matrix (ELM). Id., pp. 114, 132. The Company argues that all of these changes necessarily increased costs because the Company was required to deploy more personnel earlier based on weather forecasts. Sullivan et al July 2025 PFT, p. 90.

Figure 5: Minimum Line Crews Required 2018–2021 vs 2023

Event Level	Minimum Line Crews Required		Percentage Increase
	2018-2021 Storm Events	2023 Storm Events	
5	200	550	175%
4	250	1,200	175%
3	750	2,500	150%
2	1,000	2,500	150%
1	1,500	2,500	67%

Sullivan et al July 2025 PFT, p. 89.

b. Excessive Overstaffing Above ERP Levels

i. Overstaffing Trends

Eversource's ERP includes an ELM, which outlines storm response criteria for five different severity levels of emergencies (with ERP Level 5 the least severe and ERP Level 1 the most severe). Interrog. Resp. OCC-124, Att. 1, pp. 15–16. The criteria outlined in

the ELM include: (1) weather parameters, (2) estimated amount of damage and customer outages, (3) restoration timelines, and (4) the typical number of field resources (e.g., line crews) needed to respond. Id., p. 15.

The Company uses the ELM criteria to help guide decision-making about necessary staffing levels to respond to events of increasing severity. Id. The ELM breaks down staffing needs for both the numbers of resources expected at the onset and the numbers anticipated during the peak of restoration activities. Ex. ES-IMT-3, pp. 39–43. Although Eversource uses the ELM to guide the Company's decision-makers about resource needs, the criteria are guidelines only, and each individual storm may require differing levels of crews based on the unique circumstances of the event. Interrog. Resp. OCC-347-SP02, pp. 2–3. Table 24, below, shows the portion of the most recent ELM related to event intensity and guidelines for staffing.

Table 24: Eversource Event Level Matrix

Event Level	Typical No. of Customers Out at Peak	Typical No. of Trouble Spots	Line Crews (Onset | Peak)
5	0%–9% (<125k)	<3000	290 | 550
4	10%–29% (125k–380k)	1,500–10,000	340–500 | 1,200
3	30%–49% (375k–650k)	8,000–25,000	390–900 | 2,500
2	50%–69% (625k–870k)	15,000–48,000	490–1,000 | 2,500
1	70%–100% (>870k)	>35,000	590–1,200 | 2,500

Interrog. Resp. OCC-124, Att. 4, p. 17.

OCC argues that Eversource has acted imprudently in staffing for emergency events which "has resulted in dramatically increasing storm restoration costs." OCC Brief, p. 46. OCC contends that Eversource failed to examine its own staffing decisions from prior storms leading to excessive costs for external crews who performed little or no work upon arrival. Id., pp. 41–46. Ultimately, OCC argues that Eversource imprudently overstaffed in 10 events and recommends that the Authority disallow $79.6 million in costs.[64] Id., p. 48. OCC recognizes that the staffing decisions may have led to faster restoration (and shorter customer outage durations) but argues that the decrease in restoration times observed during these events does not justify the additional costs. Id., pp. 53–54.

The Company's storm response costs have increased significantly between 2018 and 2023, and, going forward, such increases warrant additional consideration when determining the number of crews needed to respond to an event. Although OCC appears to construe ELM staffing levels as hard-capped requirements, see OCC Brief, p. 61, the ELM is a planning tool that sets guidelines to help decision makers plan an appropriate

[64] OCC's $79.6 million recommendation is based on the overstaffing in MS21K (Tropical Storm Henri) and MS22B, and for six 2020–2021 storms with staffing levels above the ERP staffing level, and is calculated by multiplying the average cost of line crews by the number of line crews above the recommended ELM level for each individual storm. OCC Brief, p. 60.

storm response. Interrog. Resp. EOE-791. Nevertheless, the data provided by the Company[65] demonstrates a significant increase in cost per trouble spot from 2018 to 2023, as shown in Table 25**.**

Table 25: Average Cost per Trouble Spot

Year	Nominal Average Cost per Trouble Spot ($)	Year Over Year Increase	Average Number of Line Resources (Level 5 Events)	Average Number of Line Resources (Level 4 Events)
2018	1,675	-	N/A	N/A
2019	3,034	81.13%	407	473
2020	4,291	41.43%	351	548
2021	9,130	112.77%	407	1,073
2022[66]	9,586	4.99%	488	677
2023	20,434	113.17%	486	797

Ex. ES-IMT-3; Ex. ES-IMT-3 Supp.; Ex. ES-IMT-3 Supp. 2; Interrog. Resp. OCC-347-SP02, att. 1.

The increase in the average cost per trouble spot is primarily driven by increased outside resource and vendor staffing, which show a general increase in staffing from 2019 to 2023 across both ERP Level 4 and Level 5 events.[67] The Company explains that staffing levels for storms are based on multiple factors, including weather forecasts, outage prediction models, increased competition to hire external crews, increasing intensity and impacts of storm events, and heightened customer demands. Interrog. Resp. EOE-791; Hr'g Tr., Mar. 25, 2026, 78:11–80:12. Individual events may have unique needs requiring more line resources than is specified by the ELM criteria. Interrog. Resp. EOE-791, pp. 2–3. Although individual events present unique needs, the evidence indicates that Eversource is simply staffing at higher levels in general.

Accompanying the staffing increases has been a reduction in Eversource's outage restoration times.[68] Table 26, below, shows the number and percentage of events where the Company completed restoration earlier than indicated by the ERP planning

[65]In its filing for each storm, the Company provided cost data in the form of cost per trouble spot. Ex. ES-IMT-3; Ex. ES-IMT-3 Supp.; Ex. ES-IMT-3 Supp. 2. The Company did this to enable a rough comparison of costs across storm events. Sullivan et al. March 2024 PFT, p. 94.

[66]The Authority deemed event MS22B011 an outlier and did not include it in this dataset, as that event included a nominal cost per trouble spot of $159,450 and had unique weather factors. Ex. IMT-3 Supp., p. 10.

[67]The level of increase in cost per trouble spot is not due to labor rate increases; the Authority reviewed contractual rate sheets from two contractors to demonstrate a representative sample of how much external labor costs increased for Eversource during the years shown in Table 26, below. Late File Ex. 27 (Confidential). Between 2018 and 2023, average labor costs increased 9% total. See id.

[68]Eversource notes that responding to customer expectations of speedy restoration is a key factor of Eversource's decision-making for storm response. Hr'g Tr., Apr. 1, 2026, 150:6–151:4.

guidelines. As shown in Table 26, since 2018, restoration has been completed earlier than the ERP restoration guidelines in a growing percentage of storm events.

Table 26: Storm Restoration Time Below Expected Duration

Year	Number of Events	Number of Events with Restoration Completed Earlier than ERP Restoration Guidelines	Percentage Earlier than Guidelines	Average Restoration (days)
2018	1	0	0%	4.3
2019	4	0	0%	1.8
2020	10	4	40%	1.6
2021	9	3	33%	1.7
2022	8	5	62.5%	0.9
2023	11	7	63.6%	1.1

Ex. ES-IMT-3; Ex. ES-IMT-3 Supp.; Ex. ES-IMT-3 Supp. 2.

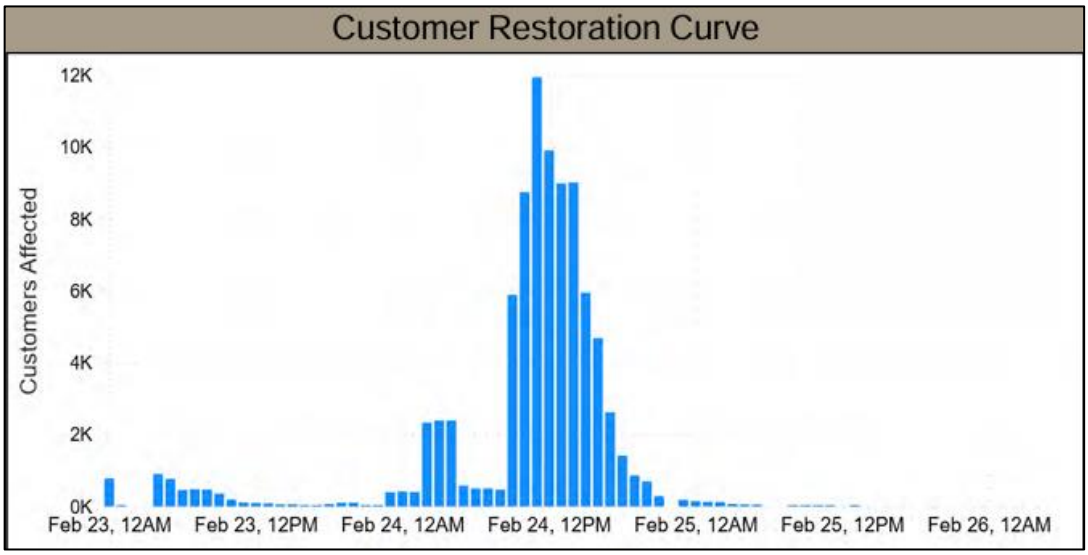
Like OCC, the Authority questions the necessity of the general increase in the number of secured resources, and PURA expects that Eversource should as well. While faster restoration is a desirable outcome, it must be balanced against the cost to achieve that speed, with a consideration of diminishing returns. A 5– to 15–fold increase in cost over a 5–6 year period is burdensome for ratepayers, particularly when restoration time has not been reduced by equivalent magnitudes over the same period. When the ELM requirements were updated following the 20-08-03 Decision, which increased the line resources for each event level, those new requirements for line resources were established as neither a cap for each event level, nor a floor. Ex. ES-IMT-3, Supp., pp. 23–27; Eversource Reply Brief, p. 46. Eversource is not required to secure the maximum number of resources for each event as per the ELM and should make a holistic decision for staffing levels. The Company can expect that future decisions about resource needs will be reviewed with greater scrutiny by the Authority with regard to cost-effectiveness. The Authority expects that Eversource will continue, going forward, to more efficiently right-size its line resource staffing decisions using data and experience from prior storms at the time the Company is securing those resources. In particular, the Authority will consider this issue more in depth in the Company's forthcoming rate case.

ii. Overstaffing of Event MS23C011

The Authority finds that $634,000 of travel and standby costs incurred in advance of MS23C011 (a time-contiguous wind and wintry mix event that impacted central and northeastern Connecticut between February 23 and 24, 2023) were improperly and imprudently incurred and are ineligible for cost recovery within the regulatory asset. The Company requests review of $6,147,668 in incremental expenses for MS23C011. Late Filed Ex. 1-SP01, Att. 1, p. 1; Eversource Reply Brief, p. 85. Accordingly, the Authority finds that the Company prudently incurred costs of $5,513,668 ($6,147,668 - $634,000 = $5,513,668) in incremental expenses for MS23C011 event.

EOE argues that the Company included multiple "rounds" of weather activity over several days and included significant unwarranted costs for a non-ERP event. EOE Brief, p. 28. EOE cites the Company's outage restoration curve, shown in Figure 6, below, which indicates two or three discrete instances of outages. Id.

Figure 6: MS23C011 Customer Restoration Curve



Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-45, p. 1. EOE argues that:

> In support of the duration, the Company provided various briefing documents that focused on locations outside of Connecticut with minimal impacts on small portions of the state. Ex. ES-IMT-4-45 (Event 45), p.11-59. Additionally, the Company provided a UConn email that characterized the event as a "48-hour trouble spot prediction, valid between 12 pm, Wednesday February 22nd, 2023, and 12 pm, Friday, February 24th, 2023" which included the territories of Connecticut, Western Massachusetts, Eastern Massachusetts, and New Hampshire. Id. p. 62. Specifically, for Connecticut, the email included a 50% probability of 70-150 trouble spots. Id. The UConn characterization of the event as a "48-hour trouble spot prediction", combined with the lack of any NOAA events, does not suggest that costs incurred over four days (i.e., February 22 – 25, 2023) should be combined into a single event, especially when notable outages only took place on February 24, as discussed below. Additionally, EOE does not believe that a "48-hour trouble spot prediction" is indicative of a 48-hour storm event.

EOE Brief, p. 28.

EOE further argues that the information available to the Company at the time of the event did not warrant "the staging of a large number of external resources, including resources that required travel from out-of-state." Id. EOE argues that only 31% of the

billable hours attributed to line crews were attributed to "Work" because the Company engaged outside crews. Id., p. 28–29. Additionally, EOE argues that Eversource incurred increased costs for its tree crews when the Company requested crews to be on storm shift starting on February 22, 2023, at 7:00 a.m. Id., p. 29. EOE explains that the restoration curve, combined with the UConn email, supports the conclusion that the only impactful weather event occurred slightly before noon on February 24, 2023, with a different, less impactful, weather event on February 23, 2023. Id., p. 29–30. EOE asserts that, "[g]iven that the Company had generally commenced billing on February 22, 2023, one can reasonably deduce that the elimination of the costs for both February 22 and 23 would result in the remaining storm costs falling below the $4 million eligibility threshold." EOE Brief, p. 30.

The Company argues that periodic precipitation or changing weather conditions over the course of an event do not delineate unrelated or discrete storms. Eversource Brief, p. 85. Rather, according to the Company, the variability in outage activity and restoration progress during MS23C011 reflects the impacts and restoration cycles of a single storm with episodic surges in intensity. Id. The Company has previously stated that a storm event start date corresponds to the onset of the weather event and related customer outages, while acknowledging that certain costs may be incurred prior to the start date due to prestaging or preparedness activities. Interrog. Resp. EOE-19. In this instance, however, the Company neither declared an ERP event nor issued a prestaging notice to the Authority for MS23C011. Further, the Company expressly identified February 23, 2023, as the beginning of the storm event. Eversource Reply Brief, p. 85.

Although the Authority finds that the snow and ice precipitation event starting on February 23, 2023, and the subsequent arctic front accompanied by strong wind gusts on February 24, 2023, constituted a single catastrophic event,[69] the Authority finds that some of the costs incurred in responding to the event were imprudent, namely travel and standby costs incurred on February 22, 2023, and standby costs incurred on February 23, 2023. The forecast and meteorological information available to Eversource did not indicate the type of catastrophic event that should require external crews. The NWS forecasts consistently anticipated a relatively minor winter weather event in Connecticut, characterized by light snow, limited ice accumulation, and advisory-level wind conditions. Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-45, pp. 4–5, 13–18, 22–29, 33–40, 43–50, 53–58, 60–61. Connecticut was subject to only Winter Weather Advisories and Wind Advisories, and NOAA reported no weather events during the February 23–25, 2023 period. Id., pp. 10, 37, 42, 52, 60. Additionally, the UConn outage prediction model forecast a 50% probability of only 70 to 150 trouble spots, substantially below the Company's planning assumptions for even the lowest level ERP event. Id., pp. 62–63. Taken together, the forecasts and projected impacts indicate that MS23C011 more closely resembles the type of routine winter weather events that utilities should reasonably expect

[69]The evidence indicates that Eversource considered this event as a continuous event and planned for it as such starting on February 20, 2023, when the Company secured 50 outside crews to support restoration efforts in Connecticut. See Sullivan et al. July 2025 PFT, Ex. ES-IMT-1A, p. 5; Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-45, pp. 11–40 (showing various daily weather forecasts for regions of Connecticut). Outside line worker crews and vegetation management crews began to travel and arrive on February 22, 2023. Interrog. Resp. EOE-760, Att. 1.

to address through normal operations, rather than a catastrophic storm. In consideration of the information available to Eversource at the time, the evidence does not demonstrate that it was reasonable for the Company to have chosen to incur the costs of securing external restoration crews in advance of the weather event.

Regardless of whether it was necessary to secure crews in advance, the Company did not comply with prestaging prerequisites necessary to properly pre-stage. Prestaging requires that the Company notify PURA that it will declare an ERP event and secure and pre-stage outside resources in advance of the event. Sullivan et al. March 2024 PFT, p. 17. The Company neither activated its ERP for this event, nor notified the Authority of its intent to pre-stage resources. Interrog. Resp. EOE-758. The Company knew that it intended to pre-stage outside resources by February 20, 2023, but failed to activate its ERP and failed to notify the Authority as required by the prestaging protocol. For the foregoing reasons, the Authority finds that the costs incurred in advance of the actual event, namely those travel and standby costs incurred on February 22, 2023, and those standby costs on February 23, 2023, were improperly and imprudently incurred and are ineligible for cost recovery within the regulatory asset. The total imprudently incurred costs for outside resources include:

(1) February 22, 2023 Travel Costs: $116,949;
(2) February 22, 2023 Standby Costs: $18,428; and
(3) February 23, 2023 Standby Costs: $498,623.

Accordingly, the Authority adjusts the Company's request by $634,000 ($116,949 + $18,428 + $498,623 = $634,000) and finds the Company prudently incurred $5,513,668 ($6,147,668 - $634,000 = $5,513,668) in incremental expenses for MS23C011 event.

c. Vegetation Management

i. Summary

The Company requests review of $101,988,059 for vegetation management costs associated with catastrophic storms. Interrog. Resp. EOE-838, Att.1. EOE recommends removing $2,039,961 in costs from the Company's request for review of vegetation management occurring after substantial restoration had been declared by the Company, including $46,850 in vegetation management costs incurred after substantial storm restoration declared in MS23H. In addition, OCC and EOE recommend a reduction of between $2,710,904 and $14,710,901 for underspending of vegetation O&M expenses in 2020. The Authority agrees with EOE regarding the removal of $46,850 of vegetation management costs associated with MS23H. Accordingly, the Authority does not include $46,850 in the total of the Company's prudently incurred outside contractors and vendors storm costs related to improper vegetation management costs.

ii. Vegetation Management Cut-off and Equipment Cost

The Authority finds $46,850 in vegetation management costs ineligible for deferred recovery, because the Company failed to demonstrate that the vegetation management work done was related to, and necessary for, associated storm work.

EOE identified $60,800 in vegetation management costs incurred after the Company had declared substantial restoration complete. EOE Brief, pp. 44–45. EOE then extrapolates these costs out to the total vegetation management costs requested for review to derive a total reduction of $2,039,961. Id., pp. 45–46. The Authority declines to adopt EOE's extrapolation methodology of using results from a single storm to justify the removal of costs across the entire population of storms. EOE has not demonstrated that samples from one event are sufficiently representative of the entire set of storms to warrant the extrapolation of findings across all storms. Nonetheless, the Authority finds ineligible for deferred recovery $46,850 in vegetation management costs incurred after the Company declared substantial restoration complete in storm MS23H.

The Company acquires vegetation management crews for storm restoration work. Interrog. Resp. OCC-20, p. 27. Contract vegetation management crews perform tree and limb cutting and clearing services under the direction of the Operations Section of the incident management team. Id. Vegetation management crews are used to clear trees and vegetation, so that physical workers gain safe access to broken or failed facilities to safely perform restoration work. Landry and Griffin March 2024 PFT, p. 14. In general, costs are assigned to a storm work order when the activities are necessary (1) to restore the Company's electric distribution system to normal operating conditions or (2) to return the system to its pre-storm state. Hr'g Tr., Apr. 1, 2026, pp. 108:18–109:14. Therefore, vegetation management work qualifies as incremental and is assigned to a storm work order when it meets these conditions.

Eversource states that work may take weeks or months to remove storm damaged vegetation, even once "normal operations" have resumed. Hr'g Tr., Mar. 24, 2026, pp. 111:8–115:12. The Company also states that the Company arborists verify all timesheets (meaning the arborists are verifying that the work done was for that particular storm) and have firsthand knowledge of work happening in the field. Id, pp. 113:6–114:13. Additionally, the Company states that removing damaged vegetation post-storm is an industry-wide practice. Id, pp. 109:15–110:6. The Company also states that debris is to be left on site, and that the Company is not responsible for hauling away any logs or chipping brush unless it were to be hazardous, which occurs rarely. Hr'g Tr., Mar. 24, 2026, 178:8–25.

EOE argues that Eversource's request includes $2,039,961 of ineligible costs, extrapolated from errors EOE found in a sampled storm, MS23H. In addition to the amounts adjusted by Eversource during the course of the proceeding,[70] EOE asserts that

[70]During the course of this proceeding, typically in response to discovery requests made by EOE, the Company made numerous reductions to its requested vegetation management costs. For example, the Company's reductions include $82,393 of delayed and reclassified vegetation costs that put MN21P under the $4 million dollar eligibility threshold. EOE Brief, p. 44. In addition, EOE found multiple instances in which the Company included costs for tree work that occurred months after demobilization and restoration activities had been completed. Id., p. 43; see, e.g., Interrog. Resp. EOE-107, Interrog. Resp. EOE-109; Interrog. Resp. EOE-110; Interrog. Resp. EOE-111; Interrog. Resp. EOE-112; Interrog. Resp. EOE-113; Interrog. Resp. EOE-114; Interrog. Resp. EOE-115. EOE also found multiple invoice errors across storms MS22F, MS19A and MS23J in which the Company removed the costs for recovery in the proceeding. EOE Brief, p. 44.

an additional $60,800 of the costs contained in MS23H found in Table 27, below, are imprudent, which EOE derived by taking the total invoice and dividing the costs by the number of days on which work occurred after full restoration was declared starting on December 13, 2023. EOE Brief, pp. 45–46. EOE then extrapolated these costs across the storms in this proceeding to calculate a reduction of $2,039,961.[71] Id.

Table 27: EOE Proposed Adjustments to MS23H Post-Storm Vegetation Costs

Item No.	Date(s)	Approx. Cost[72]	EOE's Characterization	Ex. CLP-53(A) Page(s)
1	12/13–12/14	$1,900	Includes Disc Chipper	113–114
2	12/13	$650	No work details	237–238
3	12/26	$1,800	Trees referenced as "dead"	935–937
4	12/13–12/14	$3,600	No work details	990–991
5	12/13–12/14	$2,500	No work details	993–994
6	12/14	$1,700	No work details	996–997
7	12/13–12/14	$3,400	No work details	1002–1003
8	12/14	$1,700	No work details	1005–1006
9	12/14	$1,200	No work details	1023–1024
10	12/13	$1,300	No work details	1035–1036
11	12/13	$1,250	No work details	1037–1038
12	12/13	$1,200	No work details	1066–1067
13	12/14	$650	No work details	1141–1142
14	12/13	$250	Inconsistent Work Location Report	1172–1173
15	12/13–12/15	$23,000	Trees referenced as "dead"	1354–1357
16	12/13–12/15	$7,300	No work details	1765–1766
17	12/13–12/15	$7,400	No work details	1767–1768
Total		**$60,800**		

EOE Brief, p. 45.

According to the Company "virtually all customers affected by [the MS23H] event were restored by 1:00 PM on Tuesday, December 12." Ex. ES-IMT-4 Supp. 2; Ex. ES-IMT-4-52 Supp., p. 63. For work performed after restoration was complete, and to ensure that the work done was attributable to the storm, the Authority reviewed the timesheets and invoices associated with the above costs, because the Company has 200-250 external tree crews working on their system every day of the year conducting vegetation

[71] EOE first applied the $60,800 to the total tree crew costs for the storm of $1,160,964 to derive a 5.24% reduction factor, which was then reduced to 2% to account for a 30% Frontier share offset. EOE Brief, pp. 45–46. This 2% was then applied to the total of $101,998,059 in tree crew costs identified in this proceeding, to arrive at $2,039,961. Id., p. 46.

[72] The approximate costs are taken from Exhibit ES-IMT-4-52 Supplemental of Exhibit ES-IMT-4 Supplemental 2, which is a confidentially filed exhibit. These costs are derived by removing all costs that can be attributed to the work done after restoration was declared complete via timesheet and applied to the total of the invoice. Costs have been rounded and approximated down to the nearest $50 in all cases to protect the confidential rates of Company contracts.

management work. Hr'g Tr., Mar 24, 2026, 156:8–16 and 173:9–15. Therefore, it is reasonable and necessary that documentation exists that clearly identifies that storm work is being conducted—as distinct from the daily vegetation management work for which compensation is already imputed in base distribution rates—particularly in the days and weeks after restoration has been complete.

Included in Table 27, above, are 13 instances, totaling $33,850, for which EOE argued there were minimal work details provided in the timesheets and corresponding invoices.[73] EOE Brief, p. 45. The Authority reviewed the records and notes that the timesheets included fields to record details such as crew rates, hours worked, equipment used, work location, and work type (indicated as "STRM"). Ex. CLP-53(A) pp. 237–38. Of these 13 instances identified by EOE, 7 included the necessary information, including work location details such as street location or pole number. See Ex. CLP-53(A) pp. 237–38, 990–91, 993–94, 1002–03; 1005–06; 1023–24; 1141–42. The Authority finds that sufficient evidence to demonstrate the work associated with those timesheets was related to the MS23H event. Company arborists review and attest to timesheets and information about locations should enable arborists and accounting reviewers to affirm that charges were indeed related to the storm. Hr'g Tr., Mar. 24, 2026, 79:8–12, 161:8–17. PURA notes that the other six instances did not include the work location and pole number (i.e., the field was left blank); for those, the Authority finds there is insufficient evidence demonstrating this work was assigned to MS23H event. Accordingly, the Authority finds the $20,150 associated with these time sheets, as shown in Table 28, below, ineligible for deferred recovery.

Table 28: Ineligible MS23H Post-Storm Vegetation Costs

Item Number	Date(s)	Approx. Cost	Ineligibility	Ex. CLP-53(A) Page(s)
1	12/13–12/14	$1,900	Includes Disc Chipper	113–14
3	12/26	$1,800	Trees referenced as "dead"	935–37
6	12/14	$1,700	No work details	996–97
10	12/13	$1,300	No work details	1035–36
11	12/13	$1,250	No work details	1037–38
12	12/13	$1,200	Standby	1066–67
15	12/13–12/15	$23,000	Trees referenced as "dead"	1354–57
16	12/13–12/15	$7,300	No work details	1765–66
17	12/13–12/15	$7,400	No work details	1767–68
	Total	**$46,850**		

The Authority identified other instances where there is insufficient evidence demonstrating that work was attributable to the storm. Item number 1 in Table 28, above, involves $1,900 of work requiring the use of a disk chipper. Clean up of vegetation is typically not done by Eversource as part of restoration work and so the use of a chipper, whose primary use is to clean up debris, would be unusual in the practice of performing

[73] EOE argues that there is insufficient detail for items 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 16, 17 in Table 27, above.

restoration activities. Hr'g Tr., Mar. 24, 2026, 178:8–25. Although disk chippers are generally not used as part of restoration, they may be necessary to clear the area for the safety of workers or the public. Id. In these instances, the Company arborist may authorize the use of a chipper. Interrog. Resp. EOE-913. There is nothing in the timesheet indicating the need for a chipper, even though the Company requires that an arborist approve the use. See Interrog. Resp. EOE-913, p. 2. The Authority finds that the disk chipper cost was not appropriately included in the catastrophic storm regulatory asset. There is nothing in the record indicating the need for a chipper in this instance, other than a general statement by the Company that chippers are needed from time to time, and an assertion that because a chipper was used, an arborist must have authorized it. These general statements do not adequately support the assertion that the chipper was a necessarily incremental expense that qualifies for deferral. Accordingly, the $1,900 chipper cost is ineligible for deferred recovery.

In two instances, items 3 and 15 of Table 28, above, the Company included costs for trees that had been identified as dead and where the work to remove them was performed after virtually all customers had been restored. See Ex. ES-ACCT-3 Supp. 2, Ex. CLP-53(A), pp. 935–37, 1354–57. The associated timesheets indicate that the trees were removed because they were identified as hazardous (hazard box checked on the timesheet) and threatened Company equipment. Id. The second instance also included full log removal of the tree. Id., p. 1357. Hazardous tree removal is essential, but costs for hazardous tree removal are imputed in the Company's normal vegetation management activities in base distribution rates.[74] That the work was done after customers were restored indicates that this is non-incremental vegetation management work, and there is no other information in the record that indicates otherwise. Accordingly, the Authority also finds $24,800 of costs associated with removing dead trees ineligible for deferral as incremental storm costs.

EOE also identifies approximately $250 dollars in costs with inconsistent work sites, item 14 of Table 28, above. EOE Brief, p. 45. Other than a second work site not appearing on the original time sheet and only appearing on the work location form, there is no indication that these costs are ineligible for deferral. The Authority finds that there is, nevertheless, sufficient evidence that these costs are related to the Company's response to MS23H.

Based on the foregoing review, the Authority finds $46,850 of the vegetation management costs within storm MS23H identified by EOE to be ineligible for deferral as incremental storm costs.

iii. 2020 Vegetation Management Costs

In 2020 the Company underspent $2,710,904 in vegetation management O&M costs. Interrog. Resp. OCC-57, Att. 1, Lines 29–40. OCC and EOE recommended removing this amount from the Company's deferred vegetation management costs and

[74]Decision, June 12, 2019, Docket No. 17-10-46RE02, Application of The Connecticut Light and Power Company d/b/a Eversource Energy to Amend its Rate Schedules – Enhanced Tree Removal, pp. 1–3.

applying the amount across the storms that occurred in 2020. The Authority declines to adopt EOE and OCC's recommendation.

Included in the Company's deferred storm costs are $37,187,344 of incremental vegetation management costs incurred in 2020. Interrog. Resp. EOE-029, Att. 1. Both EOE and OCC recommend the Authority reduce the amount of the Company's 2020 storm costs by the amount of "underspending" of Eversource's baseline O&M vegetation management costs, as allowed in base rates. OCC Brief, p. 87; EOE Brief, pp. 41–42. In the Company's last rate case, the Authority authorized $29.8 million in annual programmatic vegetation management operating expenses. 17-10-46 Amended Settlement Agreement, Amended Att. 1, Line 52. In 2020, the Company spent approximately $27.1 million on vegetation costs, $2,710,904 less than the amount allotted in rates. Interrog. Resp. OCC-57, Att. 1, Lines 29–40. EOE and OCC consider this an "overcollection" by the Company that should be removed from the Company's 2020 deferred vegetation management storm expenses incurred of $37,187,344. OCC Brief, p. 87; EOE Brief, pp. 41–42.

Deferred storm-related vegetation management costs present a relevant question about whether all incurred vegetation management-related storm costs are truly incremental. Under standard ratemaking, baseline operating expenses, like programmatic vegetation management expenses, are not retroactively adjusted for deviations from the amount allowed in rates. Instead, in between rate cases, the Company normally retains profits if it is able to reduce expenses below those determined in its last rate case, or it absorbs costs that are greater than its projections. 13-01-19 Decision, p. 25. Exceptions to this rule (i.e., deferral accounting for expenses) are permitted at times as an extraordinary measure for major and non-recurring expenses that cannot be reasonably predicted but that could affect the financial health of a company, such as for catastrophic storm costs. Id.

Looking at a nearly identical scenario (i.e., underspend of baseline vegetation management expenses in 2020 due to catastrophic storms) in The United Illuminating Company's (UI) rate case, the Authority found that because catastrophic storms expenses are allowed the extraordinary treatment of deferral, there must be a clear demonstration that storm vegetation management costs are "entirely incremental to business as usual." 22-08-08 Decision, p. 42. For UI, the Authority found that since storm-related vegetation management work is "similar enough in scope" to baseline vegetation management work, all storm related charges should first be used to charge down the amount included in base rates. Id., pp. 43–44. The determination of whether storm-related vegetation management work is incremental is comparable to whether storm-related internal labor is incremental. Internal labor is not considered incremental, even when the employee is performing storm-duty work and not their day-to-day work, during normal work hours. Landry and Griffin March 2024 PFT, p. 23. The same principle can apply to vegetation management work, so that vegetation management work on storms may be evaluated in relation to the Company's use of baseline vegetation management funds in rates.

A key consideration in determining whether storm-related vegetation management costs are truly incremental is the year-to-year variation in baseline vegetation

management expenses, which is normal and expected. Eversource Reply Brief, p. 99. Table 29, below, shows the Company's actual incurred baseline vegetation management costs and those funds allowed in base rates from 2018–2021.

Table 29: Baseline Vegetation Management Costs, 2018–2021

Year	Incurred ($)	In Rates ($)	Difference ($)
2018	30,132,331	29,800,000	332,331
2019	30,542,388	29,800,000	742,388
2020	27,089,096	29,800,000	(2,710,904)
2021	33,588,643	29,800,000	3,788,643
Total			**2,152,459**

Interrog. Resp. OCC-57, Att. 1; Interrog. Resp. OCC-58.

Although the Company did underspend in 2020 by $2,710,904, considering a four-year period of (2018 through 2021), the Company spent more than allowed in rates by $2,152,459.[75] The amount spent above the level imputed in rates in 2021, namely $3,788,643, indicates that Eversource deferred work from 2020 to 2021. Eversource spent more on vegetation management than what was funded by rates, and the evidence indicates that the baseline 2020 work was deferred to 2021, likely due to unplanned vegetation management work due to significant storms in 2020 (including Tropical Storm Isaias). Accordingly, the Authority does not classify $2,710,904 as non-incremental vegetation management costs, as recommended by EOE and OCC.

d. Standby Billing for Equipment

When the Company engages outside vendors for storm restoration work, the vendors are typically paid different rates based on a number of factors. Interrog. Resp. EOE-58-SP04, Att. 2, p. 138. Vendors can be paid travel, standby response, and emergency response working rates (including holidays and Sundays). Id. The Master Service Agreements (MSAs) that the Company utilizes as vendor contracts include rates for labor and equipment. Id., pp. 138–39, 141. Although labor can be billed at travel, standby, and working rates, MSA agreements specify that standby rates do not apply to equipment. Id., p. 135.

In this proceeding, EOE identified a number of instances where external vendors' invoices included standby labor charges for equipment during crew standby time. EOE Brief, pp. 53–54. As a result, EOE recommends "a minimum reduction of $3.3 million as this would represent approximately 0.5% of the total line crew costs which is significantly less than the 6.5% and 4.2% examples [EOE] identified . . . and allows for consideration of the sampling risk." Id, p. 56.

[75] This is a key distinction from UI's underspend in 2020; UI underspent on vegetation management across multiple years (total underspend of more than $3.796 million, thus supporting the determination that UI's 2020 vegetation management costs were not incremental to baseline vegetation management costs. 22-08-08 Decision, p. 44.

EOE notes that the Company's MSA language and subsequent vendor work instructions (provided by Eversource) are clear that vendors may not charge for equipment during standby time. Id. Specifically, EOE points to the MSA provision specifying both "Emergency Response" and "Standby/Travel" rates for labor and notes that "Standby Rates apply to labor resources only." EOE Brief, pp. 53–54 (citing Interrog. Resp. EOE-937, Att. 1, pp. 7–9). EOE argues that the MSA provision demonstrates that labor rates and equipment rates are distinct and that standby charges do not apply to equipment. EOE Brief, p. 54. Therefore, EOE asserts that standby periods should be compensated separately and should not include equipment billing. EOE Brief, p. 54. Using these sampled events and extrapolating the results across storm events included in the recovery request, EOE ultimately recommended a minimum disallowance of $3.3 million related to standby equipment billing. Id.

EOE conducted a review of certain vendor invoices and timesheets regarding instances in which line crew vendors billed the Company for equipment during periods recorded as standby. EOE Brief, p. 54. "To assess the degree of overpayment, EOE sampled various invoices and identified multiple instances where the Company permitted line crew vendors to bill for equipment while reporting standby hours." Id., p. 54. EOE used the MS23C event as an example, noting that "the Company has estimated that the total impact of the Holland Power Services' billing for the MS23C event related to equipment during standby would be approximately $36,375.50." Id., p. 55 (citing Interrog. Resp. EOE- 779, Att.1 (redacted)).

EOE also observed situations where the vendor "should have" billed for standby but was permitted to record their hours as working. EOE Brief, p. 55. EOE cites, as an example, MTV Solutions Inc. (MTV) invoices associated with the MS23D event and identified "324 hours [billed] at the working rate classification on February 28, 2023, when the only work distribution information captured on any of the 14 timesheets was 'No Jobs.'" Id. (citing Interrog. Resp. EOE-955, Att. 1). EOE calculated that the equipment billed during these hours exceeded "$25,000 or approximately 4.2% of the vendor's billing for the three applicable invoices for this storm event (i.e., #2933, #2934, #2935)." EOE Brief, p. 55. EOE noted that the vendor did not bill for equipment during standby activities on February 27, 2023. Id. Additionally, EOE reviewed billing from Mid-Con Energy Services (Mid-Con) during the MS23J event and D&D Power LLC during the MS23H event; EOE estimates that the equipment billed by those companies during standby periods exceeded "$67,000, including $53,000 for Mid-Con and $14,000 for D&D Power LLC." Id., p. 56. Finally, regarding the MS23G event (Hurricane Lee), EOE argues that "virtually all of the external line crew vendors billed for equipment while the vendor employees were on standby. Id. (citing Confidential Ex. CLP-52(A)). "EOE's analysis derived the incremental (equipment) overbilling for the MS23G event to be in excess of $250,000." EOE Brief, p. 56. Using these sampled events and extrapolating the results across storm events included in the recovery request, EOE ultimately recommended a minimum disallowance of $3.3 million related to standby equipment billing. Id.

The Company disagrees with EOE's interpretation of emergency work time and standby. Eversource Reply Brief, pp. 97–98; Hr'g Tr., Apr. 1, 2026, 10:18–24. According to the Company, "if a crew is onsite and ready to support, not necessarily actually

restoring power, if they're onsite ready to support our efforts, that is emergency response work." Tr., 10:18–24. The Company also argues that the MSA provision specifying that "[s]tandby rates apply to labor resources only" means only that there is no differentiation between equipment rates during standby and work time. Interrog. Resp. EOE-779, pp. 1–2. The Company asserts that when a vendor's equipment is committed to Eversource, the equipment is "in use" and cannot be used for any other purpose. Id., p. 2. Therefore, Eversource contends that the same rate applies to equipment whether the associated crews are on travel, standby or work time. Id. Further, Eversource argues that EOE's suggestion that multiple equipment vendors all agreed to provide equipment at no cost while on standby is commercially implausible and contrary to fundamental economic principles. Eversource Reply Brief, p. 97.

The Authority finds credible evidence in the record that vendors generally may not bill for equipment during standby periods.[76] Although the Company argues that equipment is "in use" whenever it is committed to Eversource and therefore may be billed at the same rate regardless of whether crews are traveling, on standby, or actively performing restoration work, the billing practices reflected in the record do not appear to be uniform. Landry and Griffin July 2025 PFT, Ex. CLP-47(A) (Confidential), pp. 780–792. Further, the contractor instructions provided by the Company state that no equipment costs are to be paid during standby periods, creating additional ambiguity regarding the Company's interpretation and administration of its vendor agreement. Interrog. Resp. EOE-59, Att. 1, p. 4. The Authority also identified an example in the record in which a vendor did not bill for equipment during standby periods but subsequently billed for equipment once restoration work commenced. See Landry and Griffin March 2024 PFT, Ex. ES-ACCT-3 (Ex. ES-ACCT-3), Ex. CLP-20(A-3), pp. 872–1108. The Authority reviewed an invoice and corresponding timesheets associated with the vendor Sparks Energy Inc. who was placed on standby on July 5 and July 6, 2021. Id. Although the Company reported storm activity and outages on July 6, 2021, the vendor did not bill for equipment during those standby periods and only began billing for equipment charges when work assignments were received. Id.; Ex. ES-IMT-1A, p. 20; Ex. ES-IMT-3, p. 26. If, as the Company contends, equipment is considered "in use" whenever crews are onsite and available to support restoration efforts (see Interrog. Resp. EOE-779), it is unclear why equipment charges were not incurred during these standby periods. Tr. 10:18-2; See Ex. ES-ACCT-3, Ex. CLP-20(A-3), pp. 872–1108. Similarly, if there is no distinction between standby and working time for equipment billing purposes, the Authority is unable to reconcile why certain vendors billed equipment during standby while others did not. See CLP-20(A-3), pp. 872–1108, 1792–801.

Based on the evidence in the record, the Authority finds that Eversource incurred imprudent equipment costs during periods identified as standby, as those payments were

[76] As EOE noted, there are exceptions: "the Company provided a Pricing Schedule that deviated from the MSA template included at Interrog. Resp. EOE-792, Att.1 Redacted, pp. 7-9. For example, the Company provided a version of the Pricing Schedule for Grattan Line Construction Corp at Interrog. Resp. EOE-777, Att.1 Redacted, pp. 8-10 which modified the treatment of standby to include the billing of standby for equipment. ['Standby Rates apply to labor resources only and equipment']. This example supports EOE's position where it appears that a change to the MSA was negotiated by a vendor in order to receive payment for equipment while on standby." EOE Brief, p. 53 n.73.

inconsistent with its contractual obligations, instructions to vendors, and other vendor practices reflected in the record. See EOE Brief, pp. 54–56. Accordingly, the Authority finds imprudent the following equipment charges, as identified by EOE: Holland Power Services ($36,376), MTV ($25,000), Mid-Con ($53,000), D&D Power LLC ($14,000), and MS23G011 event ($250,000), for a total reduction of $378,376 in imprudent costs. Id. The Authority does not, however, extrapolate from those instances to apply a $3.3 million reduction for the same reasons discussed in Section III.C.4, EOE Recommended Extrapolations, above, regarding EOE's sampling methodology.

e. Standby Billing for Labor

When the Company engages outside vendors for storm restoration work, the vendors' employees are typically paid different rates. Interrog. Resp. EOE-11, Att. 2-13; Interrog. Resp. OCC-34. Vendor employees can be paid standby, travel, and emergency response working rates. Id. In addition, vendor employees can be paid overtime (OT), double time (DT), or holiday or Sunday pay. Id.

EOE argues that the Company improperly allowed line crew vendors to bill labor at higher rates during periods that should have been billed at lower standby rates. EOE Brief, p. 56. EOE points to the Company's MSAs, which define "Emergency Response Working Rates for Labor" as rates payable only from the commencement of emergency response work through the termination of that work. Id., pp. 56–57; Interrog. Resp. EOE-937, Att. 1, p. 7. EOE also cites to the Company's vendor timesheet instructions, which state that "[a]ll crews [are] on standby until they receive their first ticket." EOE Brief, p. 57 (citing Interrog. Resp. EOE-59, Att. 1, p. 4). EOE contends its interpretation also aligns the Company's statement in an interrogatory response. EOE Brief, p. 57; Interrog. Resp. EOE-571 ("Once the field crews start restoration efforts, they move from 'standby' to 'work time.' When that occurs, all hours worked are billed as work time until demobilization occurs, which is an industry standard."). Based on the MSA language, vendor timesheet instructions, and the Company's response that crews move from standby to work time once restoration efforts begin, EOE asserts that vendors may only bill working rates after receiving their first assignments. EOE Brief, pp. 56–57.

To assess the impact of this improper billing practice, EOE reviewed vendor invoices and contractor timesheets to compare the timing of first work assignments against the labor rates billed. Id., p. 57. For the MS23J011 event, EOE reviewed invoices from Mid-Con and found that four out of five crews billed between two and four hours at higher working rates before receiving their first work assignments. Id., pp. 57–58 (citing Interrog. Resp. EOE-600, Att. 1 and Interrog. Resp. EOE-058-SP03, Att. 4, p. 34). EOE estimated that this billing resulted in more than $47,000 in excess labor costs. EOE Brief, p. 58.

EOE also reviewed D&D Power LLC invoices associated with the MS23H event and identified a crew that billed an entire day at working rates despite not receiving its first assignment until 7:30 a.m. Id. (citing Ex. CLP-53(A), pp. 615–26 and Interrog. Resp. EOE-889). In addition, EOE reviewed documentation for Riggs Distler & Company associated with the MS23D event and found that the timesheets lacked sufficient detail

to determine when assignments began, preventing verification of whether standby and work hours were billed correctly. EOE Brief, pp. 58–59 (citing Ex. CLP-47(A), pp. 925–35). Based on the Mid-Con example, EOE calculated the ratio of improper labor charges to total line crew costs for the MS23J011 event and extrapolated that ratio across the population of line crew costs included in the Company's storm cost request, resulting in an estimated impact of approximately $1.2 million. EOE Brief, p. 59. To account for sampling risk and uncertainty associated with the extrapolation, EOE reduced its recommendation and ultimately proposed a minimum reduction of $500,000 related to billing of labor at emergency response working rates during standby. Id.

The Company disagrees with EOE's interpretation of standby and work time and argues that EOE misunderstands when a contractor transitions from standby rates to emergency response working rates. Eversource Reply Brief, p. 108. The Company points to its MSAs, which state that emergency response working rates are payable from the commencement of emergency response work through the termination of that work, and references page 7 of Attachment 1 of its response to Interrogatory EOE-937 as an example. Id., pp. 108–09. According to the Company, emergency response work begins once a contractor crew is onsite and ready to support storm restoration activities. Id. The Company further explains that the MSAs define emergency response work as work awarded through an emergency response work release and that a contractor's acceptance of such a release constitutes the commencement of emergency response work. Eversource Reply Brief, p. 109. As a result, the Company maintains that contractors remain on standby only until they receive a work release directing them to report for duty or otherwise support restoration efforts. Id. Once that work release is issued, the contractor transitions from standby time to work time and is eligible to bill at emergency response working rates. Hr'g Tr., Apr. 1, 2026, 10:17–11:16. The Company characterizes this distinction as the clear demarcation between standby and work time and notes that disputes regarding the application of these billing classifications are rare, which it contends demonstrates a mutual understanding between Eversource and its contractors regarding the appropriate billing treatment. Tr., 124:5–125:10. The Company explains that once a contractor is onsite and ready to support storm restoration, that constitutes "the commencement of Emergency Response Work" and the contractor bills at a working rate. Eversource Reply Brief, pp. 108–09.

The Authority finds that the record does not provide a clear and consistent explanation of when contractor crews transition from standby status to emergency response work status. On one hand, the Company argues that emergency response work begins once a contractor crew is onsite and ready to support storm restoration activities. Hr'g Tr., Apr. 1, 2026, 10:18–24. On the other hand, the record also contains Company guidance stating that crews remain on standby until they receive their first ticket. Interrog. Resp. EOE-59, Att. 1, p. 4. The Authority is unable to fully reconcile these two explanations.

The Authority also notes that certain billing records appear inconsistent with the Company's interpretation. For example, the Authority reviewed records where a vendor separately billed standby and working rates on the same day, with the vendor charging overtime standby rates for a portion of the day and double-time working rates only after

receiving work assignments. Landry and Griffin December 2024 PFT, Ex. CLP-42(A-1) (Confidential), pp. 642–646. This billing treatment appears consistent with EOE's interpretation that crews must remain on standby until assigned restoration work and thereby get paid a lower rate than the working rate. Id.; EOE Brief, pp. 56–59. Further, the Company reported that the storm event had already commenced and customer outages existed during the period in question. Ex. ES-IMT-1A Supp., p. 14; Ex. ES-IMT-3 Supp., p. 17. If emergency response work begins merely because a crew is onsite and available to support restoration activities, it is unclear why the vendor continued to bill standby after reporting to the work location. Landry and Griffin December 2024 PFT, Ex. CLP-42(A-1) (Confidential), pp. 642–46.

Based on the review of the record, the Authority finds that the costs identified by EOE where Mid-Con improperly billed at working rates for the MS23J011 event should be removed from the request. Mid-Con billed $4,858,088 for services between December 17 and 21, 2023. Landry and Griffin July 2025 PFT, Ex. ES-ACCT-4 Supplemental 2, Ex. CLP-54(A) (Confidential), pp. 4236–609; Interrog. Resp. EOE-600, Att. 1 (Redacted). The Company's pricing schedule and invoice demonstrate that Mid-Con billed at higher working rates (emergency response rates) versus lower rates for travel/standby, when they were on standby time. Interrog. Resp. EOE-600, Att. 1 (Redacted); Interrog. Resp. EOE-058-SP03, Att.4, p. 34. Mid-Con's timesheets record all hours on December 18, 2023, as work time, but the vendor was not assigned work until several hours after the vendor's start time.[77] See Interrog. Resp. EOE-600, Att.1 Redacted, pp. 83–87; 115–18; 162–66; 188–92. Table 30, below, shows the number of hours Mid-Con's crews were on standby, the number of hours Mid-Con billed for standby, and the difference between the two.

Table 30: Mid-Con Standby Hours and Standby Billing on December 18, 2023

Start Time	Time of First Assignment	Actual Standby (Hours)	Billed Standby (Hours)	Difference (Hours)
6:00 AM	10:00 AM	4.00	0.00	4.00
6:00 AM	8:23 AM	2.23	0.00	2.23
5:00 AM	6:30 AM	1.50	1.50	0.00
6:00 AM	8:30 AM	2.30	0.00	2.30
5:00 AM	7:00 AM	2.00	0.00	2.00

Interrog. Resp. EOE-600, Att. 1 (redacted), pp. 83–87, 115–18, 137–41, 162–66, and 188–92.

Based on the above improperly billed standby hours, EOE estimates that the improperly billed standby time for Mid-Con during the MS23J011 event to exceed $47,000. EOE Brief, p. 58. EOE derived the amount using the billed rates from the invoice and the reported hours from the timesheets. Id.; see also Interrog. Resp. EOE-

[77] It is notable that the Mid-Con invoice shows one of the crews reporting the correct number of standby hours, but the remaining crews did not. Interrog. Resp. EOE-600, Att.1 Redacted, pp. 137–41.

600, Att. 1 (redacted), pp. 83–87, 115–18, 137–41, 162–66, and 188–92 (showing the crew billing rates). The Authority accepts EOE's calculation methodology as logical and supported by the evidence and, accordingly, finds imprudent $47,000 of the Company's outside contractors and vendors costs.

The Authority share's EOE's concern that similar improper standby billing issues may be pervasive throughout the storm cost-recovery request. EOE sought to estimate the level in which this type of billing exists throughout all the events. EOE Brief, pp. 58-59. EOE did this by estimating the proportion of the identified billing inconsistencies of Mid-Con to the entire MS20J011 event costs and project that proportion to the entire line crew costs. Id., p. 59. EOE determined that $500,000 was a conservative estimate of improper standby billing across all the events. Id.

Although the Authority and EOE have identified inconsistencies regarding the Company's administration of standby and emergency response working rates, the Authority finds that there is insufficient evidence to determine the full extent of any resulting overbilling across all the storms. The examples identified by EOE demonstrate potential inconsistencies in billing practices, but the Authority is not persuaded that EOE's extrapolation from a limited sample provides a sufficiently reliable basis to support the proposed $500,000 reduction. See Section III.C.4, EOE Recommended Extrapolations, above, for additional discussion. Instead, the Authority directs the Company to clarify its policies governing the transition from standby status to emergency response work status and to ensure vendor instructions, contractual provisions, and billing practices are applied consistently in future storm cost-recovery filings.

f. Wire Down Guards

Eversource requested review of $782,940,917 in outside contractors and vendors expenses, which includes wire down guard costs. Landry and Griffin March 2024 PFT, pp. 13-14. The Authority finds that the Company imprudently incurred $338,245 in wire down guard costs for events MS23F011 and MS23J011. As such, the Authority removes $338,245 in outside contractors and vendors expenses from the Company's review request.

As part of the Company's storm response, the Company utilizes contractor wire guards. Interrog. Resp. OCC-20, Att. 1, p. 22. Wire guards are responsible for responding to public safety issues as identified. Id., p. 476. Wire guards are assigned and dispatched by the wire guard coordinator to damage locations where electric infrastructure has created a potential electrical hazard. Id. The Company explains that wire guards require specialized training and qualifications, and that the Company provides specific instructor-led and eLearning courses. Eversource Brief, p. 106; Interrog. Resp. EOE-873. The Company further explains that wire guard positions are inordinately difficult to staff, and, for that reason, the Company entered into contracts with wire-guard services companies around New England. Interrog. Resp. EOE-611, p. 1. For example, the Company conducted a competitive request for proposal (RFP) process to procure wire guard services for the 2020–2023 contract period and awarded contracts to 8 of the 11 contractors that provided proposals. Interrog. Resp. EOE-970.

Once a resource need is identified for wire guards, the Company first hires contractor crews within the state of Connecticut, and once those resources are exhausted, the Company branches out to bordering states. Interrog. Resp. EOE-611, p. 2. Given the emergency nature of storm response, the Company asserts that ensuring sufficient, timely coverage may take precedence over geographic considerations for procuring wire guards. Id. The Company also asserts that the use of external and out-of-state wire guard resources is consistent with industry practice and necessary to support safe, timely restoration. Id.

EOE argues that the Authority should exclude travel costs associated with out-of-state wire guards, in part because wire guards are individuals who do not require unique qualifications or experience to perform the assignments. EOE Brief, p. 59; Interrog. Resp. EOE-969. EOE sampled various wire guard expenses for certain storm events and raised concerns about the Company's engagement of out-of-state crews and reliance on high-cost vendors that were not subject to the Company's competitive bid process. EOE Brief, pp. 59-60 (citing Interrog. Resp. EOE-872, Att. 1, Att. 2; Interrog. Resp. EOE-970, Att. 1; Interrog. Resp. EOE-870, Att. 1; Interrog. Resp. EOE-838, Att. 1). After reviewing Eversource's use of competitive bids, EOE stated:

> EOE performed a comparison between the Company's two wire guard listings provided with Interrog. Resp. EOE-872, specifically Att. 1 and Att. 2, to the eight vendors awarded wire guard contracts in the Company's 2020 competitive request and observed that only two of the eight award recipients were identified by the Company as being used to support singular storm events (i.e., Energy Source LLC for MS22K and Hanna Electric for MS20C). Compare Interrog. Resp. EOE-970, Att. 1 Redacted with EOE-870, Att. 1 and Att. 2. EOE next attempted to assess the accuracy of this comparison by separately comparing the eight award recipients to Interrog. Resp. EOE-838, Att.1 (i.e., the consolidated listing of all incremental vendor costs by storm event) and verified the same results. EOE cannot posit a scenario where the Company would perform a competitive RFP process, award contracts to eight vendors, and then only use two of those vendors for single storm events while engaging more costly wire guard vendors, including vendors that require significant travel, as further discussed below. The Company's actions are perplexing and befuddle EOE.

EOE Brief, p. 60.

In addition, "EOE argues that the Company's engagement of out-of-state wire guards for the storms sampled . . . (MS23F011 [and] MS23J011), especially for those crews that required significant travel[,] with some in excess of 1700 miles . . . is imprudent and demonstrates a lack of adequate planning on the Company's behalf." EOE Brief, p. 63; see also Late Filed Ex. 1, Ex. CLP-49.1, Ex. CLP-49, rows 382, 383, 501; Interrog. Resp. EOE-535-SP01, Att. 2, pp. 96–125. Additionally, "EOE questions if the Company has appropriately ensured that they are pursuing the lowest cost option given that the billed rates significantly exceed most of the wire guard vendors who were subject to the Company's competitive bid process." EOE Brief, p. 63. Therefore, EOE argues that the

Company "failed to meet its burden to demonstrate the necessity of the out-of-state wire guard expenses and recommends that the travel portion of these costs be eliminated from the recovery request." Id.

EOE estimates that $338,245 should be eliminated from the Company's request for events for MS23F011 and MS23J011. Id.; Landry and Griffin July 2025 PFT, Ex. CLP-49(A) (Confidential), pp. 1857, 1863, 5807–08; Landry and Griffin July 2025 PFT, Ex. CLP-54(A) (Confidential), pp. 4116, 4118, 4120, 4122, 4124; Interrog. Resp. EOE-535-SP01, Att. 2, pp. 96–125. EOE derived this estimate by finding the proportion of travel time to total time billed for all timesheets reviewed and applying that proportion to the total bill to determine the approximate portion of each invoice attributable to travel. EOE Brief, p. 63.

EOE also recommended extrapolating this amount across all events. Id., pp. 63-64. EOE performed an estimated analysis of external wire guard travel cost by first identifying the total number of wire guards used during the MS23F011 and MS23J011 storm events. EOE Brief, pp. 63–64. EOE then subtracted an assumed 100 internal employees from the total vendor wire guards. Id. Using the remaining vendor counts and the total travel costs for the sampled storms, EOE calculated an estimated travel cost of more than $2,000 per external wire guard employee. Id. EOE subsequently applied this estimated per-employee travel cost to the remaining storm events to derive a potential travel-related cost impact exceeding $2.4 million. Id. Ultimately, EOE recommends excluding $2.4 million of estimated excess travel expenses. EOE Brief, p. 64.

The Authority recognizes the operational need for external and, at times, out-of-state wire guard personnel during storm response activities. However, the Authority is not persuaded that the Company sufficiently demonstrated why it did not fully utilize the wire guard vendors with whom it had already established contracts through a competitive bidding process prior to procuring additional out-of-state resources. Although the Company states that it first sought in-state and bordering-state resources before expanding further geographically, the record does not clearly demonstrate that the competitively bid vendors available to the Company were exhausted prior to engaging the disputed out-of-state vendors. Accordingly, the Authority agrees with EOE that the identified travel costs for MS23F011 and MS23J011 totaling $338,245 were not sufficiently demonstrated as prudent. Consequently, the Authority reduces the Company's storm costs eligible for recovery for outside contractors and vendors by $338,245.

The Authority declines, however, to extrapolate from the travel costs for 2 storms, MS23F011 and MS23J011, to the entire population of external wire down guard costs across 43 storms.

g. Unused Generators

In preparation for a storm event, the Company procures heavy duty generators ranging from 45–500 kilowatts. Ex. ES-ACCT-3-Supp. 2, Ex. CLP-52(A) (Confidential), p. 2165. In cases where the Company does not have prearranged contracts with generator companies, the Company may procure resources ahead of time to avoid

shortages of equipment and guarantee resource availability. Interrog. Resp. EOE-471. The Company uses the generators to support vendors, residents, and its own operations across its service territory during storm events. Id.

EOE recommends that the Authority exclude $2,394,282 in costs associated with the Company's "unnecessary rental of unused generators" associated with storm events. EOE Brief, p. 68. The Company incurred $377,398 in generator costs in storms MS22A, MS23G, MS23H, and MS23J. EOE Brief, p. 68; Interrog. Resp. EOE-430; Interrog. Resp. EOE-431; Interrog. Resp. EOE-830; Interrog. Resp. EOE-910; Interrog. Resp. EOE-608; Interrog. Resp. EOE-622; Ex. CLP-34(A), pp. 2918–2921; Ex. ES-ACCT-3-Supp. 2, Ex. CLP-52(A), pp. 2341, 2343; Ex. ES-ACCT-3-Supp. 2, Ex. CLP-53(A), pp. 1789–1801. EOE determined that $173,995 of the $377,398 in generator costs for the four storms, or approximately 46% (Unused Generator Percent), are associated with unused generators. Id.; EOE Brief, p. 68. EOE then multiplied the Unused Generator Percentage by the total generator costs the Company requests (46% x $5,193,238) to derive an estimate of $2,394,282 in total unused generator costs. EOE Brief, p. 68.

The Authority finds merit in EOE's position but finds the costs prudently incurred. Fundamentally, EOE's recommendation is based on a hindsight review of the number of generators used during an event. A prudence review of Eversource's decisions must consider information available at the time the decisions were made. Accordingly, the Authority does not make the reduction suggested by EOE.

h. Non-Competitive Bid: Message Broadcasting LLC

In 2022, Eversource entered into a contract with Message Broadcasting, LLC to provide messaging capabilities during significant storm events. Interrog. Resp. EOE-933, p. 4. At the time, Eversource had an existing contract with vendor Kubra who provided a platform of information technology services and tools that support the Company's website, mobile applications, text and email notifications, and outage map among others. Interrog. Resp. EOE-933, p. 3. Following Tropical Storm Isaias, the Company deemed it necessary to contract with an additional vendor to provide "more robust messaging capabilities during large storm events" and to provide additional redundancy in case the primary Kubra system went down. Id., p. 4. The Company executed a contract with Message Broadcasting pursuant to its Sole Source Justification process. Id., p. 5. Message Broadcasting charged the Company a total of $1,229,884 across seven events (MS22K, MS23B, MS23C, MS23F, MS23G, MS23H, and MS23J). Id., pp. 2–3.

Eversource's internal policy requires that procurements exceeding $50,000 must undergo either: (1) competitive bidding process involving, when feasible, at least three bidders; (2) Sole Source Justification; and (3) an exception to the competitive bid. Interrog. Resp. EOE-865, p. 3. Competitive bidding is the default procurement practice, and the Sole Source Justification process is only permitted when "a review of the marketplace demonstrates that only one supplier is technically and commercially capable of providing the goods or services." Id., p. 4. Sole Source Justification approvals must be supported by: (1) technical and commercial justification; (2) explanation why competitive bidding cannot be conducted; and (3) approvals from required managers. Id.

EOE argues that the entire $1,229,884 of charges from Message Broadcasting should be ineligible for recovery because Eversource (1) failed to justify the need for the service, and (2) failed to follow its own Sole Source Justification process. EOE Brief, pp. 69–70.

The Authority considered EOE's position and finds that Eversource demonstrated the need for the services and properly followed its Sole Source Justification process. In contracting with Message Broadcasting, Eversource selected the Sole Source Justification. While the Authority shares EOE's concern with Eversource bypassing the default competitive procurement process, a review of the record indicates that it was reasonable for Eversource to implement the Sole Source Justification in this case and that the Company complied with its procurement policy. Eversource conducted a review of the marketplace by reviewing technical and pricing information for Message Broadcasting and its primary competitor Everbridge. Interrog. Resp. EOE-933, p. 5. Eversource also gathered commercial information about providers from peer utilities. Interrog. Resp. EOE-933, Att. 2 (Confidential), p. 3. The Company's internal documentation meets the Company's requirement for Sole Source Justification and includes technical and commercial justification for selecting the vendor, explanation for why competitive bidding is not feasible, and all manager approvals. Id., pp. 1-5.

Accordingly, the Authority finds $1,229,884 of Message Broadcasting charges prudent in this proceeding. Contrary to EOE's position, Eversource did demonstrate the need for both a redundant messaging system and for additional capacity to support high volume needs during large storm events. Interrog. Resp. EOE-933, p. 4; see also Interrog. Resp. EOE-933, Att. 3 (Confidential), pp. 3–4.

Consequently, the Authority declines EOE's proposal to disallow Message Broadcasting charges and includes $1,229,884 of vendor costs.

i. Dock Crews

The Company incurred costs for external crews that were procured to restore power and conduct recovery work, which includes dock crews. Landry, Griffin, Eversource, PFT, p. 13. Dock crews are crews that work for Eversource as part of the Company's day-to-day resource pool that can be used post-storm to restore the distribution system back to its normal operating condition. Interrog. Resp. EOE-570.

EOE's primary concern with the use of dock crews is that the Company has assigned various post-storm repairs to the external crews while deferring the costs to the storm reserve when the Company could have used internal employees to perform the same services for limited to no incremental costs. EOE Brief, pp. 46–47. EOE argues that the Company can easily assign post-storm tasks to its own employees, which results in limited to no incremental storm costs and can separately assign other non-storm activities to dock crews. EOE Brief, p. 47. EOE calculated that the Company incurred $8 million in expenses by using dock crews post storm from 2019–2023. EOE Brief, p. 48; Interrog. Resp. EOE-836, Att. 1. EOE recommends a reduction of $6 million to account for costs attributable to expenses applicable to events that did not meet the $4 million threshold or could have required (limited) employee overtime to complete. OCC also

asserts that the Company has not demonstrated that the use of dock workers for post-storm work is "a less expensive alternative" to the use of internal crews. OCC Brief, pp. 78-79.

The Company argues that EOE and OCC claims should be rejected because there is no record evidence supporting the conclusion that the work performed by dock crews was performed at a higher cost than would have occurred using the Company's own crews. Eversource Reply Brief, p. 101. Additionally, the Company argues that there is no record evidence that internal crews are a less expensive resource to perform work than dock crews, whether viewed on an hourly rate basis or as an incremental vs. non-incremental resource. Id. The Company further explains that the use of dock crews to supplement internal crews is a cost-effective approach because it would be prohibitively expenses (and a much higher cost to customers) to keep that level of resources on staff for 365 days a year, with associated benefits, to perform work that is incremental to that performed in the normal course of business. Id.; Interrog. Resp. EOE-707; Interrog. Resp. EOE-644 Supplemental 1.

The record raises questions about the Company's assertion that assigning post-storm work to internal employees would not be cost effective, particularly where the first eight hours of internal employee labor are already recovered through base rates. However, the record does not clearly demonstrate that the use of dock crews resulted in higher costs than would have been incurred had the Company utilized internal crews to perform the same work. The Company should, of course, be continuously reviewing its use of dock crews and internal crews to provide the most cost-effective service to its customers.

j. Costs Allocated to Frontier

A June 30, 2015 settlement agreement between Eversource and the Southern New England Telephone Company dba Frontier Communications of Connecticut (Frontier) requires Frontier to pay Eversource 30% of all vegetation-related storm restoration work incurred by Eversource, including 30% of food and lodging expenses for vegetation management contractors. Interrog. Resp. EOE-702-SP01, Att. 1, pp. 9–10.

EOE contends that Eversource did not seek reimbursement from Frontier for 30% of the vegetation management vendors' food and lodging expenses paid directly by the Company. Interrog. Resp. EOE-703, Att. 1; EOE Brief, p. 88. As such, EOE requests that the Authority reduce the storm recovery request by $1,871,573. EOE Brief, p. 90. EOE states it calculated this amount by taking 7% of all lodging costs and 25% of all provided-meal costs, which are EOE's estimates for vegetation crews' allocations of these costs, and multiplying these costs by 30%. EOE Brief, pp. 89–90.

Eversource argues that it has already billed Frontier for some vegetation management vendors' lodging costs, which would reduce EOE's lodging estimate. Eversource Reply Brief, p. 103. Most vegetation crews are local and therefore do not require lodging, however, when non-local crews are hired, they self-lodge for the first night, charging Eversource for these costs in their vendor billing, and which costs are included in the Frontier allocation. Interrog. Resp. EOE-793. EOE's estimated

disallowance is based on the assumption that 7% of all lodging costs can be attributable to vegetation crews; however, the actual proportion would be smaller due to this self-securing process, since some of those lodging costs were already included in the billing to Frontier, as well as since many crews are local and therefore do not require lodging. EOE Brief, p. 89-90.

In addition, any meals self-secured by vegetation management crews are already included in the vegetation management costs billed to Frontier. See Interrog. Resp. EOE-793. Additionally, EOE based its assumption that 25% of meals can be attributed to vegetation management crews by calculating the proportion of crews that can be attributed to vegetation management using one instance of the ELM. EOE Brief, p. 89. However, this is problematic as the ELM has been revised four times between 2018 and 2023, the event levels vary considerably from storm to storm, and the ELM is not an explicit directive of the number of vegetation management crews that Eversource is required to hire per storm. Ex. ES-IMT-3, pp. 39–43; Interrog. Resp. OCC-124. Therefore, the Authority does not accept EOE's estimates of meal costs assignable to vegetation management crews.

The Authority declines EOE's request to disallow $1,871,573 in costs as it finds that EOE's calculations incorrectly interpret Eversource's obligation with Frontier to offset the ratepayer requested costs.

k. Revenew Audit and Contract Dispute Settlements

The Authority makes two adjustments related to the work of Revenew International LLC (Revenew), the Company's third-party audit firm. First, the Authority makes an adjustment of $2,479,669 for the disallowance of negotiated vendor concessions as of the close of record. Second, the Authority makes an adjustment of $63,305,346 for external vendor costs that were still under audit by Revenew at the time the record closed and not *yet* ripe for the Authority's review. Accordingly, the Authority reduces the Company's storm cost review request by $65,785,015 ($2,479,669 + $63,305,346).

First, the Company included in its review request certain external vendor costs that Revenew identified as containing errors during its audit and which resulted in "negotiated vendor concessions" (i.e. refunds of payments to Eversource). Interrog. Resp. Interrog. Resp. EOE-39SP01. The Company proposes to reflect the "negotiated vendor concessions" as credits against future storm costs. Interrog. Resp. OCC-532, p. 1. The Company engaged Revenew to audit certain vendors that provided storm and non-storm services to the Company and its affiliates. Id. Revenew conducted storm-related audits of six vendors providing line crew resources and one vendor providing tree crew resources during the period 2019 through 2022 (i.e., Sparks Energy (Sparks), Support Operation Services (SOS), Mid-Con Energy (Mid-Con), Elecnor Hawkeye, Elecnor Energy Service (Elecnor Energy), MTV Solutions (MTV)), and Lewis Tree (Lewis). Interrog. Resp. EOE-39SP01, pp. 3-4; Interrog. Resp. OCC-173. As part of its audit process, Revenew "takes unique steps to review the vendor costs by validating the charges to source systems and records on the vendors [sic] side." Late Filed Ex. 7. After

Revenew identifies errors in an external vendor's costs, "Revenew and the Company present the findings to the vendor and enter into a settlement discussion." Id.

As of the close of record, Eversource had negotiated vendor concessions with Sparks, SOS, and Mid-Con. Interrog. Resp. OCC-532, p. 1; Interrog. Resp. EOE-199, p. 3. The audit of Lewis did not result in vendor concessions related to storm invoices. Id., p. 1. The negotiated vendor concessions for each vendor are summarized in Table 31, below. Revenew had not yet completed the audits of Elecnor Hawkeye, Elecnor Energy Service, and MTV Solutions, as of the close of record. Hr'g Tr., Mar. 25, 2026, pp. 9:14–10:13; Interrog. Resp. OCC-532, p. 2.

Table 31: Negotiated Vendor Concessions

Vendor	Amount ($)
Sparks	1,060,648
SOS	139,209
Mid-Con	1,279,812
Total	**2,479,669**

Interrog. Resp. OCC-532; Interrog. Resp. EOE-199, p. 3.

EOE recommends that the Authority disallow $2,479,669, which is the total amount of the negotiated vendor concessions the Company has reached to date, on the grounds that amounts paid outside the governing contract terms were not prudently incurred and should not be recovered from ratepayers. EOE Brief, pp. 90–91 (citing Interrog. Resp. OCC-532; Interrog. Resp. EOE-199, p. 3). In addition, although EOE does not dispute that the Company's engagement of Revenew is a valuable cost-containment practice, EOE objects to the Company's proposed treatment of the recovered amounts. EOE Brief, p. 91. Specifically, EOE argues that crediting the negotiated vendor concessions against future invoices, which may include non-storm invoices, may shift the benefit of the recovery to activities already reflected in base rates (i.e., may not be applied to incremental catastrophic storm work), to the detriment of ratepayers. Id. As such, EOE recommends that the entire amount of $2,479,669 of known negotiated vendor concessions be applied as an offset to the Company's storm cost recovery request. Id.

The Authority adopts EOE's recommended adjustment of $2,479,669 for the negotiated vendor concessions as of the close of record. The amounts at issue are costs that will be returned to Eversource in some form, and the Authority appreciates that the Company has worked to resolve disputed payments. That said, the Company's proposal to realize the negotiated vendor concessions as credits in future storms is inappropriate as any payments ultimately returned to the Company should reduce the incremental costs relating to 2018–2023 storms. Therefore, the Authority finds it is appropriate to adjust the storms costs in this proceeding by $2,479,669 for the negotiated vendor concessions amounts.

Second, as noted above, as of the close of the record in this proceeding, Revenew has not completed the audits of MTV, Elecnor Energy, and Elecnor Hawkeye but had

found errors. Interrog. Resp. OCC-532, p. 1. Because Revenew is still auditing these vendors, there may be additional negotiated vendor concessions associated with costs related to the 2018–2023 storm events. Interrog. Resp. EOE-39SP01, p. 4. Indeed, Eversource identifies the potential for negotiated vendor concessions from MTV, Elecnor Energy, and Elecnor Hawkeye. Interrog. Resp. OCC-390.

OCC argues that the Authority should not yet authorize recovery for the MTV, Elecnor Energy, and Elecnor Hawkeye costs under review because "the evidence in the record shows that the costs in the record for these vendors will decrease, so the Authority does not know the correct cost at this time". OCC Exceptions, p. 11. OCC argues that it is insufficient to merely instruct Eversource to return any ultimate repayment to ratepayers at a future date because "[c]ustomers should not be asked to overpay to avoid Eversource undercollecting, since Eversource had the burden to place the correct costs for these vendors in the record." Id., p. 11 n.12. OCC suggests that the Authority postpone review of the costs to a later proceeding, "possibly the rate case, and addressed them when Revenew complete[s] its negotiation and Eversource place[s] the final costs into the record." Id.

The Authority agrees with OCC and finds that the costs are not *yet* ripe for review by PURA, because Revenew is still auditing MTV's, Elecnor Energy's, and Elecnor Hawkeye's costs. The burden is on Eversource to provide the correct and final costs into the record in this proceeding, and if the vendor costs are approved prior to the conclusion of the settlements, customers will likely overpay Eversource. Accordingly, the Authority will postpone review of the MTV's, Elecnor Energy's, and Elecnor Hawkeye's costs to a future proceeding. Consequently, the Authority reduces the Company's review request by $63,305,346 to reflect the removal of MTV's, Elecnor Energy's, and Elecnor Hawkeye's external vendors costs. To be clear, the removal of these external vendor costs from the Company's review request is not a disallowance, but rather a postponement of the review of the costs until completion of the audits and resulting settlement discussions.

The $63,305,346 is comprised of all costs associated with MTV, Elecnor Energy, and Elecnor Hawkeye that the Company incurred in calendar years 2019 through 2022, which is the period under audit. See Interrog. Resp. EOE-838, Att. 1 (showing vendor costs, by vendor, for each event). Table 32, below, summarizes the MTV's, Elecnor Energy's, and Elecnor Hawkeye's total vendor costs.

Table 32: Costs Associated with Vendors Currently Under Audit

Vendor	Vendor Costs ($)
Elecnor Hawkeye	17,311,795
Elecnor Energy	6,663,921
MTV	39,329,630
Total	**63,305,346**

Interrog. Resp. EOE-838, Att. 1.

Accordingly, the Authority adjusts the Company's requested storm costs by $65,785,015 ($2,479,669 + $63,305,346), which reflects the reduction of $2,479,669 for the negotiated vendor concessions as of the close of record and $63,305,346 for external vendors costs that are currently under audit.

I. Mid-Con Colorado Crew for MS23F011

The Authority finds the Company's decision to procure a 49-person crew from Colorado, which included chartering private aircraft and buses as well as paying the crew to sit idle for an entire day while awaiting the availability of a private aircraft for a return flight, was imprudent. Accordingly, the Authority disallows $1,139,599 related to those costs.

When the Company engages out-of-state crews to support its restoration efforts, it pays the costs associated with transporting those crews to and from Connecticut. Landry and Griffin March 2024 PFT, p. 28; Sullivan et al. March 2024 PFT, p. 57. During the MS23F011 event, the Company procured a 49-person line crew from Colorado to perform emergency restoration work over a two-day period. Ex. CLP-49(A), pp. 2600–23. The crew (1) mobilized on March 13, 2023, (2) performed restoration work on March 14–15, 2023, (3) demobilized on March 16, 2023, and (3) returned to Colorado on March 17, 2023. Id. To transport the crew, the Company chartered two private aircraft and buses at a cost of $377,728. Id., p. 2305. In total, the Company incurred $1,955,935 in incremental costs associated with this crew, including $1,504,568 in labor costs, $93,934 in equipment expenses, $19,600 in food and lodging expenses, and $105 in credit card expenses. Late Filed Ex. 11, p. 5; Ex. CLP-49(A), pp. 2608-23.

The Company explains that the MS23F011 event was an Event Level 4 nor'easter that produced heavy, wet snow and strong wind gusts, particularly across northwestern Connecticut. Interrog. Resp. OCC-449-RV01; Ex. ES-IMT-4-48, pp. 1–28. According to the Company, because the storm affected the broader Northeast region, competition for available mutual assistance crews was significant, limiting the availability of restoration resources. Interrog. Resp. OCC-449-RV01. As a result, the Company secured line crews that traveled by road from locations as distant as Missouri, Indiana, Ohio, Tennessee, and Texas. Id. Further, due to the unavailability of qualified crews closer to Connecticut, the Company states that it worked with Mid-Con Electric Energy Services to mobilize available Colorado-based resources. Id.

The Company asserts that it performed a cost-benefit analysis comparing transporting the Colorado crew by road with transporting the crew by chartered private aircraft. Interrog. Resp. OCC-449 RV01. According to the Company, requiring the crew to drive approximately 1,900 miles to Connecticut would have resulted in an estimated $2,310,103 in mobilization and demobilization costs, exclusive of restoration costs incurred once the crew arrived in Connecticut. Interrog. Resp. OCC-449, Att. 1. By comparison, the Company estimates that transporting the crew by chartered private aircraft and buses, while having two pieces of equipment travel by road, reduced mobilization and demobilization costs to approximately $1,090,055, resulting in estimated savings of $1,220,048. Ex. CLP-49(A), pp. 2305, 2608–14; Late Filed Ex. 11, p. 5.

OCC argues that the Company acted imprudently by incurring excessive transportation costs to mobilize and demobilize the Colorado crew. OCC Brief, p. 61, OCC Exceptions, p. 22. Specifically, OCC contends that the Company failed to demonstrate why chartered flights were necessary or why commercial air travel was not a viable alternative for either the inbound or return trips. Id., p. 62. Further, OCC states that, because the Company was unable to secure charter flights on March 16, 2023, the crew remained in Connecticut without performing restoration work until charter flights became available on March 17, 2023, rather than returning by commercial aircraft. Id.; Late Filed Ex. 10.

OCC also challenges the reasonableness of the travel hours billed by the Colorado crew. OCC Brief, pp. 62–64. OCC states that the crew billed 16 hours of travel on March 13, 2023, despite flight records indicating an approximately 7-hour flight, and argues that the remaining travel time (i.e., 9 hours) is not adequately supported in the record, given that the Colorado crew traveled by private aircraft and had ground transportation arranged upon arrival. Id., pp. 62–63. OCC further observes that, although the Company states only three members of the Colorado crew traveled on March 16, 2023, all 49 crew members billed 16 hours of travel for that day. Id., pp. 63–64; Late Filed Ex. 11, p. 5. Finally, OCC questions why the crew members traveling on the same return flight on March 17, 2023, billed between 10 and 15 hours of travel when the flight itself lasted approximately 3 hours and 54 minutes. OCC Brief, pp. 63–64.

The Authority concurs with OCC that the Company acted imprudently in procuring the Mid-Con crew from Colorado, given the known costs for mobilization and demobilization. Although the Authority recognizes that MS23F011 was a regional Event Level 4 storm that constrained the availability of mutual assistance resources throughout the Northeast, the record does not demonstrate that securing a crew from Colorado with such significant mobilization and demobilization costs represented a reasonable or cost-effective restoration decision. The record demonstrates that the Company incurred approximately $1.09 million in mobilization and demobilization costs to transport the Colorado crew to and from Connecticut, including the use of charter private aircraft and buses. Ex. CLP-49(A), p. 2305; Late Filed Ex. 11, p. 5. Although the Company argues that chartering an aircraft was less expensive than requiring the crew to drive approximately 1,900 miles, that comparison addresses only the *relative cost* of two methods of transportation for the same distant crew. It does not demonstrate that procuring a crew located in Colorado was, in itself, a prudent decision. In other words, the question is not just whether the Company prudently evaluated the various travel costs (driving versus chartered private aircraft), but whether the Company prudently elected to hire the crew at all. There is no evidence in the record to demonstrate that the MS23F011 event was predicted to be of a magnitude to justify the expenditure. As such, the Authority is not persuaded that the Company reasonably balanced the substantial transportation costs against the anticipated restoration benefits before committing to these resources.

Further, while the Colorado crew was mobilizing on March 13, 2023, the Company had Connecticut-based crews from 3 Phase Line Construction on standby in Connecticut and not performing restoration work. Ex. CLP-49(A), pp. 5919–21. The Connecticut-based crews remained on standby for significant periods on March 13, March 14, and

March 15, 2023, while the Company elected to incur substantial costs to transport the Mid-Con crew from Colorado. Id. As the Company had Connecticut-based crews available and did not fully utilize them, the Authority is not persuaded that the Company demonstrated the need to procure a crew from Colorado.

Additionally, the Company did not demonstrate that, having incurred the expense of transporting the crew to Connecticut, it acted prudently once the Mid-Con crew was present in Connecticut. There was insufficient evidence that the Company acted prudently by keeping the Mid-Con crew mobilized on March 14–15, 2023, and continuing to pay for the crew while it was demobilized on March 16, 2023, while awaiting the availability of a chartered private aircraft to return it to Colorado. Further, there was no testimony that the Company considered an alternative method of transporting the crew to Colorado, which may have reduced travel costs and demobilization.

Because the imprudence arises from the Company's decision to incur extraordinary mobilization and travel costs, rather than from the restoration work ultimately performed by the crew, the Authority will only remove the travel-related costs associated with mobilizing and demobilizing the Colorado crew from the Company's review request. Specifically, the Authority removes (1) $377,728 in costs associated with the chartered aircraft and bus transportation; (2) $710,808 in travel labor expenses incurred on March 13, March 16, and March 17, 2023; (3) $36,258 in equipment expenses associated with mobilization and demobilization on March 13, March 16, and March 17, 2023; (4) $14,700 in food and lodging expenses associated with March 13, March 16, and March 17, 2023; and (5) $105 in toll expenses incurred on March 13 and March 16, 2023. Ex. CLP-49(A), pp. 2305, 2608–23; Late Filed Ex. 10; Late Filed Ex. 11, p. 5. The Authority finds that it was more likely than not that the Company prudently incurred the remaining $856,336, which relates to the work the Colorado crew performed while in Connecticut. Late Filed Ex. 11, p. 5. Accordingly, the Authority finds $1,139,599 of costs imprudent and $856,336 of costs prudent, as summarized in Table 33, below.

Table 33: Company Proposed and Authority Adjusted Colorado Crew Costs

Cost Category	Company Proposed ($)	Authority Adjustment ($)	Adjusted Total ($)
Chartered Aircrafts and Buses	377,728	(377,728)	-
Labor Travel Costs	710,808	(710,808)	-
Emergency Work Costs	793,760	-	793,760
Food and Lodging Per Diem	19,600	(14,700)	4,900
Equipment Costs	93,934	(36,258)	57,676
Credit Card Expenses	105	(105)	-
Total	**1,995,935**	**(1,139,599)**	**856,336**

See Ex. CLP-49(A), pp. 2305, 2608–23; Late Filed Ex. 10; Late Filed Ex. 11, p. 5.

m. Vendor Cost Errors

The Authority finds that the Company has not met its burden with respect to $7,643,340 of vendor costs, based on an extrapolation using a 1.20% error rate. As

discussed in Section III.C.4, EOE Recommended Extrapolations, above, EOE proposes reductions to vendor costs based on its review of certain storm costs. After considering the evidence in the record, the Authority finds the costs contained in three storm events (MS23G011, MS23H011, and MS23J011) and one prestaging event (MS22F011) to be reasonably representative of the storms submitted by the Company for review.

Generally, targeted reviews should serve a specific purpose that enhances the validity of the sampling (i.e., targeted reviews of higher value transactions are often performed to ensure that a sufficient and representative dollar amount of the total population is considered). See Interrog. Resp. EOE-23 (explaining that PwC performed both "target testing," which is "test[ing] performed by an independent auditor that identifies and tests all transactions greater than a pre-determined dollar amount threshold" and "random sampling testing," which is "test[ing] that is performed by an independent auditor on a random basis (regardless of dollar value) such that all transactions in a population have an equal chance of being selected for testing procedures").

In this case, EOE proposed extrapolating from the errors identified in the three most recent storm events and the most recent pre-staging event. Each of the events occurred in 2022 or 2023, after the Authority ordered the Company to improve its record keeping in the 20-08-03 Decision. Notably, Eversource witnesses testified that Company processes have improved over time, and the Authority would not presume that the Company's accounting and other controls would have worsened in 2022 and 2023 as compared to earlier storms. See, e.g., Hr'g Tr. Mar. 24, 2026, 237:8–18 ("over the course of the past eight years we have developed further trainings, continued to educate our workforce to find errors that may have been made that caused us to reject invoices and then try to educate our workforce, the field coordinators, on make sure that you pay attention to these fields, you know, we're seeing, we're seeing some errors in invoices that didn't match, so those type of things have happened throughout the course of the years, and through the revisions of the timesheets."); Hr'g Tr. Mar. 24, 2026, 239:24–240:5 ("So when you invoice us, it, we're not going to authorize the say, we're not going to authorize the payment of this extra equipment. Things like that we've improved upon because we saw, again, you're doing an invoice months later, this piece of equipment's here, now we're trying to rectify, you know, it's better if you can catch it right away I guess."). Based upon Eversource's iterative improvements to its internal reviews and control processes, the Authority finds that supporting evidence from the most recent events is reasonably likely to include both more precise documentation and fewer errors than supporting evidence from earlier events. EOE identified and Eversource confirmed errors of $763,703 across the four events.[78]

[78] EOE identified a total of $903,541 of errors that it says were conceded by Eversource. EOE Brief, p. 120. Eversource argued that $139,838 of the $903,541 was not an error for MS23J011, but part of an ongoing adjustment to account for costs billed to Frontier. Eversource Reply Brief, pp. 74–75. PURA declines to include $139,838 as a confirmed error adjustment as proposed by EOE. The adjustment is not a specific error for storm MS23J011; it is part of an ongoing adjustment made by Eversource to ensure that 30% of all vegetation management vendor-related expenses are billed to Frontier (per contractual agreement) and removed from the Company's deferred storm cost request. Interrog. Resp. EOE-869, pp. 1–2. Eversource included the 30% reduction for vendor vegetation management costs across all storms in

Table 34: Vendor Cost Confirmed Errors, Per Event

Eversource Invoice Code	Confirmed Error Amount ($)	Source
MS22F011 (CLP-44) (Prestaging)		
MS22F-PRESTAGING TREE	10,069	EOE-479
MS22F-PRESTAGING TRAFFIC	1,757	EOE-481
MS22F-PRESTAGING LINE	15,992	EOE-482
MS22F-PRESTAGING TREE	19,194	EOE-484
MS22F-PRESTAGING LINE	86,127	EOE-487
MS22F-PRESTAGING OTHER	15,335	EOE-489
MS22F-PRESTAGING (VENDOR)	14,100	EOE-496-SP02
MS22F011 Total	**162,574**	
MS23G011 (CLP-52)		
MS23G-TRAFFIC	781	EOE-814
MS23G-TRAFFIC	664	EOE-815
MS23G-TRAFFIC	2,080	EOE-816
MS23G-LINE	145,001	EOE-826
MS23G-OTHER	1,430	EOE-833
MS23G-LINE	12,461	EOE-857
MS23G-OTHER	1,812	EOE-942
MS23G011 Total	**164,229**	
MS23H011 (CLP-53)		
MS23H-TRAFFIC	1,350	EOE-888
MS23H-OTHER	1,126	EOE-891
MS23H-LINE	231	EOE-892
MS23H-LINE	27,125	EOE-911
MS23H-OTHER	18,402	EOE-915
MS23H011 Total	**48,234**	
MS23J011 (CLP-54)[79]		
MS23J-VENDOR-TREE	563	EOE-553
MS23J-VENDOR-TRAFFIC	6,397	EOE-564
MS23J-VENDOR-LINE	8,736	EOE-570SP01
MS23J-VENDOR-TRAFFIC	2,346	EOE-576

Late Filed Exhibit No. 1. See generally Late Filed Ex. 1 Ex. CLP-2 through CLP-54; see also Interrog. Resp. EOE-869, Att. 1 (showing as of February 2, 2026, Eversource had reduced vegetation management expenses across all storms by 29.8%).

[79] PURA declined to include $139,838 as a confirmed error adjustment as proposed by EOE. See EOE Brief, p. 120. The adjustment is not a specific error for storm MS23J011, but is part of an ongoing adjustment made by Eversource to ensure that 30% of all vegetation management-related expenses are billed to Frontier (per contractual agreement) and removed from the Company's deferred storm cost request. Interrog. Resp. EOE-869, pp. 1–2. Eversource included the 30% reduction for vegetation management costs across all storms in Late Filed Exhibit No. 1. See generally Late Filed Ex. 1, Ex. CLP-2–CLP-54; See also Interrog. Resp. EOE-869, Att. 1 (showing as of February 2, 2026, Eversource had reduced vegetation management expenses across all storms by 29.8%).

Eversource Invoice Code	Confirmed Error Amount ($)	Source
MS23J-VENDOR-TREE	1,299	EOE-584
MS23J-VENDOR-TREE	748	EOE-587
MS23J-VENDOR-TREE	279	EOE-591
MS23J-VENDOR-TREE	114	EOE-592
MS23J-VENDOR-LINE	298	EOE-596
MS23J-VENDOR-TRAFFIC	382	EOE-604
MS23J-VENDOR-OTHER	2,272	EOE-606
MS23J-VENDOR-POLICE	500	EOE-607
MS23J-VENDOR-OTHER	140	EOE-608
MS23J-VENDOR-OTHER	6,477	EOE-613
MS23J-VENDOR-OTHER	70,572	EOE-622
MS23J-VENDOR-LINE	301	EOE-627
MS23J-VENDOR-OTHER	1,551	EOE-630
MS23J-VENDOR-TREE	13,614	EOE-670
MS23J-VENDOR-LINE	20,915	EOE-675
MS23J-WIRE DOWN GUARDS	251,161	EOE-873
MS23J011 Total	**388,665**	

Table 35: Vendor Cost Error Rate

	Confirmed Error Amount ($)	Original Vendor Amount[80] ($)	Error Rate
MS22F011	162,575	2,284,074	7.12%
MS23G011	164,229	9,481,371	1.73%
MS23H011	48,234	6,548,822	0.74%
MS23J011	388,665	45,558,946	0.85%
Total	**763,703**	**63,873,213**	**1.20%**

The confirmed vendor cost errors total $763,703, and the total population of original vendor costs is $63,873,213 for the four events. Accordingly, the Company submitted records that overstated its costs by 1.20% for the four events. In addition to the errors identified by EOE and confirmed by Eversource with respect to the four events, the OCC and EOE identified through a less intensive review of the remaining events and the Company confirmed an additional $571,576 of errors. See Late Filed Ex. 1-SP01, p. 1; Late Filed Ex. 1-SP01, Att. 2. Accordingly, based on the confirmed errors, and an understanding of utility recordkeeping, it is unreasonable to expect that 100% of the remaining costs are free from similar (or greater) errors. Accordingly, the Company has

[80]The original vendor charges for each storm were gathered from the original proposed amounts (i.e. before any adjustments conceded by Eversource). The sources for these amounts are located in: (1) MS22F01: Landry and Griffin December 2024 PFT, Ex. CLP-44 (MS22F), p. 1; (2) MS23G011: Landry and Griffin July 2025 PFT, Ex. CLP-52 (MS23G), p. 1; (3) MS23H011: Landry and Griffin July 2025 PFT, Ex. CLP-53 (MS23H), p. 1; and (4) MS23J011: Landry and Griffin July 2025 PFT, Ex. CLP-54 (MS23J), p. 1.

not met its burden of demonstrating that 100% of the costs it requested for recovery were prudently incurred.

The Authority finds that it is more likely than not that erroneous charges of at least 1.20% exist in the Company's storm costs. The risk of a significantly higher error rate is somewhat mitigated by the fact that PwC conducted an accounting audit including sampling and extrapolation, PwC's audit used industry-standard sampling and extrapolation methodologies, which resulted in a reduction to the total costs of $709,439. See Landry and Griffin July 2025 PFT, Ex. ES-ACCT-5 Supplemental 2 (Ex. ES-ACCT-5 Supp. 2), p. 44 (showing the standards by which PwC conducts audits); see also Late Filed Ex. 1-SP01, Att. 1, line 71 (showing the total PwC reduction of $709,439); see, generally Landry and Griffin March 2024 PFT, Ex. ES-ACCT-5 (Ex. ES-ACCT-5). However, PwC's audit is limited to errors and misstatements of costs, which do not include any kind of judgment regarding prudence. See Eversource Reply Brief, pp. 66–67 ("The evaluation of prudency rests solely with PURA"). Recognizing that the PwC audit does not, and cannot, judge prudence, the audit nevertheless provides value as PwC evaluated the accuracy of the costs with methodological rigor.[81] Therefore, the PwC audit provides some assurance that erroneous costs were, to at least some extent, accounted for across the entire set of costs.

The Authority finds that 1.20% is a reliable minimum error rate for the Company's vendor costs. Applying the 1.20% error rate across all of the catastrophic storm events, after subtracting the other reductions applied by the Authority, the Authority finds that the Company has not met its burden with respect to $7,643,340 of vendor costs. The calculation for this adjustment is shown in Table 36, below.

Table 36: Adjustment for Vendor Cost Errors

Item	Amount ($)	Source
Company-Proposed Catastrophic Outside Contractor and Vendor Costs	782,940,917	Late Filed Ex. 1-SP01, Att. 1, line 51
MS23G, MS23H, MS23J Total Vendor Costs	(61,589,139)	Table 35
Ineligible Events	(11,075,649)	Table 11 and Late Filed Ex. 1-SP01, Att. 1, cells 8N, 30N, and 47N
Imprudent Expenses	(5,063,739)	Table 23
Revenew Ongoing Audits	(63,305,346)	Table 32
MN21P011 Vendor Costs	(3,386,337)	Late Filed Ex. 1-SP01, Att. 1, ln 31

[81] PwC is a professional accounting firm who utilizes established audit procedures and methodologies which are subject to inspections by the Public Company Accounting Oversight Board. Ex. ES-ACCT-5, p. 1. As part of the audit, PwC evaluated the Company's relevant internal controls as well as conducting a review of random and targeted samples of storm transactions according to established accounting audit procedures. Landry and Griffin March 2024 PFT, pp. 37–38.

Item	Amount ($)	Source
PwC Adjustment	(709,439)	Late Filed Ex. 1-SP01, Att. 1, ln 71
Eversource Post-Brief Vendor-Related Adjustments	(866,241)	Late Filed Ex. 1-SP01, Att. 1, lns 78, 80–84
Total to be Adjusted (a)	**636,945,027**	
Vendor Error Rate (b)	1.20%	Table 35
Total Vendor Cost Errors (a) * (b)	**7,643,340**	

4. Food and Lodging

The Company requests review of $39,823,751 for food and lodging expenses. Late Filed Ex. 1-SP01, Att. 1, p. 1. The Authority finds that the Company imprudently incurred $10,188 in food and lodging expenses and, therefore, reduces the Company's request by that amount.

The Company incurred costs to feed and lodge emergency preparedness personnel supporting the storm restoration efforts, including mutual aid, vegetation management, and external contractor crews. Landry and Griffin March 2024 PFT, p. 15. The Company provides all line crews, tree crews, damage assessment patrollers, and other field staff, along with support staff, with lodging and meals as close as possible to their work locations to minimize travel time and maximize working hours and productivity. Interrog. Resp. EOE-14. The Company uses preferred restaurants to order meals during a storm event, as well as a meal provision agreements to ensure that the Company has reliable meal providers and provides a reasonable cost structure for each meal. Interrog. Resp. EOE-14, Att. 1. Eversource's restaurant meal policy caps lunch and dinner at $36.41 per person. Interrog. Resp. EOE-14, Att. 1, p. 1., When preferred restaurants are at capacity or not available during a storm event, the cost per meal may exceed the amounts listed in the preferred restaurants agreement but are still subject to review and expected to be reasonable and customary as established in the Company's reimbursement policy. Id. Additionally, in situations where it is more efficient for contractors to obtain meals other than those provided by the Company, the Company will reimburse the contractor for the reasonable cost of the meals with no markups, noting that this is only allowed if the Company has approved this type of arrangement in advance and the contractor submits appropriate supporting documentation. Interrog. Resp. EOE-14.

Regarding lodging, the Company takes measures to reduce costs associated with lodging by contracting with hotels and using them as primary vendors. Interrog. Resp. EOE-45; Interrog. Resp. OCC-110. This allows the Company to cancel hotel rooms without penalty if demobilization of assigned crews occurs within the normal cancellation policy window. Id.

OCC argues that Eversource imprudently entered into contracts that guarantee a vendor meals regardless of the number of hours the vendor works in a day. OCC Brief, p. 74. OCC believes that imprecise contracting permits a vendor to charge in excess of the costs necessary to address a storm. Id. OCC also finds issue with the Company's

inability to demonstrate the prudency of the Company's decision to transition to a per diem reimbursement for vendor lodging rather than its past practice for rooms used. Id.

EOE argues the Company has "demonstrated a theme of including unnecessarily excessive meal costs within the storm recovery request." EOE Brief, p. 77. EOE explains the Company included several instances of incremental costs for meals that were not utilized by Company or vendor employees. EOE Brief, p. 79.

Additionally, the Company's storm cost recovery request includes costs associated with meal stipends. EOE Brief, p. 79; Late Filed Ex. 9, Att. 1. The Company's union agreement permits meal stipends for situations where relevant employees have worked certain unplanned hours and have not otherwise been provided with a Company-provided meal. See Interrog. Resp. EOE-879, Att. 3, pp. 5-11. EOE is concerned that the Company's manual process for calculating meal stipends, combined with the lack of guidance in the Company's Expense Policy, resulted in an overstatement of costs within the storm cost recovery request. EOE Brief, p. 79. Based on a review of a small sample of employee meal stipends, EOE identified several errors that were confirmed by the Company. Id.; Interrog. Resp. EOE-496; Interrog. Resp. EOE-966; Interrog. Resp. OCC-440.

EOE highlights that during MS23D011, the Company paid Newtown Deli approximately $24,000 for lunches that were delivered to two different area work centers (AWCs). EOE Brief, p. 78; Landry and Griffin July 2025 PFT, Ex. CLP-47(B) (Confidential), pp. 1–2; Interrog. Resp. EOE-738; Interrog. Resp. EOE-795. The average price for each lunch (i.e., per person) was $63.22 ($24,024 / 380 meals), which is more than double the amount published in the Newtown Deli's catering menu. Interrog. EOE-738, Att. 1, Att. 2. The Company justified the expense by explaining that finding caterers on short notice is difficult and that it placed the order with Newtown Deli on the same day the Company needed the food. Hr'g Tr., Mar. 24, 2026, 204:1–205:1.

The Company further explained that MS23D011 was a snowstorm and the Company needed to provide meals for a large number of people; therefore, it engaged the Newtown Deli on short notice to provide a substantial quantity of food, and the associated costs reflect those urgent circumstances. Interrog. Resp. EOE-738, pp. 1–2; Eversource Reply Brief, pp. 110–11. However, the Company reported in its notice of prestaging provided on February 27, 2023, which is the day before the referenced lunches, that "food caterers have been notified" on the same date. Ex. ES-IMT-4 46, pp. 60, 72. EOE asserts the Company could have ordered lunches earlier, which would have resulted in lower costs because (1) Eversource could have ordered food earlier using a preferred vendor and (2) Newtown Deli was not a preferred vendor. EOE Brief, p. 78 (citing Hr'g Tr., Mar. 24, 2026, 202:16-205:18). As such, EOE argues that a minimum of 50%, or $12,000, should be excluded from the storm cost recovery review request to account for the excess costs of meals versus the prices provided in the caterer's own menu. Id.

The Authority finds the $24,024 paid to Newtown Deli for lunches during MS23D011 excessive. First, the amount paid per person (i.e., $63.22) exceeds

Eversource's restaurant meal policy amount (i.e., up to $36.41 per person) by $26.81 ($63.22 - $36.41). Second, the Company inexplicably waited until the last minute to order the meals from Newtown Deli instead of the day before, when the Company's prestaging notice stated the Company notified food caterers. As such, the Authority finds $10,188 of the amount paid to Newtown Deli imprudent, which is the amount the Company paid in excess of its restaurant meal policy amount ($26.81 * 380 meals).

The Authority finds $10,188 in imprudent food and lodging expenses. Consequently, the Authority reduces the Company's request by $10,188.

5. Materials

The Company requests review of $8,347,870 in materials expenses, which includes $8,285,588 in materials expenses associated with 43 catastrophic storms and $62,282 associated with 10 prestaging events.[82] Late Filed Ex. 1-SP01, Att. 1, p. 1. As discussed in Section III.A, Summary, the Company agreed to reduce the "tools and durable goods" portion of materials expenses by 25%, or $65,373, "for administrative efficiency and to eliminate the need for PURA to make decisions on items that the Company agrees are appropriate downward adjustments . . . ." Late Filed Ex. 1-SP01, p. 1. The Company also agreed to remove event MN21P011 from its request as described in Section III.A, Summary, which results in a reduction of materials expense by 1,414. In addition, as discussed below, the Authority finds $130,916 in materials expenses ineligible for recovery because they are associated with storms ineligible for deferral. See Section III.D, Eligibility of Individual Storm "Events" for Expense Deferral, above. Finally, the Authority finds that $2,037,895 of the total remaining materials costs, including $2,022,325 for catastrophic storms and $15,571 for prestaging events, are non-incremental costs and ineligible for deferral. Table 37, below, summarizes the materials expenses the Authority found the Company prudently incurred.

Table 37: Materials Expenses

Item	Catastrophic Storms ($)	Prestaging ($)
Company Request	8,285,588	62,282
Company Adjustment (Administrative Efficiency)	(65,373)	-
Company's Revised Request	**8,220,215**	**62,282**
Authority Adjustments (see Table 38)	(130,916)	-
25% Reduction	(2,022,325)	(15,571)
Total	**6,066,974**	**46,711**

The materials cost category includes materials used in storm restoration work, such as transformers, cable, wire, reclosers and batteries, as well as expenses associated with lobby stock; "lobby stock" represents the cost of miscellaneous small items of stock, such as nuts, bolts, washers, deadends, splices, and connectors, which are routinely used in the electric distribution system and generally are stored in equipment bins in the storeroom lobbies. Landry and Griffin July 2025 PFT, p. 18. In addition, this

[82] The materials expense for the 10 prestaging events is discussed in Section III.E, Prestaging Costs for Non-Catastrophic ERP Events.

cost category includes small tools, auto parts, drinks, snacks, and other miscellaneous supplies. Interrog. Resp. OCC-186. When recording expenses for materials, the Company's practice is to record the issuance of the item at the time it is deployed to the field. Interrog. Resp. EOE-38. If the material used remains useful, it will be re-used in the next storm or for other purposes, but the material will not be charged to a storm work order for that future storm. Id.

In the Company's two previous storm review dockets, the Authority determined that a portion of the Company's materials expenses should be considered normal operating expenses and, as such, disallowed from the Company's request. 18-11-12 Decision, pp. 13–14 ("[B]ased on the expectation of the Company that all employees perform storm-related duties . . . , the Authority considers a small portion of tools, supplies and [personal protective equipment] to be considered normal operating expenses . . . ."); Decision, Mar. 12, 2014, Docket No. 13-03-23 (13-03-23 Decision), p. 24 ("Costs for items that can be used post storm should be considered to be normal operating expenses"). In the 13-03-23 Decision, the Authority disallowed 50% of a portion of the Company's materials expenses (i.e., 50% of $1,308,753). Id. In the 18-11-12 Decision, the Authority disallowed 25% of a portion of the Company's materials expenses (i.e., 50% of $1,308,753), rather than 50%, because it found the Company's accounting for these expenses had improved. 18-11-12 Decision, p. 13.

OCC recommends that the Authority disallow 50% of the materials expenses in the Company's request, or $4,173,935. OCC Brief, p. 79. OCC argues that "the rationale employed in Docket No. 13-03-23 holds true—materials cost should be a part of normal operating expenses and 50% of the expenses should be disallowed." Id.; 13-03-23 Decision, p. 24. EOE recommends that the Authority disallow 25% of the Company's materials expenses request, or $2,071,376, consistent with the 18-11-12 Decision. EOE Brief, p. 40, (citing 18-11-12 Decision, pp. 13–14).

The Company initially did not remove any portion of the materials expenses from its request as "these costs are valid incremental costs." Interrog. Resp. EOE-38. Subsequently, in response to EOE's and OCC's arguments, the Company proposed reducing its materials expenses request by removing 25% of its tools and durable goods expense totaling $261,490, or $65,373 (0.25 * $261,490 = $65,373), which it asserts is consistent with the 18-11-12 Decision. Late Filed Ex. 1-SP01, Att. 1, p. 1; Eversource Reply Brief, p. 105.

The Authority agrees with EOE, OCC, and the Company that a portion of the Company's material expenses should be considered normal operating expenses and, therefore, excluded from the Company's request. Further, the Authority agrees with EOE and the Company that the amount excluded should be 25%. The Company did not provide any information regarding how it determined $261,490 is the total amount of the tools and durable goods portion of the materials expenses it requests or any citations to the record where this information is found; therefore, the Authority is unable to determine whether $261,490 is the appropriate amount to apply the 25% reduction. See Eversource Reply Brief, p. 105. Notably, $261,490 in a tools and durable goods expense for the 42 catastrophic storms in this proceeding is considerably less (both in terms of total costs

and in terms of proportion of total storm costs) than the $1,308,753 in the tools and durable goods expense for the catastrophic storms reviewed in the Docket No. 13-03-23 and the $764,124 in tools and durable goods expenses for the 5 catastrophic storms reviewed in the Docket No. 18-11-12 proceeding. 13-02-23 Decision, p. 24; 18-11-12 Decision, p. 14.

Accordingly, for the same reasons articulated in the 18-11-12 Decision, the Authority finds that it was improper for the Company to include 100% of the materials expenses in the request, as a reasonable proportion of materials expenses were non-incremental. As such, the Authority reduces the Company materials expenses request by 25%. To calculate the 25% reduction, in total materials expense, the Authority must first make other determined adjustments to catastrophic and prestaging events.

As discussed in in Section III.A, Summary, the Authority accepted Eversource's removal of the MN21P011 event, which included $1,414 in materials costs ($3,944,026 total costs). Further, as discussed in Section, III.D, Eligibility of Individual Storm "Events" for Expense Deferral, the Authority finds ineligible three events, MS18H011, MS21M011, and MN23AB011. Table 38, below, shows the reduction in materials costs associated with these disallowances.[83]

Table 38: Reduction to Catastrophic Storms Materials Costs Based on PURA Adjustments

Event	Reduction ($)
MS18H011	41,374
MS21M011	57,727
MN21P011	1,414
MS23C011[84]	-
MS23AB011	30,401
Total	**130,916**

Late Filed Ex. 1-SP01, Att. 1.

Accordingly, the Authority find that the Company's total materials expenses for catastrophic storms includes $2,218,614 in ineligible expenses, including the Company's proposed $65,373 adjustment, the $130,916 adjustment shown in Section III.D, Eligibility of Individual Storm "Events" for Expense Deferral, and the 25% reduction of $2,022,325.[85]

[83]As discussed in Section III.F.3.b.ii, Overstaffing of Event MS23C011, the Authority found certain costs imprudently incurred, but there were no materials costs associated with the MS23C011 reduction, because the Authority only found certain prestaging labor costs imprudently incurred. Accordingly, there is no corresponding reduction in materials costs.

[84]Additionally, as discussed in Section III.F.3.b.ii, Overstaffing of Event MS23C011, the Authority found certain costs imprudently incurred. There were no materials costs associated with the MS23C011 reduction, because the disallowance was not a full disallowance of all costs, and the Authority only found of prestaging labor costs imprudently incurred. See Section III.F.3.b.ii, Overstaffing of Event MS23C011.

[85]In Section III.E.2, Remediation and Materials Costs, the Authority calculates the materials expense reduction for prestaging events.

6. Vehicles

The Company includes a total of $8,841,695 in vehicles expenses for major storms. Late Filed Ex. 1-SP01, Att. 1, p. 1. The Authority finds that the Company imprudently incurred $323,752 in vehicles expenses and, therefore, reduces the Company's request by that amount to $8,517,943.

The vehicles category includes only the Company-incurred incremental vehicle costs associated with storm restoration work. Sullivan et al. March 2024 PFT, p. 76. During storm restoration, the Company uses vehicles owned by Eversource and its affiliates to move personnel to repair locations, enable field supervisors to move between locations to manage and coordinate crews, and patrol the service territory to find points of failure. Id. The Company excludes from this category costs associated with vehicles used by outside contractors, personal vehicles used by Eversource employees, and fixed costs such as lease costs, insurance, facility costs, and payroll of garage personnel. Id., pp. 76, 78.

a. Storm Fleet

Eversource's parent company, Eversource Energy Service Company (EESCO), maintains a fleet of vehicles (i.e., storm fleet) that the Company and its affiliates use exclusively to respond to major and minor storms. Interrog. Resp. EOE-666, p. 2; Interrog. Resp. EOE-722; Interrog. Resp. EOE-802; Interrog. Resp. EOE-804, Att. 1. EESCO charges costs associated with the storm fleet to each state based on vehicle use. Late Filed Ex. 12.

The Company asserts there are benefits to maintaining a dedicated storm management fleet. First, maintaining the storm fleet for use by external crews is less expensive than paying for the long-distance travel expenses for those crews using their own trucks. Interrog. Resp. EOE-846; Interrog. Resp. EOE-804. Second, maintaining the storm fleet enables the Company to procure external crews from longer distances without extended travel time by flying in the crews to support storm response and surges in crew numbers. Interrog. Resp. EOE-804, Att. 1, p. 3. The Company contends this ability to procure resources from farther distances is particularly helpful when there are limited resources available in the region. Interrog. Resp. EOE-804.

EOE asserts that Eversource has not shown that the storm fleet is a net benefit to ratepayers. EOE Brief, p. 70. EOE' argues that the storm fleet has increased in size to a peak of 206 vehicles in 2023, but the Company uses an average of 20 vehicles per major storm, with a peak of 68 used in MS23J011.[86] EOE Brief, p. 71; Interrog. Resp. EOE-802; Late File Ex. 12. Although Eversource demonstrated that the Storm Fleet has the potential to benefit ratepayers, EOE argues that Eversource has not shown that these benefits have actually been realized. EOE Brief, p. 72. As such, EOE requests that the Company be required to provide an analysis during its next rate case that demonstrates that the Storm Fleet has provided a maximum positive benefit for ratepayers and to

[86]As of 2025, the storm fleet consists of up of 175 vehicles spread across Newington, Connecticut, Shrewsbury, Massachusetts, and Hookset, New Hampshire. Interrog. Resp. EOE-802.

identify any proposed revisions to the program. EOE Brief, p. 74. If not demonstrated, EOE requests that the Company be required to propose revisions to the design of the program, including the possible reduction or termination of the program for Connecticut. EOE Brief, p. 72.

The Authority finds such an analysis would be useful and informative to the Authority and other parties and in the interest of ratepayers. Therefore, the Authority directs Eversource in Docket No. 26-05-10 to demonstrate that the storm fleet has provided a maximum positive benefit to ratepayers and has been properly utilized during the storm response for the catastrophic storms under review in that proceeding . If the Company is unable to fully demonstrate such a benefit, the Company is directed to propose revisions to the design of the storm fleet program for Connecticut, including its possible reduction or termination.

b. Storm Fleet Use in MS23F

The Company requests review of $833,279 of storm fleet expenses for MS23F. Late File Ex. 1, CLP-49, Revised 2, Vehicles Tab. The Authority finds that the Company acted imprudently by including in its review request $323,752 in storm fleet expenses incurred after the assigned vendors demobilized on March 15, 2023. As such, the Authority removes $323,752 from the Company's review request.

Eversource mobilized the storm fleet to respond to event MS23F011. Late File Ex. 1, CLP-49, Revised 2, Vehicles Tab. MS23F began on March 13, 2023, and ended on March 15, 2023; however, Eversource is requesting recovery of the incremental costs associated with the Company's use of the storm fleet for activities from March 13, 2023, through March 17, 2023. Sullivan et al. July 2025 PFT, Ex. ES-IMT-2 Supp. 2; Interrog. Resp. OCC-453, Att. 1. The two vendors that were assigned to use the storm fleet, Michels Power and Three Phase Line Construction, only billed Eversource up to March 15, 2023. Ex. ES-ACCT-3-Supp. 2, Ex. CLP-49(a), pp. 2199, 2216, 2252, 2262, 5916. The Company acted imprudently by including storm fleet expenses two days after the storm had ended, with restoration work in Connecticut ending on March 15, 2023, but the vehicles only being returned to Eversource on March 17, 2023. As such, the Authority is removing all MS23F storm fleet costs that were charged after March 15, 2023. Therefore, $323,752 (566 hours of use after March 15, 2023 * $572) is removed from the Company's request. Table 39, below, summarizes the Authority's reduction to the Company's storm fleet expenses request.

Table 39: Storm Fleet Usage for Event MS23F

Unit #	Pickup Time	Return Time	Days Used	Hours Used	Hours Over[87]
SF052	3/13/2023 9:00	3/17/2023 14:15	4.22	101.25	38.25
SF053	3/13/2023 9:00	3/17/2023 10:00	4.04	97	34
SF055	3/13/2023 12:30	3/17/2023 12:45	4.01	96.25	36.75
SF057	3/13/2023 9:00	3/17/2023 11:30	4.1	98.5	35.5
SF060	3/13/2023 9:00	3/17/2023 12:00	4.13	99	36
SF063	3/13/2023 9:00	3/17/2023 10:00	4.04	97	34
SF067	3/13/2023 12:30	3/17/2023 12:45	4.01	96.25	36.75
SF068	3/13/2023 11:30	3/17/2023 10:30	3.96	95	34.5
SF069	3/13/2023 9:00	3/17/2023 11:00	4.08	98	35
SF072	3/13/2023 9:00	3/17/2023 11:45	4.11	98.75	35.75
SF076	3/13/2023 11:30	3/17/2023 10:30	3.96	95	34.5
SF077	3/13/2023 9:00	3/17/2023 11:00	4.08	98	35
SF081	3/13/2023 12:30	3/17/2023 12:30	4	96	36.5
SF084	3/13/2023 9:00	3/17/2023 11:00	4.08	98	35
SF085	3/13/2023 9:00	3/17/2023 10:00	4.04	97	34
SF086	3/13/2023 11:30	3/17/2023 10:30	3.96	95	34.5
Total			**65**	**1,556**	**566**
2023 Hourly Rate					**$572**
Reduction ($572 Hourly Rate * 566 Hours)					**$323,752**

Interrog. Resp. OCC-453; Interrog. Resp. OCC-453, Att. 1.

Consequently, the Authority finds the Company acted imprudently by including $323,752 in storm fleet expenses incurred after the assigned vendors demobilized on March 15, 2023. Therefore, the Authority reduces the Company's review request by $323,752.

7. Employee Expenses / Other

The Company requests review of $1,429,759 in incremental costs assigned to the category Employee Expenses/Other. Late Filed Ex. 1-SP01, Att. 1, p. 1. The Authority removes from the Company's request $6,561 of snacks and reduces the total Employee Expenses/Other review request to $1,423,198.

This cost category includes costs that were incurred by employees and later reimbursed by the Company, such as food, lodging, mileage reimbursement, and other miscellaneous expenses. Interrog. Resp. OCC-187; Landry and Griffin July 2025 PFT, p. 18. This cost category also includes contractual meal allowances that are paid to union employees when they work overtime (i.e., meal stipends). Sullivan et al. March 2024

[87]The Authority calculated the amounts in the column labeled "Hours Over" based on the number of hours after March 15, 2023, at midnight, that the vehicle was returned to the storm fleet reserve. The 2023 hourly rate is reported from Eversource in response to Interrogatory OCC-453.

PFT, pp. 77–78. In addition, this cost category includes expenses for general supplies an employee may need for their storm restoration work and other miscellaneous expenses.[88] See, e.g., Ex. CLP-52, Tab "Employee Expenses & Other."

a. Meal Stipends

When Eversource is unable to provide a direct meal (e.g., direct meals are often provided at AWCs), employees are allowed a meal stipend to cover the costs associated with an employee sourcing their own meal during storm events pursuant to union contracts. Interrog. Resp. EOE-879, Att. 3, pp. 50–51. The Company requests review of $3,297,807 in meal stipends across all the events.[89] Late File Ex. 9, Att. 1, p. 1121.

EOE raised concern regarding Eversource's manual review process for meal stipends and the lack of a defined policy for meal stipends in the Company's Expense Policy. EOE Brief, pp. 79–80; Landry and Griffin March 2024 PFT, Ex. ES-ACCT-4 (Ex. ES-ACCT-4); Interrog. Resp. RSR-105, Att. 12. EOE believes that the lack of guidance about meal stipends, combined with the manual review process, leads to overstated costs, as a manual review process does not provide an adequate paper trail for disputing costs, as well as the potential hazard that Eversource's review processes typically rely on a supervisor's memory and judgment during the chaotic nature of a storm event. EOE Brief, pp. 79-80, 92.

The Authority reviewed the Company's Expense Policy regarding meals and concurs with EOE. Eversource's meal policy is vague as it requires only that the approver of the reimbursement determine whether the meal was reasonable based on supporting documentation. Interrog. Resp. RSR-105, Att. 12, p. 2. As such, the Authority directs Eversource to update its Expense Policy by adding meal stipend criteria, including requiring supporting documentation for the calculated number of meal stipends and an affirmation from each employee requesting reimbursement to confirm that the employee did not receive a Company-provided meal.

b. Employee Mileage

During storm events, Eversource employees may, at times, use personal vehicles to respond to restoration efforts. Landry and Griffin March 2024 PFT, p. 16. The Company's reimbursable expense policy (Expense Policy) and contract agreements with labor unions require that employees be reimbursed for the use of personal vehicles during Eversource-related tasks. Ex. ES-ACCT-4, p. 6. The Company determines the mileage reimbursement amount by subtracting the mileage of the employee's normal commute and then applying the mileage usage rates specified in the IRS guidelines to that amount. Id. According to the Company's Expense Policy, an employee is required to support any request for reimbursement over $25 with documentation specifying the "date, location, nature and purpose of the business activity." Interrog. Resp. RSR-105, Att. 12, p. 4.

[88] As an illustrative example, Lines 447 to 464 in Tab "Employee Expenses & Other" of Exhibit CLP-52, purchases were made from WB Mason, an office supply company.

[89] Eversource did not update this number to reflect adjustments made during discovery.

The Authority finds a potential disconnect between the Company's Expense policy around reimbursements (namely documentation requirements for costs over $25) and the Company's implementation of mileage reimbursements. When requesting reimbursement, Eversource employees report their mileage and the purpose of their travel directly into the Company's Workforce system, which automatically calculates the reimbursement based on IRS mileage rates. Interrog. Resp. EOE-379, p. 1. The employee's supervisor is responsible for validating the accuracy of the information. Id. Workforce system records for mileage reimbursement requests only include the name of the employee requesting reimbursement, the date, and mileage; the records include no information about the purpose, nature, or location of the activity. See, e.g., Interrog. Resp. EOE-379, Att. 1.

Eversource maintains that its current procedure to sign off on travel reimbursements is sufficient, relying on supervisor judgment and an employee's adherence to the Company Code of Conduct. Eversource Reply Brief, p. 98. However, the Authority finds the information in the Workforce system records does not comply with the Company's Expense Policy, which requires documentation specifying the location, nature, and purpose of the business activity for reimbursements over $25. Without this information available to the supervisor at the time of approval, the Authority questions how a supervisor can validate and approve requests for reimbursement.

Although $25 is a small amount to justify additional documentation and review, 75% of the mileage reimbursements in this proceeding are for amounts $25 or greater, and they account for 96% of total reimbursements ($812,915 of the $849,618 of total Employee Mileage expenses are for mileage requests above $25). Interrog. Resp. EOE-841, Att. 1.

EOE evaluated 10 individual mileage reimbursement requests across 6 storms (totaling $2,647) to test the accuracy of the mileage reimbursements. See EOE Brief, pp. 65–66. Eversource acknowledged errors in 5 of the 10 requests evaluated and, as such, removed $845 from its review request, or 32% ($845 / $2,647).[90] Id.; Interrog. Resp. EOE-379; Interrog. Resp. EOE-797; Interrog. Resp. EOE-811; Late Filed Ex. 1-SP01, Att. 2.

Based on its evaluation, EOE recommends the Authority use 50% as a reasonable estimate of all employee reimbursements, based on the 32% error rate and the general lack of supporting documentation provided by the Company in support of reimbursements exceeding $25. EOE Brief, p. 67. The Authority agrees with EOE that the error rate of the small set of reimbursement requests evaluated by EOE is indicative that Eversource's mileage reimbursement policy adherence is inadequate. See id. However, the Authority finds the sample size used by EOE is insufficient to support a disallowance, as it only accounts for 0.3% of mileage costs. See id.

[90] Eversource acknowledged the errors in its responses to Interrogatories EOE-379, EOE-740, EOE-797, and EOE-811. EOE Brief, pp. 65–66.

Nevertheless, the Authority finds that the Company's mileage reimbursement process requires improvement. As such, the Authority directs Eversource to provide additional documentation to support employee mileage reimbursements in any future storm cost review requests. Specifically, no later than April 1, 2027, the Authority directs Eversource to provide documentation for storm restoration-related employee mileage requests above the $25 threshold that states: (1) the number of miles for which an employee is requesting reimbursement; (2) the purpose of the travel (e.g., such as wires down, or damage assessment); (3) the total mileage of the employee's trip; (4) the offset for the employee's normal commute, if applicable; and (4) supervisor approval of the employee's mileage reimbursement request.

c. General Supplies

The costs included as "general supplies" are varied, but consist primarily of miscellaneous items, such as pens or paper.[91] The "general supplies" costs also include a large number of snacks and candy purchased by Eversource employees, which Eversource justifies as necessary for morale and maintaining employee energy during storm restoration, and that all of these items are reviewed and approved following internal company guidelines. Interrog. Resp. OCC-298.

EOE reviewed seven events and found $6,561 of the general supplies costs were classified as snacks or other miscellaneous expenses. Interrog. Resp. EOE-811; Interrog. Resp. EOE-923; Interrog. Resp. OCC-204; Interrog. Resp. OCC-281; Interrog. Resp. OCC-290; Interrog. Resp. OCC-298; Interrog. Resp. OCC-301. EOE argues that costs for snacks are unnecessary for storm restoration and should be disallowed from Eversource's request. EOE Brief, pp. 83–84. OCC recognizes the utility in snacks for employee morale but contends that Eversource's shareholders, not ratepayers, should pay for those expenses. OCC Brief, pp. 34–35. Eversource argues that these items are not an unnecessary expense due to the demanding conditions that employees are under during storm restoration work. Eversource Reply Brief, p. 112.

The Company's union contracts do not require it to provide snacks or other morale items to employees during storm restoration work. Interrog. Resp. EOE-879, Att. 3. Even if union contracts required snacks, PURA is not sure whether that would be a prudent provision. Accordingly, the Authority finds that these expenses are not required for storm restoration work. Therefore, the Authority removes $6,561 in snack and other miscellaneous expenses from the Company's review request.

G. MUTUAL ASSISTANCE REVENUE

The Authority reduces the Company's deferred storm balance by $2,642,850, to account for the revenue the Company received from another utility in exchange for the Company's internal line workers providing mutual aid assistance to another utility at the same time that there was a storm event in Connecticut.

[91] For an example, see the "Employee/Other Expenses" Tab in Revision 2 of Exhibit CLP-39 in Late Filed Exhibit 1.

Through its membership in Edison Electric Institute (EEI) and the North Atlantic Mutual Assistance Group (NAMAG), Eversource may provide mutual aid assistance to other electric utilities in the form of personnel and equipment. Sullivan et al. March 2024 PFT, Ex. ES-IMT-1, p. 53. Eversource uses the mutual aid revenue received from other utilities to compensate Company personnel for the time (including overtime) spent performing the mutual assistance for the requesting utilities. Interrog. Resp. OCC-138. The Company states that it does not use the revenue to offset storm costs because the Company states that the mutual aid work performed by the Company personnel is incremental to the Company's normal operations and not included in base rates. Interrog. Resp. EOE-510. The Company states that when Eversource personnel provide mutual aid outside its service area, the Company will utilize overtime or other outside contractors to complete the Company's planned capital and O&M work. Interrog. Resp. OCC-138.

During the period 2018–2023, Eversource provided mutual aid in the form of overhead line personnel to two utilities. Interrog. Resp. EOE-16; Interrog. Resp. EOE-510. Table 40, below, shows the revenue received from the utilities for that mutual aid assistance.

Table 40: Mutual Aid Revenue Received by Eversource

Utility Receiving Mutual Aid	Date of Mutual Aid	Revenue Received ($)
Entergy (Louisianna)	8/30/2021–9/16/2021	2,642,850
Con Edison (New York)	12/20/2020–12/24/2020	205,222
Total		**2,848,072**

Interrog. Resp. EOE-16.

EOE argues that Eversource should offset Eversource's storm costs for $2,848,072 of mutual aid revenue. EOE Brief, pp. 86–87; EOE Exceptions, p. 11. EOE's primary concern is that at the same time Eversource loaned line crews to Entergy in Louisiana, the Company experienced a catastrophic storm in its territory, the MN21K011 event. EOE Brief, p. 87. The MN21K011 event began on September 1, 2021, and the Company secured external vendors for the event. Id. EOE argues that it was imprudent for Eversource to provide mutual aid to Entergy while using external vendors for storm remediation for the MN21K011 event, because it results in the Company receiving revenue from Entergy for the mutual aid the Company provided and deferring the external vendor costs it incurred for the MN21K011 event over the same period. Id. EOE argues that this results in "double-dipping." Id. Further, EOE states that the external vendor costs incurred by the Company during MN21K011 are higher than if Eversource utilized its internal crews because internal crew costs (at least straight time labor) are included in base distribution rates. EOE Brief, p. 87. As such, EOE argues that all mutual aid revenue associated with costs that are included in base rates should be used to offset the storm reserve. Id.

The Authority agrees with EOE. Although participation in mutual aid assistance programs is generally good practice, the Company's provision of mutual aid assistance to Entergy from August 30, 2021, through September 16, 2021, resulted in excessive

costs to ratepayers, i.e., the external vendor costs incurred for MN21K011. It may be prudent for the Company to provide mutual aid assistance to another utility when the Company is under blue sky day-to-day operations; it is another thing entirely, however, when the Company is involved in storm response and restoration. Utilities have an obligation to serve their own customers first and must retain personnel when faced with the potential for major events. See Sullivan et al. March 2024 PFT, Ex. ES-IMT-1, pp. 53–54 (noting that mutual assistance crews are often "not available prior to a major event because NAMAG member utilities cannot afford to release their crews given the unsettled nature of pending weather forecasts and the need to meet their own obligations to customers first."); Interrog. Resp. EOE-636, p. 2 (noting that the Company monitors weather events before sending mutual aid and retains the right to recall crews).

In the case of MN21K011 (Tropical Storm Ida), Eversource should have retained or recalled its crews that were providing mutual aid assistance to Entergy. Eversource did not do this. See Interrog. Resp. EOE-16 (showing that Eversource received revenue from Entergy during the period August 30, 2021, through September 16, 2021). While Company's line crews were loaned out, Eversource incurred $6,154,875 in external line costs to respond to Tropical Storm Ida (i.e., MN21K011). Late Filed Ex. 1-SP01, Att. 1. The Company incurred these costs during the period September 1, 2021, through September 16, 2021, during which the Company's internal crews provided mutual aid assistance to Entergy. See e.g., Ex. CLP-22 (Confidential), p. 72 (showing vendor line worker charges on September 16, 2021), p. 1694 (showing vendor line worker charges on September 1, 2021), pp. 3349–50 (showing vendor line worker charges September 2, 2021–September 4, 2021).

With some of Eversource's internal crews out of state and unavailable, the Company incurred excessive charges; those crews' straight time labor, some overtime, and equipment charges for Eversource's internal crews are included in base distribution rates. Landry and Griffin March 2024 PFT, p. 22; Interrog. Resp. RSR-85, Att. 1 (showing personnel labor and overtime in base distribution rates). Because those crews were not available, Eversource incurred the cost of hiring external crews whose entire cost is considered incremental. Ex. ES-ACCT-1, p. 22. Furthermore, it is reasonable to deduce that Eversource's use of external vendors *in place of* internal crews during this event resulted in more costly restoration, because internal crews are more familiar with the Company's system than vendors and have greater incentive to restore power. Hr'g Tr., Mar. 25, 2026, 112:3–5 (Mr. Sullivan identifying the benefit of internal crews' familiarity with Eversource's system); 117:8–16 (Mr. Sullivan explaining that internal crews have more incentive to restore power quickly than external crews).

The Authority is unable to identify the level of incremental costs that Eversource incurred because of its decision to loan crews to Entergy for mutual aid during MN21K011. See Interrog. Resp. EOE-16; Interrog. Resp. EOE-510 (showing only total mutual aid revenue received, but no corresponding information about total number of crews involved). However, the Authority finds it reasonable to apply all mutual aid revenue received from Entergy to offset to the deferred storm cost balance. Because Eversource personnel straight time (with some overtime) is included in base rates, it is inappropriate for Eversource to receive additional revenue for these crews to work outside Eversource

territory while Eversource incurs incremental costs to respond to an emergency event in Connecticut. Accordingly, the Authority reduces the Company's recoverable storm costs by the mutual aid revenue of $2,642,850.[92]

H. CATASTROPHIC STORM COSTS RESERVE ACCRUALS

As stated in Section III.F.1, Summary, the Authority determines that the Company prudently incurred $861,478,785 in catastrophic storm costs. That amount is offset by the money collected from customers between January 1, 2018, and December 31, 2023, to fund the catastrophic storm reserve (i.e., customer-funded reserve accruals), which totals $90,905,927 as of December 31, 2023.[93]

The Company argues that applying all customer-funded reserve accruals to future storm costs will (1) maximize the benefits of securitization for customers due to favorable financing rates and (2) will reduce future customer costs for ongoing and future storms.[94] Horton et. al 2026 PFT, p. 71. It is more appropriate, however, for the reserve funds accrued during the period the storms occurred to offset the prudently incurred catastrophic storm costs. This approach aligns the timing of the customer-funded reserve accruals with the incurred costs, which ensures that customers benefiting from the storm restoration work paid for at least a portion of the costs.

Eversource did not offer any specific analysis demonstrating the financial benefit of its proposal or the impact on ratepayers. See Hr'g Tr., Mar. 27, 2026, 93:10–94:4. Any such benefit should be weighed in totality against the impact on intergenerational inequity of deferring those storm costs (already 3–8 years old) further under securitization or prolonged recovery via amortization in base rates. Aligning the customer-funded reserve accruals with the storm costs at least reduces the impact of that inequity on future ratepayers (by reducing the balance paid by them). Accordingly, the Authority expects the customer-funded reserve accruals to be applied to the balance of $861,478,785 prudently incurred storm costs eligible for deferral. In Table 41, below, the Authority calculates the amount of the customer-funded reserve accruals that offset the prudently incurred storm costs.

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[92]The Authority notes that EOE's argument, and PURA's finding, does not apply to the $205,222 mutual aid revenue received from Con Edison for work from December 20–24, 2020, because there was no overlapping event in Eversource's territory. Accordingly, the Authority does not offset the incremental storm costs with that revenue as requested by EOE. See EOE Brief, pp. 86–87. EOE argues that PURA should direct Eversource to apply all future non-incremental mutual aid revenues received as an offset to the storm reserve. EOE Brief, pp. 87–88. The Authority will consider how to treat mutual aid revenue in Docket No. 26-05-10.

[93]If the Authority ultimately authorizes some or all of the prudently incurred storm costs to be recovered via securitization, the balance would be further offset by the mutual aid revenue of $2,642,850 as outlined in Section III.G, Mutual Assistance Revenue, and approximately $100,000,000 collected through the Competitive Transition Assessment (CTA) charge, which is a component of the revenue adjustment mechanism (RAM), from May 1, 2026, through April 30, 2027.

[94]Eversource stated that it has incurred approximately $213 million in incremental storm costs in 2024 and 2025, and that it would expect to incur another $210 million from 2026 through June 2027 (based on average of recent historical costs). Horton et. al 2026 PFT, p. 70.

The catastrophic storm reserve is funded through a number of sources. The baseline source of funding is $3,000,0000 annually in the base distribution rate allocated specifically to fund the reserve. Interrog. Resp. EOE-71, Att. 1. In addition to the baseline accrual in rates, unused amounts from the prestaging reserve are applied to the catastrophic storm reserve at the end of each year, as discussed in Section III.E.4, Ineligible Prestaging Deferral, the Authority identified unused prestaging reserve funds that carry over to the catastrophic storm reserve at the end of each of the following years:

(1) 2018 carry over of $886,892;
(2) 2019 carry over of $2,119,317;
(3) 2021 carry over of $17,178; and
(4) 2023 carry over of $3,000,000.

Further, funds collected in base distribution rates for fully amortized storm regulatory assets are also applied to the catastrophic storm reserve at the time those assets become fully amortized pursuant to the 18-11-12 Decision. Interrog. Resp. EOE-866, Att. 1; 18-11-12 Decision, p. 24. Starting May 2021, a storm regulatory asset was fully amortized, accruing $24.096 million annually ($2.008 million monthly) to the catastrophic storm reserve. Interrog. Resp. EOE-866, Att. 1. Starting May 2022, a second storm regulatory asset was fully amortized, accruing $3.976 million annually ($331,327 monthly) to the catastrophic storm reserve. Id.

Table 41, below, shows the total accruals to the catastrophic storm reserve for each of the accrual categories for the duration January 1, 2018, through December 31, 2023.

Table 41: Total Catastrophic Storm Reserve Accruals, January 1, 2018–December 31, 2023

Type of Accrual	Monthly Accrual ($)	Duration (Months)	Total Accrual ($)
Baseline	250,000	56[95]	14,000,000
Amortized Asset May 2021	2,008,000	32[96]	64,256,000
Amortized Asset May 2022	331,327	20[97]	6,626,540
2018 Prestaging Carry Over	886,892	One-time	$886,892
2019 Prestaging Carry Over	2,119,317	One-time	2,119,317
2021 Prestaging Carry Over	17,178	One-time	$17,178
2023 Prestaging Carry Over	3,000,000	One-time	3,000,000
Total	-	-	**90,905,927**

Interrog. Resp. EOE-866, Att. 1.

[95]The baseline accrual of $250,000 per month begins in May 2019, because prior monthly accruals (i.e., January 2018 through April 2019) were applied to the storm balance in the 18-11-12 Decision and are thus not available for the 2018–2023 storms under review in this proceeding, resulting in a total of 56 months of baseline accrual from May 2019 through December 2023. Interrog. Resp. EOE-866, Att. 1.

[96]The regulatory asset was fully amortized before May 1, 2021, and accrued until December 31, 2023, a total of 32 total months. Interrog. Resp. EOE-866, Att. 1.

[97]The storm regulatory asset was fully amortized before May 1, 2022, and accrued until December 31, 2023, a total of 20 total months. Interrog. Resp. EOE-866, Att. 1.

The Authority directs the Company to file in Docket No. 26-05-10, an updated storm deferral balance calculating the catastrophic storm reserve accruals starting January 1, 2024, and through at least the start of the Company's proposed rate year as specified in that proceeding.

I. CARRYING CHARGES

1. Summary

Eversource requests approval of $396,710,288 for carrying charges related to its claimed $979,834,448 for catastrophic storm and prestaging events that took place from 2018 through 2023. Eversource Brief, p. ii. Eversource calculates the carrying charges "from the date of cost incurrence (assumed as six months from the initial date of each storm) through June 1, 2027 (the expected date of securitization)." Eversource Brief, p. ii (citing Late Filed Ex. 33, Att. 1). The Authority does not approve the recovery of retrospective carrying charges for the period of 2018 through the date of this decision. The Authority will, however, authorize Eversource to begin accruing carrying charges, at its authorized WACC, on the remaining balance of deferred storm costs from the date of this decision through the date of securitization or other recovery authorized in a rate case proceeding; the Company may apply to recover those carrying charges in a future rate case proceeding (e.g., Docket No. 26-05-10).

2. Retrospective vs. Prospective Carrying Charges

There is a relevant distinction between the two different categories of carrying charges sought by Eversource in this proceeding. The first category represents costs recorded for accounting purposes by a company for the time value of money between the incurrence of an underlying cost and the Authority's prudence review of such cost prior to recovery authorization. For example, if a utility incurs $1,000 in an outside services expense in 2020 but that expense is not reviewed for prudence until 2025, the utility might record in its books a carrying charge on the $1,000 for the five-year period between the incurrence of the cost and the regulatory review. For the purposes of this decision, the Authority will refer to this category of carrying charges as "retrospective carrying charges.". In considering any proposed deferred expense, the Authority must determine: (1) whether the Authority explicitly authorized the company to defer recovery of the expense, (2) whether the Authority explicitly authorized the company to recover retrospective carrying charges accrued during the deferral period, and, if so, the authorized rate to calculate the retrospective carrying charges.

The second category of carrying charges represents the cost associated with the company's recovery of deferred costs that the Authority has found prudently incurred; once the deferred cost is approved by the Authority, recovery with carrying charges may take place over a period exceeding a single year. Using the same example as above, if the Authority authorized recovery of the $1,000 in an outside services expense from 2020 and determined that the company may recover the costs in base distribution rates from 2026 through 2030 (i.e., allowing annual rate recovery of $250 over a four-year period), the Authority may also allow the Company to accrue and recover carrying charges over that four-year period. This second category of carrying charges would be a "prospective

carrying charge." In authorizing recovery of any regulatory asset, the Authority would also consider the appropriate rate to calculate the prospective carrying charges.

3. Retrospective Carrying Charges

a. Legal Standard

As noted in Section II, Legal Authority, deferred expenses and the creation of regulatory assets are a departure from traditional ratemaking conventions, in recognition of extraordinary circumstances. Expenses are only properly deferred for future recovery where the Authority first "permit[s] the recording of deferred charges." OCC II, 279 Conn. at 599–603. This initial permission is granted in a "prior administrative proceeding," before a later determination of prudence as to the incurred costs. Id. at 601. The initial permission provides the utility with the reasonable expectation for future cost recovery, and if "it is not probable that the cost will be included as an allowable cost in a future period, the cost cannot be expected to result in future revenue through the rate-making process." Id. at 599, n.8. The cost should be "that which can reasonably be expected or believed on the basis of available evidence or logic." Id. at 595 n.5. As acknowledged by the Company, OCC, EOE, DEEP, and OAG, PURA has not historically allowed utilities to accrue and recovery carrying costs as of the date of incurrence of catastrophic storm expense within the resulting regulatory asset. See, e.g., Eversource Brief, pp. xi–xiii; OCC Brief, p. 91; EOE Brief, p. 9; DEEP Brief, pp. 9–10; OAG Brief, pp. 3–5.

In 2023, the Authority addressed the exceptional nature of deferred expenses, which create a conflict due to the traditional prospective accounting treatment of expenses and the retrospective cost recovery for regulatory assets. 22-08-08 Decision, p. 26. Notably, there is no guarantee that storm costs, like most deferred expenses, may be recovered by a utility until the Authority conducts a review and finds that they were prudently incurred expenses. Id., p. 26 n.27. The Authority considered legal precedent applicable to the creation of regulatory assets, as discussed above, and explicitly addressed the issue of retrospective carrying charges:

> Within this framework, carrying charges are not permissible on deferred expenses without explicit prior Authority approval. First, under ASC 980-340-25-1, an accounting regulatory asset is limited to "an incurred costs that would otherwise be charged to expense." Importantly, FASB distinguishes between "incurred cost" and "allowable" costs. See ASC 980-10-20. Incurred cost is "a cost arising from cash paid out or obligation to pay for an acquired asset or service, a loss from any cause that has been sustained and must be paid for." Id. By contrast, an allowable cost is "all costs for which revenue is intended to provide recovery" and can "include interest costs and amounts provided for earnings on shareholders' investments." Id. Carrying charges are not assets, services, or losses that must be "paid for"; therefore, they are not "incurred costs that would otherwise be charged to expense." As such, an accounting regulatory asset recognized by the Company under GAAP is limited to the specific expenses that were paid for by the utility and authorized for deferred accounting. Any other costs,

> including carrying charges, are allowable costs subject to the Authority's determination of recovery in a rate proceeding.
>
> Second, allowing carrying charges to accrue on deferred expenses that have not been subject to scrutiny and prudence review is inconsistent with general ratemaking principles. The regulatory asset is already an extraordinary form of relief for utilities as it permits recovery of certain expenses beyond the base distribution revenue requirement authorized at the time the expense was incurred. Stated another way, regulatory assets allow recovery of expenses that otherwise would be borne entirely by the utility. Therefore, expanding the deferred accounting beyond the actual "incurred costs" prior to a full prudency review and determination of recovery is applying extraordinary relief upon extraordinary relief. Moreover, enabling the collection of carrying charges on deferred expenses prior to a prudency review may incent a delay, perhaps indefinitely, in the presentation of costs to the Authority for review. See 18-11-12 Decision, p. 22 ("Until the Authority assesses the prudency of storm costs to be recoverable and determines the allowed storm regulatory asset amount, the Company bears the financing costs associated with the storm costs. Hence, in the interim between when storm costs are incurred and when the Authority makes its determination on the allowed regulatory asset amount, ratepayers are not paying for the financing costs . . . ."); Decision, Dec. 17, 2014, Docket No. 14-05 06, Application of The Connecticut Light and Power Company to Amend Rate Schedules ("The Authority does not approve CL&P's proposal to assign carrying charges to either an over- or under-recovery or to any deferral.").

22-08-08 Decision, pp. 26–28.[98]

The Authority addressed the nature of carrying costs again in depth in 2024, using the same reasoning, in Docket No. 23-11-02. Decision (CNG), Nov. 18, 2024, Docket No. 23-11-02, Application of Connecticut Natural Gas Corporation and The Southern

[98]Eversource argues that the Authority cannot rely upon the 22-08-08 Decision because PURA did not "have any basis for its conclusions" with respect to carrying charges. Eversource Brief, p. xiii. The Authority disagrees and finds the above-quoted passage to be well-reasoned. The Authority also notes that the Superior Court upheld this very issue on appeal. In its appeal of the 22-08-08 Decision, UI argued that the Authority's disallowance of retrospective carrying charges had "no basis in law, and [was] in fact contrary to established precedent and practice," and that PURA's treatment was arbitrary and capricious because its reasoning was internally inconsistent. The United Illuminating Company v. Public Utilities Regulatory Authority, Superior Court, judicial district of New Britain, Docket No: CV23-6082032-S, Docket No. CV-23-6081616-S, Plaintiff's Appeal Brief, p. 46 (May 15, 2024). The Superior Court for the Judicial District of New Britain found: "The recovery of a 'regulatory asset in a rate proceeding is a matter within the department's broad discretion as limited by the considerations set forth in § 16-19e(a)(4).' Office of Consumer Counsel v. Dept. Of Public Utility Control, supra, 279 Conn. 601. After reviewing those portions of the decision dealing with these issues, the court concludes that PURA has adequately stated its reasons for denying recovery . . . and that those reasons are supported by substantial evidence in the record and PURA's reasonable factual conclusions." The United Illuminating Company v. Public Utilities Regulatory Authority, Superior Court, judicial district of New Britain, Docket No: CV-23-6081616-S, Docket No. CV23-6082032-S, p. 10 (Mar. 13, 2025) (2025 WL 842228).

Connecticut Gas Company to Amend Their Rate Schedule, p. 29–30, 32–33 (not allowing $567,693 in retrospective carrying charges, as impermissible deferred expenses without explicit prior Authority approval); see also Decision (SCG), Nov. 18, 2024, Docket No. 23-11-02, p. 35–36, 39–40 (same analysis regarding $1,177,919 in requested retrospective carrying charges).

The Authority considered a utility's request for carrying costs again recently, for propane impairment recovery assets, again denying recovery of retrospective carrying charges. See Decision, Mar. 11, 2026, Docket No. 24-12-01, Application of Yankee Gas Services Company d/b/a Eversource Energy to Amend Its Rate Schedules, p. 152 ("The Authority denie[d] recovery of $1,596,000 in carrying charges because it did not expressly authorize the Company to accrue carrying charges.")

b. Positions of the Parties

Eversource argues that it is "legally entitled to recover its actual carrying costs on the deferred storm balance as a matter of fact and law." Eversource Brief, p. 44. Eversource argues that it is entitled to recover carrying costs as a matter of fact because

> [W]hen the return on capital is included in rates, but when deferred storm costs are not timely recovered (as has been the case regarding the storm costs at issue in this proceeding), the Company is forced to give up earnings when rate revenue must be used to pay for and/or "carry" costs that are incurred for customers, but for which there is no rate recovery. This is the situation that CL&P has faced for the past seven years in relation to deferred storm costs.

Eversource Brief, p. 45. In further support of its argument, Eversource states that:

> Should PURA deny recovery of carrying costs on prudently incurred expenses, it would send a strong negative signal to rating agencies and investors regarding Connecticut's regulatory environment. Such a denial would be seen as a deliberate disallowance of prudently incurred costs that should be recoverable and regarded as a "credit negative" decision (Exh. ES-SFP-1, p. 45). If PURA is willing to deny recovery for one category of prudently incurred costs, investors and rating agencies might conclude that PURA would be willing to deny recovery for other categories of prudently incurred costs (Exh. ES-SFP-1, p. 45).

Eversource Brief, p. 49.

Eversource argues that it is "owed carrying costs as a matter of law" because "Connecticut statutes and Supreme Court precedent support accrual of carrying costs from the time costs are incurred." Eversource Brief, p. 51. In support of its argument, Eversource cites to established case law that permits the Authority to authorize the accrual of carrying charges, although as discussed above, the cited cases reference prospective rather than retrospective carrying charge. See Eversource Brief, pp. 51–70.

OCC argues that, consistent with "Eversource's own history of advocacy, past Authority decisions, and legal precedent," Eversource should not be allowed to recover carrying charges prior to the prudency decision in this docket. OCC Brief, p. 91. First, OCC notes that it is well settled that carrying charges are not permitted prior to a prudency determination. Id. In relation to the Authority's 18-11-12 Decision, in which the Authority conducted a prudence review of five storms in 2017 and 2018, and allowed the Company to recover $14,026 million for the storm costs, "Eversource's primary argument regarding carrying charges focused on how to calculate them after the prudency decision was made, not applying them to storm costs before a finding of prudency." Id. OCC also discusses in depth that Eversource's actions indicate its awareness that it had no legal right to carrying charges, including:

(1) "Eversource did not request carrying costs in its original storm costs filing that was docketed as a Motion to Reopen its previous rate case. Docket No. 17-10-46, Motion No. 59, dated December 22, 2023." OCC Brief, p. 92.

(2) "Eversource [did not] request carrying costs when it refiled its storm cost recovery application and Docket No. 24-03-30 was created. Docket No. 24-03-30, Correspondence from Eversource dated March 11, 2024." OCC Brief, p. 92.

(3) "Eversource did not express to its investors that it anticipated receiving carrying charges. In its required Securities and Exchange Commission 10K and 10Q filings, Eversource consistently did not include carrying charges. Response to EOE-864, Attachments 1 and 2."[99] OCC Brief, p. 92.

(4) "[I]n its Settlement Agreement in Docket No. 17-12-03RE11, Eversource voluntarily froze its right to recover storm costs until after January 1, 2024, without any guarantee or even mention of carrying costs. Docket No. 17-12-03RE11, Motion No. 39, Attachment 1, p. 7–8." OCC Brief, p. 92.

(5) "Eversource did not request [carrying charges] until July 2025, more than a year and a half after it filed its original petition." OCC Brief, p, 92.

EOE argues similarly that Eversource should not be permitted to recover carrying charges "because the Company received no indication from the Authority that these additional costs were probable for recovery, there has been no determination on the prudency of the deferred costs, and ratepayers should not shoulder the burden for the Company's inaction." EOE Brief, p. 9. EOE summarized the history of the catastrophic

[99]Similarly, EOE argues that "in the Company's most recent SEC 10-K filing, [Eversource] stated, '[f]or CL&P, under the current regulatory construct, the unamortized regulatory asset balance earns a return once authorized for recovery in rates.' Interrog. Resp. EOE-864, Att. 1, p. 104 (emphasis added)." EOE Brief, p. 16. EOE argues that if Eversource believed "there was some reasonable probability of recovery of the carrying charges for storm expenses starting in 2018 for the past carrying charges, then pursuant to GAAP, all or a portion of those carrying charges would have been included in their reporting of a regulatory asset to the SEC," but "the Company did not include those carrying charges in its Form 10-K." Id. EOE argues that Eversource's "actions directly contradict its own argument that the denial of past carrying charges 'would further diminish CL&P's attractiveness to investors.' Ex. ES-SFP-1, p. 45." Id.

storm reserve, which was initially created in 1988, and noted that for the following "23 years, storm costs remained relatively low and customer contributions each year to the catastrophic storm reserve were generally sufficient to cover costs of catastrophic storms that were incurred between rate cases." Id., p. 11. Thus, from 1988 through 2011, "the Company collected funds from customers to be set aside in a reserve fund, which the Company could draw upon if the costs for a storm exceeded a certain dollar threshold, and the balance would be discussed during the Company's next rate case," and carrying charges were never discussed. Id., p. 12. Following the merger, the Authority reviewed and approved storm costs in two dockets, without awarding carrying charges.[100] See id. (citing 13-03-23 Decision, p. 42; 14-05-06 Decision).

Both OCC and EOE argue that the Authority's reasoning from Docket No. 18-11-12 applies here:

> Until the Authority assesses the prudency of storm costs to be recoverable and determines the allowed storm regulatory asset amount, the Company bears the financing costs associated with the storm costs. Hence, in the interim between when storm costs are incurred and when the Authority makes its determination on the allowed regulatory asset amount, ratepayers are not paying for the financing costs incurred by the Company. Therefore, CL&P will only be allowed to accrue carrying charges as of the date the Authority issued its Decision for this proceeding.

OCC Brief, p. 91 (quoting 18-11-12 Decision, p. 22); EOE Brief p. 13 (same).

EOE argues that the Company waited more than four years from the 18-11-12 Decision before filing an application in December 2023, for a review of the prudency of storm costs for 32 events, noting specifically that "it was 'not seeking to commence recovery of these costs on an amortized basis with carrying costs until new base rates are set in a subsequent, base distribution rate case proceeding.' Ex. ES-ACCT-1, p. 8 (emphasis added)." EOE Brief, p. 14. EOE notes that Eversource filed a supplement on December 31, 2024, including 10 additional events, and "the Company again stated that it was 'not seeking to commence recovery of these costs on an amortized basis with carrying costs until rates are set in a subsequent proceeding.' Ex. ES-ACCT-1 Supp., Dec. 31, 2024, p. 8. (emphasis added)." Id. EOE recounted the Company's 2025 change:

> On July 10, 2025, the Company made a third filing in this docket and added an additional 11 storm events, which resulted in the total number of storm events for review in this proceeding at 53. Again, the Company claimed that it was "not seeking to commence recovery of these costs on an amortized basis with carrying costs in this proceeding. Cost recovery will commence after approval by PURA as a result of a request in a separate

[100] In 2012, the Authority approved the merger of Northeast Utilities and NSTAR Electric, subject to the terms of the settlement agreement reached in the proceeding. Decision, Apr. 2, 2012, Docket No. 12-01-07, Application for Approval of Holding Company Transaction Involving Northeast Utilities and NSTAR, pp. 1, 47–48. The merger did not result in any changes to the holding structure of Northeast Utilities and its subsidiaries, including Eversource and Yankee. Id., pp. 5, 40.

> proceeding." Ex. ES-REVREQ-1 Supp. 2, p. 7 (emphasis added). On July 25, 2025, a mere 15 days later, and a full year and a half from the date of the original filing, the Company changed its position on the matter and claimed that they are "entitled to recover" [currently] over $340 million for past incurred carrying charges plus an additional $5 million each month this proceeding is delayed.

EOE Brief, p. 14.

> Additionally, OCC responds to Eversource's (rhetorical) question,
>
> [W]hy would historical costs be subject to deferral, as those costs are incurred, and remain eligible for recovery after the point of the prudence determination, where the costs to finance the deferral of those costs are not eligible for recovery except for the period when customers are actually paying back the deferred costs?

OCC Brief, p. 96 (quoting Eversource Corresp., Feb. 18, 2026, p. 22). OCC responds that "[t]he answer is easy . . . the utility can come in for a rate case any time it chooses." OCC Brief, p. 96. OCC argues that "it is incumbent that the utility file for a rate case when it determines doing so is financially necessitated; it is equally incumbent on the utility to seek to recover storm costs if it does not want to absorb the carrying costs." Id. "Ratepayers should not bear the brunt of those business decisions that are completely within the control of the utility." Id. OCC argues that "Eversource's decision to not file a rate case for nearly a decade was a deliberate and intentional business decision made by a sophisticated corporate entity," and the Company "now asks its ratepayers to pay the full costs associated with Eversource's business decision, despite all of the alleged benefits - if any - of that decision having accrued to the Company." Id., p. 97.

OCC also argues that any delays in recovery due to the pendency of this proceeding, or Docket No. 24-03-30, do not entitle Eversource to the extraordinary remedy of recovering retrospective carrying charges. OCC Brief, pp. 98–99. OCC notes that, even counting from the date of the petition filed in December 2023, the entire process of reviewing the prudence costs relating to 53 events will be completed within 31 months, taking "a little more than half a month per storm." Id., p. 98. As OCC noted, the "the storms in this proceeding are far larger and more complicated than those in Docket No. 18-11-12," which involved five storms reviewed over the course of five months. Id. "It was Eversource's choice to hold this filing until it accumulated ten times as many storms as its last filing. It cannot now be heard to complain that the process of reviewing 53 storms takes more time than reviewing five storms." Id., p. 99.

Similarly, EOE argues that "the Company let storm costs accrue for almost five years before filing their initial application." EOE Brief, p. 20. EOE notes that Eversource "had the statutory means to recover prudently incurred storm costs by coming in for a rate case. The Company chose not to do so." Id. EOE also argues that Eversource's "choice to delay a prudency review via a rate case filing not only undermines transparency and accountability but also complicates the Authority's ability to evaluate the reasonableness

of costs long after they were incurred." Id. n.18. Relatedly, EOE argues that "the Company's strategic decision to avoid filing a rate case appears to have sidestepped the statutory framework designed to ensure timely oversight and evaluation of significant utility spending in a holistic manner." Id. EOE notes that by the end of this proceeding, a review of a total of 53 events will be completed in approximately 2.5 years. EOE Brief, p. 20. In Docket No. 18-11-12, the Authority reviewed five storms in five months, or one storm per month, and in Docket No. 13 03-23, the Authority reviewed five storms in one year, or one storm in two months. Id., pp. 20–21. As such, EOE asserts the Authority's review of approximately 1.8 storms per month in this proceeding "seems more than reasonable . . . ." Id., p. 21.

Additionally, EOE argues that Eversource "incorrectly claims that there were changes in circumstances which necessitated its request for carrying charges from 2018 onwards" because of the Authority's "'decision in Docket No. 22-08-08 to eliminate treatment of storm cost recovery as a rate-base component,' and 'the issuance of a decision by the Connecticut Supreme Court on July 15, 2025, affirming that reserve accounts, including a storm reserve, are debts owed to the utility by customers that accrue interest.' Ex. ES RP-1 Supp. 3, p. 16." EOE Brief, p. 17. First, EOE notes that the decision in Docket No. 22-08-08 is not a change in circumstances, as acknowledged by Doug Horton, Eversource's witness, who testified "I don't believe [the practice and standard] was changed in the UI decision. The practice and standard was still that PURA would allow for carrying charges from the date of prudence and forward. H'rg Tr., Mar. 27, 2026, 28:17–29:3." EOE Brief, p. 17. Additionally, EOE argues that Eversource's reliance on Aquarion, 352 Conn. at fn.7 is misplaced, because "this footnote is merely a direct quote from a Connecticut Supreme Court's Decision in OCC-II. It defies logic that a footnote in the Supreme Court's Decision in Aquarion citing a case from 2006 suddenly changes its perspective of carrying charges now." Id., p. 18.

Similarly, OCC contends that Eversource "incorrectly argues that the circumstances of this proceeding are somehow so unique that they nullify the Authority's prior precedent requiring a prudency determination before carrying costs may accrue." OCC Reply Brief, p. 8 (citing Eversource Brief, p. x). OCC argues that this proceeding is "similar to Docket No. 18-11-12" and, as such, "[t]he Authority's rationale in [the 18-11-12 Decision] continues to apply to the current circumstances." OCC Reply Brief, p. 8. OCC notes that the Authority discussed the rational in greater detail in Docket No. 22-08-08, explaining

> In this instance, when the Authority established the storm regulatory asset, PURA never explicitly authorized carrying costs during the deferral period. 2013 Rate Case Decision, p. 35 (expressly allowing carrying charges in Competitive Transition Assessment reconciliation); Decision, Jan. 23, 2019, Docket No. 18-01 15, p. 11 (expressly permitting UI to accrue carrying costs). Had the Authority intended for the Company to accrue carrying charges for storm costs, it would have said so given that the Authority has previously denied carrying charges for storm costs incurred by an electric utility. See Decision, April 17, 2019, Docket No. 18 11-12, Petition of the Connecticut Light & Power Co. d/b/a Eversource Energy for

Approval to Recover Its 2017-2018 Catastrophic Storm Costs, p. 22 (denying carrying charges for storm costs).

OCC Reply Brief (citing 22-08-08 Decision, p. 44). OCC argues that the content of the footnote in the Aquarion decision does not alter the legal reasoning applied in the 18-11-12 Decision and the 22-08-08 Decision. OCC Reply Brief, p. 10. "Moreover, since the footnote did nothing but quote OCC I, the entire content of the footnote in the *Aquarion* decision existed for more than two decades prior to Eversource's new interpretation." Id.

c. Authority Analysis

The Authority sets base distribution rates on a prospective basis by making pro forma adjustments to historical test data for known and measurable changes that reflect the expected reasonable costs to be prudently incurred by a utility in the approved rate year. Fundamentally, if the actual costs incurred by the utility in that period differ from the authorized revenue, there is typically no retroactive reconciliation. For example, if the Authority authorizes a revenue requirement that accounts for an expected $1 million in annual payroll expense in for the rate year, but the utility only ultimately incurs only $900,000 in payroll expense in the rate year, the $100,000 difference is not credited to ratepayers. Similarly, if the utility's actual payroll expense in the rate year is $1.2 million, the $200,000 difference is not recovered from ratepayers to compensate the utility. Notably, this model applies regardless of the prudence or reasonableness of incurred costs, meaning utilities are at risk of under-recovering prudently incurred costs during a given base rate period, just as ratepayers are at risk of funding imprudent or non-existent costs.

As discussed in Section II, Legal Authority, and as recognized by the Connecticut Supreme Court in the Aquarion decision, a regulatory deferral is a unique exception to the conventions of prospective ratemaking. Aquarion, 352 Conn. at 391. When a category of cost is expected to be material, difficult to measure, and volatile from one year to the next, the Authority may authorize the utility to defer the cost by recording a regulatory asset that is subject to prudence review prior to authorized recovery in future rates. The ability for a utility to recover costs incurred in the past significantly shifts the risk profile inherent in the traditional base rate model. Thus, the initial regulatory authorization for deferral must be clear and strictly observed, and the universe of costs eligible for deferral and eventual recovery through rates must be limited to those that meet the regulator's specified criteria.

Thus, the Authority must determine whether retrospective carrying charges are a class of cost that was within the initial deferral authorization, as of Eversource's last rate case, or whether those carrying charges are instead subject to the risk-bearing inherent in the regulatory model for setting prospective base distribution rates. The Authority understands Eversource's point that, as a basic principle of finance, delayed cost recovery imposes the additional cost of the time value of money. However, the Authority is not persuaded that the authorized recording of a regulatory asset implies or assures automatic recovery of costs, including carrying charges, generally or in this proceeding. The legal standard is clear: a regulatory asset consists of costs for which reasonable assurances of future recovery have been provided. Where the recovery of costs is not

probable in the future (i.e., where it is not reasonable to expect future cost recovery on the basis of available evidence), such costs are not appropriately recoverable. The Authority finds that Eversource should not have reasonably expected to recover carrying charges from the date of cost incurrence when the catastrophic storm costs at issue in this proceeding were authorized for deferral treatment, and, therefore, the Authority does not recognize retrospective carrying charges as a component of the authorized storm cost regulatory asset.

Eversource's own testimony in this proceeding makes clear that Eversource acknowledges that the Authority has not traditionally allowed the recovery of retrospective carrying charges. The Company's pre-filed testimony notes that "[h]istorically, prior to its decision in Docket No. 22-08-08 . . . PURA's ratemaking treatment for storm-related regulatory assets had been to place those assets into rate base (net of deferred taxes) in a rate case and allow recovery with a return at the Company's approved weighted average cost of capital ("WACC") in base rates, **starting from the date of that new rates go into effect as a result of the rate case**." Horton et al. 2026 PFT, p. 17 (emphasis added). In response to an interrogatory request about customer funding of the storm reserve, Eversource acknowledged that the storm reserve, which customers fund through base distribution rates "is a pay-down of future liability in that—once prudence is determined and the recovery of storm costs begins—the amount to be recovered will accrue carrying charges at the Company's weighted average cost of capital under PURA's ratemaking precedent." Interrog. Resp. EOE-321, p. 1. Eversource also stated that "the principle is that it is in the interests of customers to have them contribute to the Storm Reserve as time progresses so that their storm-cost liability in the future is reduced both in terms of the principal amount and the associated carrying charges." Id. Furthermore, Eversource stated:

> Currently, there is no mechanism that accounts for carrying charges on the Storm Reserve, whether in a positive or negative status. **Under PURA precedent, carrying charges do not apply until the storm costs are approved for amortization and put into base rates, net of customer funding.** *Application of United Illuminating Company to Amend Its Rate Schedules*, Docket No. 22-08-08, Final Decision, August 25, 2023, at 45.

Interrog. Resp. EOE-321, p. 1 (emphasis added). When asked why carrying costs were not applied to the customer funded reserves, Eversource stated:

> **PURA does not allow recovery of carrying charges on storm costs incurred unless and until those costs are deemed to be "prudent."** Currently, the Company is not recovering either the storm costs or the capital cost of carrying the deferred storm costs. The funds that customers are contributing to the Storm Reserve are serving to reduce the liability that customers will have in the future to pay off the negative balance of the Storm Reserve with the associated carrying charges that will apply at the time that cost recovery commences. Therefore, since no carrying costs exist in relation to the Storm Reserve, there are neither carrying costs paid to the Company on amounts comprising the negative balance, nor paid to

> customers for the amounts that they pay in to reduce their future liability for that balance and the associated carrying costs.
>
> PURA's precedent confirms this treatment. In Docket No. 14-05-06, the Company requested that if the Storm Reserve accumulates a net (positive) balance of more than $50 million, the Company would pay customers carrying charges at the weighted average cost of capital on the amount of the over-funding during the period of time that the over-funding situation exists. Correspondingly, during the period of time that the balance in the storm reserve falls below a net (negative) balance of $50 million or greater, then customers would pay carrying charges to the Company on the under-recovery during the period of time that under-recovery exists. In PURA's Final Decision dated December 17, 2014, PURA denied any and all carrying charges on the Storm Reserve, stating "The Authority also denies the Company request for a storm reserve fund with ***carrying charges or credits***." (emphasis added)

Interrog. Resp. EOE-321, p. 2.

Other areas of the record in this proceeding also show that Eversource did not reasonably expect to recover retrospective carrying charges prior to its recent advocacy in this proceeding and Docket No. 24-03-30. As noted by OCC, Eversource's 10K and 10Q filings consistently do not reflect retrospective carrying charges as part of its storm-related regulatory asset. EOE-864, Attachments 1 and 2. The Company's initial application in Docket No. 24-03-30, which was made part of the record in this proceeding,[101] also did not include a request to recover carrying charges.[102]

The last decision from the Authority addressing Eversource's storm costs explicitly noted PURA's interpretation of the deferral authorized in the Company's last rate case:

> Until the Authority assesses the prudency of storm costs to be recoverable and determines the allowed storm regulatory asset amount, the Company bears the financing costs associated with the storm costs. Hence, in the interim between when storm costs are incurred and when the Authority makes its determination on the allowed regulatory asset amount, ratepayers are not paying for the financing costs incurred by the Company. Therefore, CL&P will only be allowed to accrue carrying charges as of the date the Authority issued its Decision for this proceeding.

Decision (April 17, 2019) Docket No. 18-11-12, p. 22. As noted in OCC's brief, this was not an issue of dispute in that proceeding—Eversource "was aware of the Authority's

[101] See Notice of Admitted Evidence, Jan. 29, 2026, pp. 1–2.

[102] As noted by EOE, the Company maintained as late as July 10, 2025, that it was not seeing amortized recovery with carrying costs until after approval if its recovery request in a separate proceeding. See EOE Brief, p. 14 (citing Ex. ES-REVREQ-1 Supp. 2, p. 7). Eversource's request for retrospective carrying charges was first made on July 25, 2025. See 24-03-30 Application Supplement 3 Corresp., pp. 1–2.

practice and expressed no concerns about not recovering carrying charges prior to the prudency determination." OCC Brief, p. 91.

Eversource argues that, prior to the Authority's decision in Docket No. 22-08-08, it was reasonable for the Authority to not recognize retrospective carrying charges because, in Eversource's view, the Authority's prior treatment of allowing regulatory assets to enter rate base was "reasonably compensatory of the carrying costs associated with deferred storm costs because the Company's allowed 'return on rate base' is determined at a single point in time and locked into base rates at the time of the rate proceeding." Eversource Brief, pp. 68–69. The Authority understands Eversource's argument to be that the Company was adequately compensated for both deferred expenses and carrying charges under the prior rate base treatment because, over time, it tended to inadvertently compensate the Company for an amount in excess of the actual value of a regulatory asset. Although Eversource may view this prior treatment as a feature, the Authority views it as a bug, the unintended consequences of which were reasonably addressed by the adjustment in Docket No. 22-08-08 to amortize regulatory assets outside of the approved rate base. Having noticed the over-recovery that utilities benefited from in prior years by recovering regulatory assets through inclusion in rate base, PURA course corrected. See GenConn Energy, LLC v. PURA, 348 Conn. 532, 552 (2024).

Even if Eversource historically perceived more sufficient compensation when regulatory assets were allowed to enter rate base, the assets themselves were generally not inclusive of retrospective carrying charges; any "compensatory" effect of the previous rate base treatment was actually unintended overpayment, as opposed to an identified category of cost that the Authority approved for incremental recovery through an amortization expense. When asked whether the Authority ever indicated that rate base inclusion of regulatory assets was intended to compensate the Company for its carrying costs, the Company was unable to provide any supporting evidence. See Hr'g Tr., Mar. 27, 2026, 50:25–51:25 ("I don't know that I'll find a specific bullseye example where PURA goes into great lengths to talk about the compensatory nature of its prior treatment.")

Moreover, Eversource has acknowledged that the previous rate base treatment for deferrals did not typically allow the Company to recover the full extent of its carrying costs, but rather that the treatment was "reasonably compensatory of actual carrying costs incurred from the point of cost incurrence," and that it "had the effect of allowing the utility to recoup *some or all* of the carrying costs that it may have absorbed in the interval between cost incurrence and inclusion in rate base in a rate case." Exhibit ES-SFP-1, pp. 18, 20 (emphasis added). The Authority also notes that even under the prior rate base treatment, at the time of initial approval to defer a cost for potential future recovery the Company could not have known the term over which the asset would ultimately be authorized for amortization—or even whether it would be ultimately amortized at all, as opposed to simply recovered in a single year—nor could it have known the eventually authorized rate of return that would be applied to future rate base, all of which would control the potential for, and scope of, any additional compensation that incidentally resulted from rate base inclusion. Accordingly, even presuming that the prior rate base inclusion treatment is somehow indicative of a reasonable assurance for future recovery of carrying costs (which, for the clear reasons explained herein, it is not), the Company

could never had realistically expected to recover the full amount of its carrying costs, as it demands in the instant proceeding.

The Company's written exceptions argue that the proposed final decision "omits any meaningful discussion of the Connecticut Supreme Court's decision in Office of Consumer Counsel v. Department of Public Utility Control, 279 Conn. 584 (2006) ('OCC-II')." Eversource Exceptions, p. 35. The Company argues that the OCC II decision "unequivocally rejected the proposition advanced in the Draft Decision that recovery of deferred costs depends on prior regulatory authorization." Id. The Authority disagrees with this characterization of the OCC II, and, in light of the Company's request, provides the following analysis of OCC II and its applicability to the instant proceeding.

In the 92-11-11 Decision, in recognition for general economic distress at the time, the DPUC determined that it would accelerate the amortization of a $68.3 million regulatory liability (driven by an unrecognized pension gain) over an 8-year period, rather than the 18.3-year period proposed by the Company. 92-11-11 Decision, p. 47. The net result of this accelerated amortization was a reduction to the total authorized revenue requirement for CL&P, across a three-year rate plan, by $15.7 million—or approximately $5.3 million per year. Id. CL&P's exceptions to the proposed final decision in that case sought permission to create a regulatory asset to recover the $15.7 million difference, and the Company explicitly requested that the final decision include specific language so that it would have to write off the loss. See CL&P Written Exceptions, June 8, 1993 (CL&P 92-11-11 Exceptions), Docket No. 92-11-11, p. 29.[103] Specifically, the CL&P Exceptions stated:

> To avoid the significant financial impact of this conflict, **the Company requests language to be added to the final decision that would allow the recognition of a regulatory asset** for the difference in pension expense created by the eight year vs. 18 year amortization periods for the net unrecognized gain. That is, the final decision should specifically stat that because the gain will be amortized over eight years for ratemaking purposes, all other things being equal, ratemaking pension expenses in years 9-18 will be higher than the Company's FAS 87 booked pension expense.

CL&P 92-11-11 Exceptions, pp. 28–29 (emphasis added). The 92-11-11 Decision incorporated CL&P's proposed language (nearly verbatim) as requested by CL&P, and recognized that the Company's pension expense for book purposes would be $5 million higher than the amount to be included in rates:

[103]Due to the age of the CL&P 92-11-11 Exceptions, the Authority's electronic public docket system does not include these exceptions as listed within Docket No. 92-11-11. However, a scanned copy of the relevant portion of the document is available electronically as Appendix 1 to CL&P's Petition for Reconsideration filed on January 21, 2004, in Docket No. 03-07-02RE01, Application of The Connecticut Light and Power Company to Amend Its Rate Schedules – December 31, 2003 Petition for Reconsideration.

> The Authority recognizes the fact that as a result of using an eight-year amortization of the unrecognized net gain, the Company's pension expense for book purposes calculated under FAS 87 will be over $5 million higher than the amount to be included in rates. The Authority recognizes that, all other things being equal, ratemaking pension expenses in years 9 through 18 will be higher than the Company's FAS 87 booked pension expense.

92-11-11 Decision, p. 47.

In a 1999 proceeding pertaining to stranded costs associated with restructuring, CL&P sought recovery of the $15.7 million, which the Company had deferred as a regulatory asset in reliance upon the 92-11-11 Decision. See CL&P Brief, May 28, 1999, Docket No. 99-02-05, Application of the Connecticut Light and Power Company for Calculation of Stranded Costs. Addressing opposing arguments advanced by OCC and other parties, the DPUC held that "it would be inappropriate to eliminate the regulatory obligation to recover the expense difference of the 1993-1995 unrecognized pension gain," and that "it is appropriate for the distribution company to recover the unrecognized pension gain. Recovery of $5.3 million generation-related unrecognized gain, as well as the offsetting $91 million generation-related unamortized gain will be addressed in the Company's next rate case." Decision, July 7, 1999, Docket No. 99-02-05 (99-02-05 Decision), p. 71.

CL&P's next base distribution rate filing was addressed four years later in Docket No. 03-07-02, Application of The Connecticut Light and Power Company to Amend Its Rate Schedules. In the December 17, 2003 decision in that proceeding (03-07-02 Decision), the DPUC disallowed recovery of CL&P's pension-related regulatory asset, noting that "[t]he Department's June 16, 1993 final Decision in Docket No. 92-11-11 makes no mention of deferring the [loss]." 03-07-02 Decision, p. 85. CL&P later sought reconsideration of the 03-07-02 Decision, arguing that DPUC's incorporation of CL&P's requested language in the 92-11-11 Decision created a regulatory asset, and that the 99-02-05 Decision clarified that the Company could recover the $15.7 million as a regulatory asset in its next rate case. CL&P Petition for Reconsideration, Dec. 31, 2002, Docket No. 03-07-02. The DPUC subsequently reopened the proceeding and ultimately found that "[t]he Department's final Decision in Docket No. 92-11-11 permitted the recording of deferred charges, leaving all ratemaking considerations of the deferred charges . . . to be decided in a future rate case, at which all parties could present evidence on such issues." Decision, Aug. 4, 2004. Docket No. 03-07-02RE01, Application of the Connecticut Light and Power Company to Amend Its Rate Schedules – December 31, 2003 Petition for Reconsideration (03-07-02RE01 Decision), p. 4. DPUC further clarified that while the "draft decision in Docket No. 92-11-11 did not contemplate deferral of pension expense reductions caused by the Department's change in unrecognized pension fain assumptions . . . [t]his concept was proposed by CL&P in its written exceptions and then appeared in the final Decision". Id., p. 4 n.4. The Department authorized recovery of the $15.7 million asset via amortization expense over a 13-year period, with no recovery of carrying costs. Id.

OCC appealed that decision to the Connecticut Superior, Connecticut Appellate, and ultimately the Connecticut Supreme Court, which resulted in the OCC II decision. There, the Connecticut Supreme Court set forth the clear standard that although the creation of a regulatory asset does not require "'explicit and unmistakable' promissory language," a regulatory asset "has been created when the department, at the time of the original deferral, gave reasonable assurances that recovery of the expense would be allowed at some future date." OCC II, 279 Conn. at 601. The Connecticut Supreme Court determined that the DPUC gave reasonable assurance of future recovery when it incorporated CL&P's requested language into the final decision in the 1993 case. Id. at 602. Specifically, although the 92-11-11 Decision did not include language explicitly recognizing the creation of a regulatory asset, its recognition that "the company's pension expense for book purposes would be more than $5 million higher annually than the amount included in the rates," coupled with its adoption "almost verbatim, [of] the language intended to create a regulatory asset that the company had requested" was sufficient to provide CL&P with a reasonable assurance of future recovery. Id.

Here, as an initial matter, the Authority firmly rejects the Company's argument that the OCC II holding "unequivocally rejected the proposition advanced in the Draft Decision that recovery of deferred costs depends on prior regulatory authorization." CL&P Exceptions, p. 35. The holding in OCC II actually affirms the opposite: the creation of a regulatory assert depends *entirely* upon prior regulatory authorization. OCC II, 279 Conn. at 601. The holding in OCC II stands for the more nuanced proposition that the prior regulatory authorization need not be an explicit promise of "future recovery of a specific dollar amount in a specific rate-making proceeding," and does not require "'explicit and unmistakable' promissory language." Id. at 600–01. Rather, a prior decision can "provide assurances" of future recovery through other means, such as by directly incorporating language requested by a company for the specific purpose of allowing a regulatory asset to be recognized for accounting purposes. Id. at 602. Again, CL&P explained in the CL&P 92-11-11 Exceptions that its requested language was necessary *specifically for the creation of a regulatory asset.* Accordingly, it was reasonable to interpret DPUC's adoption of the same language as indicative of DPUC's authorization to create a regulatory asset.[104]

Pursuant to OCC II, the question before the Authority in this case is not whether PURA ever provided explicit permission for Eversource to defer retrospective carrying charges, but whether any prior administrative proceeding provided the Company with reasonable assurances of future recovery of retrospective carrying charges. As discussed herein, the Authority finds that no prior proceeding provided such assurances.[105]

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[104]Moreover, it is clear that OCC II does not stand for the proposition advanced by the Company in this proceeding, because the Connecticut Supreme Court in Aquarion cited to OCC II for its finding that "the utility may recover expenses incurred before the test year if those expenses were recognized as a deferred regulatory asset in a prior administrative proceeding." Aquarion, 352 Conn. at 392 (citing OCC II, 279 Conn. at 601–02).

[105]Notably, the underlying decision upheld by OCC-II is itself further support for this finding. The 03-07-02RE01 Decision, which ultimately was upheld by the Connecticut Supreme Court in OCC II, not only

To the extent that a regulated utility determines that its rate revenues are insufficient to compensate it for prudently incurred costs, its remedy is to seek a prospective rate increase pursuant to General Statutes § 16-19. The Authority observes, as noted by both OCC and EOE, that Eversource possessed the exclusive and unrestricted ability to mitigate its carrying costs by filing an application to amend its base rates.

The 17-10-46 Amended Settlement Agreement authorized the review for prudence and recovery in base rates in year two or year three of the rate plan approved in that docket:

> Any additional post-December 31, 2016 Storm Costs approved by PURA in a Future Storm Docket, less the $18.625 million included herein, can be recovered in base distribution rates at the time of the Company's next closest May 1st adjustment to base distribution rates under the three year rate plan for this rate case (i.e., Rate Year 2 commences on May 1, 2019 and Rate Year 3 commences on May 1, 2020).

17-10-46 Amended Settlement Agreement, p. 5 n.3. The Authority conducted that review in Docket No. 18-11-12, the Future Storm Docket, and the allowed regulatory asset was amortized over six years, beginning May 1, 2019, in accordance with the 17-10-46 Amended Settlement Agreement. See 18-11-12 Decision, p. 1–2 (allowing recovery effective May 1, 2019, and noting that "[t]he Company's filing was submitted pursuant to [General Statutes] §§ 16-11, 16-19, 16-19e and 4-176, and Section 4(b)(i) of the" 17-10-46 Amended Settlement Agreement). Even if the Authority were to interpret the reference to "post-2016 storms" in the settlement agreement to mean that Eversource could seek review for any and all storms that occurred after 2016, with no limitation as to time, the settlement agreement authorized recovery effective May 1, 2019, or May 1, 2020, both of which are long past. Accordingly, any recovery would need to occur in a rate case proceeding.

The Company filed its first application with respect to a portion of the storm costs at issue in this proceeding on December 22, 2023, which stated: "The Company is not seeking to commence recovery of these costs on an amortized basis with carrying costs until new base rates are set in a subsequent, distribution rate case proceeding."[106] Motion No. 59, Docket No. 17-10-46, p. 5. The Company's second application was filed on March 11, 2024, initially docketed as Motion No. 60 in Docket No. 17-10-46, and then docketed as an application in Docket No. 24-03-40; the Company again stated: "The Company is **not** seeking to commence recovery of these costs until such time that new base rates are

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explicitly denied prospective carrying costs, but also limited recovery to the principal amount *as calculated in 1993 dollars*, despite the passage of more than a decade between incurrence and the authorization of recovery. See 03-07-02RE01 Decision, p. 4 ("[T]he Department concludes it is appropriate to recover [$15.7 million] from customers over a 13-year period, with no return").

[106]The Authority administratively posted the application as motion to reopen (i.e., Motion No. 59) in the Company's most recent rate amendment proceeding, Docket No. 17-10-46, because "[t]he Company requests a change in its current rates but did not file a rate amendment application under General Statutes § 16-19." Motion No. 59 Ruling, Docket No. 17-10-46, p. 1 n.1.

set in a subsequent, base distribution rate case proceeding." 24-03-30 Application Corresp., p. 6 (emphasis in original). The Company's request in the instant proceeding is similarly not one for recovery, but for review of its costs as a preliminary step prior to recovery via either securitization or a base rate adjustment. See Eversource Brief, p. 77.

Invoking its several attempts to obtain prudence review of these costs prior to this docket, the Company has claimed that "[b]etween 2021 and the present, several actions taken by PURA have delayed the prudence review of the 2018–2023 Storm Events and, as a result, increased carrying costs borne by customers." Horton, Fallon, Murray, Kallen, and O'Brien Pre-filed Test., Feb. 13, 2026 (Horton et al. 2026 PFT) , pp. 33–34 . The Company has expressed its frustration with the Authority's procedural path, but, as a practical matter, any recovery of carrying costs could only have been achieved through a rate adjustment pursuant to the filing of a base rate application. Even if the Company's first request for a prudence review had been accepted and the prudence review had commenced in December 2023, the time value of the outstanding balance would have continued to grow until the Company began to recover it. The Company's current base rates were part of a multi-year rate plan through April 30, 2021, and the Company has been free to file a base rate application for new effective rates, with the exception of the stay-out period authorized in the 17-12-03RE11 Interim Decision, which the Company voluntarily self-imposed via a settlement agreement.

The Company asserts that it has not filed a rate case application because it was "[reluctant] to subject itself, its employees and its customers to the former chairperson's now widely acknowledged hostility and pervasive impropriety" and that "[t]he likely impact of a CL&P rate proceeding would have been a further, significant downgrade in CL&P's credit rating, if not the credit rating of all of Eversource's operating companies across its tri-state footprint, as occurred in December 2024 – an outcome that Eversource desperately sought to avoid due to the long-lasting and costly impact that it would have for all of its customers in three states." Eversource Corresp., Feb. 18, 2026, p. 4. The Authority need not evaluate the reasonableness of the Company's decision because the relevant factor for the purpose of analyzing the applicability of regulatory treatment of retrospective carrying costs is simply that it was, in fact, a deliberate decision. The Authority concurs with OCC and EOE that the Company chose to forgo the filing of a rate application, and the Company should not be allowed to insulate itself from the financial impact of that decision by passing the consequences on to ratepayers. See Connecticut Light & Power Co., 176 Conn. at 215 (holding that "amortization authorization should not be construed to permit the utilities to delay unreasonably the time when the amortization is first claimed for rate-making purposes. To permit that 'would have produced the unjust effect of imposing the burden of costs incurred (at an earlier date) on . . . users (at a later date) and thereafter.'"). Accordingly, the Authority denies the requested recovery of retrospective carrying charges.

4. Prospective Carrying Charges

a. Legal Standard

Traditionally, regulatory assets have been recovered via amortization expense, meaning the total outstanding asset value is recovered from ratepayers over a period of

time—rather than within a single year—in order to reduce rate shock. As the asset is amortized, the utility company accrues and recovers carrying charges, which are its compensation for the prolonged period of rate recovery. The Connecticut Supreme Court explained this concept twenty-five years ago, in the context of analyzing a decision of the Authority's predecessor, the DPUC, that permitted an accelerated amortization period of a regulatory asset:

> A regulatory asset is a liability of a utility's ratepayers. Utility companies may incur large expenses in various ways—storm damages, installation of new facilities, increased taxes and so forth. These expenses, if passed immediately on to ratepayers, could create havoc. An immediate recovery of such expenses could cause sudden upward increases in rates, commonly termed "rate shock." In order to avoid rate shock, commissions often will permit utility companies to recover their expenses from ratepayers on a deferred basis, listing the ratepayers' debt as a "regulatory asset." A regulatory asset is, therefore, a future debt of the ratepayers that can be passed on, together with interest, to the ratepayers. Accelerated amortization of a regulatory asset by the power company, therefore, necessarily reduces the future liability of its ratepayers.

Office of Consumer Counsel v. Department of Public Utility Control, 252 Conn. 115, 126–27 (2000) (OCC I).

OCC I was an appeal from the decision of the Authority (then the DPUC) in Docket No. 98-01-02, DPUC Review of The Connecticut Light and Power Company's Rates and Charges, which authorized accelerated amortization of regulatory asset balances related to deferrals for nuclear outage costs, outside legal expenses, advertising, accrued nuclear refueling outage O&M costs, and balances arising from a 1996 settlement agreement. See id. at 119–20. Notably, none of these regulatory assets included carrying costs measured as of the incurrence of deferred expenses; rather, the DPUC allowed the deferred expenses (not inclusive of carrying costs) to be amortized over time and to recover carrying costs over such time period. This was the procedure upheld by the Connecticut Supreme Court when it described a regulatory asset as "a future debt of the ratepayers that can be passed on, together with interest, to the ratepayers." OCC I at 126.

In 2023, the Authority clarified that even when retrospective carrying charges are not permitted, it is appropriate to allow prospective carrying charges on a deferral:

> By contrast [to the preceding discussion pertaining to retrospective carrying charges], the Authority finds that carrying charges are permissible on ratemaking regulatory assets during the recovery period. When a deferred expense is deemed prudent, it becomes a ratemaking regulatory asset that is amortized over a reasonable period of time. At the time the Authority establishes a recoverable regulatory asset, the Authority may include a return calculation, or carrying charges, to compensate the Company for the time it will take to fully recover the regulatory asset from ratepayers (i.e., the

> amortization period). See OCC v. DPUC, 279 Conn. at 594–95. The Authority has historically applied the approved pre-tax weighted average cost of capital (WACC) to calculate carrying charges on ratemaking regulatory assets over the recovery period. However, rates, such as the utility's debt component of its WACC or the utility's incremental borrowing rate (e.g., prime rate), may also be used to calculate carrying charges associated with all or part of a ratemaking regulatory asset. See, e.g., Decision, June 29, 2011, Docket No. 10-12-02, Application of Yankee Gas Services Company for Amended Rate Schedules. Ultimately, the appropriate rate is determined by the Authority as part of the recovery determination process in a rate proceeding.

22-08-08 Decision, pp. 28–29. The appropriate rate to apply to prospective carrying charges is a matter of regulatory discretion and dependent upon the facts and circumstances before the Authority at the time of its consideration. See id.

In 2019, in Docket No. 18-11-12, the Authority considered the appropriate treatment of carrying charges for storm costs when conducting the prudence review of the Company's 2017 and 2018 storms, which was authorized by the October 2021 settlement agreement. See 18-11-12 Decision, pp. 20–22. In that docket, Eversource requested prospective carrying charges at its authorized WACC and sought to distinguish the Authority's decision in Docket No. 10-12-02, Application of Yankee Gas Services Company for Amended Rate Schedules, which allowed remediation expense recovery at the cost of short-term debt. See 18-11-12 Decision, p. 20; Decision, June 29, 2011, Docket No. 10-12-02 (10-12-02 Decision).[107] Eversource argued that it should be allowed to recover carrying charges at its authorized WACC, without any discussion about accruing carrying charges from any date other than the date the Authority found the costs prudently incurred. 18-11-12 Decision, p. 21. OCC argued in favor of using a lower rate, such as the Company's short-term debt rate, because "using an equity return embedded WACC would be inappropriate here because it would lead to a profit margin on these current storm expenses that are not capital investments." Id., p. 21. The Authority determined that Eversource could accrue carrying charges, at its authorized WACC, as of the date of the Authority's decision finding the storm costs prudent:

> CL&P expended approximately $200 million on major storm restorations in 2017 and 2018. . . . Until the Authority assesses the prudency of storm costs to be recoverable and determines the allowed storm regulatory asset amount, the Company bears the financing costs associated with the storm costs. Hence, in the interim between when storm costs are incurred and when the Authority makes its determination on the allowed regulatory asset amount, ratepayers are not paying for the financing costs incurred by the Company. Therefore, CL&P will only be allowed to accrue carrying charges

[107] In the 10-12-02 Decision, PURA indicated that Eversource gas affiliate Yankee Gas Services Company (Yankee) should not profit from environmental litigation costs and used Yankee's cost of debt for the carrying charge rate. 10-12-02 Decision, p. 11. Eversource argued in Docket No. 18-11-12 that the 10-12-02 Decision to accrue carrying charges at something other than its authorized WACC was an anomaly. 18-11-12 Decision, p. 20.

> as of the date the Authority issued its Decision for this proceeding. Finally, the Authority agrees with the OCC's position that the Company is not entitled to carrying costs if the Decision in this proceeding is not issued by May 1, 2019. While the Authority has aimed to meet the Company's proposed timeframe, there is no statutory time limit for this proceeding.
>
> The Authority concludes that it is fair and reasonable in this instance to allow CL&P to calculate carrying charges on the allowed regulatory asset amount, net of the applicable deferred taxes, at the Company's allowed WACC, as of the date of this Decision.

18-11-12 Decision, p. 22.

b. Authority Analysis

The Authority authorizes Eversource to begin accruing carrying charges on the deferred storm costs from the date of this decision through the date of securitization or other recovery authorized in a rate case proceeding. In totality, the record and authoritative guidance under GAAP point to the reasonableness of applying the Company's cost of debt when calculating carrying charges because they are not directly incurred and the operating expenses to which they are applied are ineligible for equity returns under the ratemaking model. However, in this particular instance, the Authority exercises its regulatory discretion by allowing the Company to apply its authorized WACC to calculate the carrying charges.[108]

Eversource argues that carrying charges should accrue at its authorized WACC to ensure the Company is reimbursed for the financing costs of carrying unrecovered deferred expenses on its books. Horton et al. 2026 PFT, pp. 52–53. Eversource argues that its authorized WACC reflects the reality that Eversource has used long-term sources of capital, including both debt and equity, to finance its capital investments and operations, which include deferred storm costs. Id., p. 36. In support of this position, Eversource provides an exhibit showing the Company's sources of cash and use of cash from 2017 through 2025. See Late Filed Ex. 31, p. 3. From 2017 through 2025, the Company's use of cash has exceeded its sources of cash by $5.389 billion, with each year from 2018 through 2023 showing annual deficits exceeding $500 million. Id. Over that period, the total contributions of equity were $3.210 billion and the total contributions of long-term debt were $2.34 billion.[109] Id. Ultimately, the Company's position is that since it uses both equity and capital to maintain investments and operations, the Company should be reimbursed at its authorized WACC, which recognizes the true financing costs. Horton et al. 2026 PFT, p. 52.

The Company also argues that it has not funded the deferred storm expenses with short-term debt and that it would be inappropriate to do so. Id., pp. 37–38. The Company states that short-term debt is used to fund day-to-day funding gaps as a transition to longer term sources of capital when necessary. Id. Storm costs must be carried for years;

[108]The Company's authorized WACC is 7.09%. See Late Filed Ex. 31, Att. 1.

[109]The Company also reduced its short-term debt during this period by $80 million. Late Filed Ex. 31, p. 3.

therefore, short-term debt, which must be paid on average every 30 days, cannot be used as the primary financing tool. Late Filed Ex. 31, pp. 5–6. The Company also has a short-term debt limit of $600 million, which would have been insufficient to fund its deferred storm costs, and the Company uses short-term debt to fund other day-to-day needs. Id., pp. 9–10; Horton et al. February 2026 PFT, p. 40. Further, the Company states that credit agencies view short-term debt as riskier than long-term sources of capital. Late Filed Ex. 31, pp. 7–8.

The Company's financing of its operations with both debt and equity is not determinative of whether the Company should have (specifically for deferred storm expenses), or whether it should continue to do so. First, the application of carrying charges applies only prospectively from the time of this decision, as discussed in Section III.I.1, Summary. Therefore, the question of future carrying charges is not a question about what Eversource has done up to this point, but rather what Eversource should do going forward. Accordingly, the Authority considers whether it is most appropriate to apply carrying charges at the Company's authorized WACC or at a different rate, including the authorized rate of long-term debt.

Accounting guidance for regulatory entities under GAAP indicates that carrying charges on deferred expenses should not recognize the equity component of a utility's capital as only "incurred" costs are recognized.[110] ASC 980-340-25-5. Under GAAP, the debt component is an "incurred" cost, but the equity component of a carrying charge is an "allowable" cost, not an "incurred" cost. Horton et al. July 25, 2025 PFT, Ex. ES-RP-2 Supp. 3, p. 9. However, Eversource disputes the notion that carrying charges on regulatory assets should be calculated using only the debt component of the authorized cost of capital and provided a report from Mr. Sean Riley an "industry and financial expert"[111] arguing that the above interpretation confuses the provision of ASC 980. See id., pp. 9–10. Mr. Riley argues that the requirements under ASC 980 are not intended to prohibit the recognition of an equity component of carrying charges but instead govern the timing of their application. Horton et al. July 25, 2025 PFT, Ex. ES-RP-2 Supp. 3, p. 10 ("To be clear, the focus here is on what GAAP requires in order to defer costs on the balance sheet. This is not meant to imply that the cost of equity capital (or 'return on equity') should not be charged to and recovered from ratepayers. The accounting requirements are focused on the point of 'realization,' and the return on debt and equity is realized at different points and in different manners in that regard."). He opines that debt should be reflected on a utility's balance sheet when the regulatory body approves the cost (i.e., following a prudence review) and equity is recognized when the cost is billed to the customer (i.e., cost is in rates). Id. Based on this interpretation, Mr. Riley argues that ASC 980 does not outright prohibit the recognition of equity and argues that both

[110] "If specified criteria are met, paragraph 980-340-25-1 requires capitalization of an incurred cost that would otherwise be charged to expense. An allowance for earnings on shareholders' investment is not an incurred cost that would otherwise be charged to expense. Accordingly, such an allowance shall not be capitalized pursuant to that paragraph." ASC 980-340-25-5 (emphasis added).

[111] Mr. Riley is described as a financial and regulatory accounting expert with over 30 years' experience in the industry. Third Storm Supplement, Horton, Paruta, Murray, Landry, Griffin, Kallen, and O'Brien Pre-filed Test., July 25, 2025 (Horton et al. July 25, 2025 PFT), pp. 15–17.

equity and debt should be recognized in the carrying charges. Id. Mr. Riley, however, clearly acknowledges that it is the regulator who ultimately decides how carrying charges are implemented and emphasizes that GAAP does not drive ratemaking but instead "it is ratemaking that drives the ultimate accounting under GAAP." Id. Mr. Riley opines that ASC 980 should not be interpreted to prohibit the equity component of carrying charges, as the regulatory body determines the rates, and in his view recovery of the total cost of capital (return on equity and cost of debt) is most appropriate to reimburse the Company for its use of capital. Horton et al. July 25, 2025 PFT, Ex. ES-RP-2 Supp. 3, p. 10.

The Authority agrees that the rules established by GAAP are meant to serve the purpose of ratemaking, not the other way around; ASC 980 itself reflects this widely accepted understanding. The Authority also agrees that the determination about what are reasonable carrying charges lies with the Authority. The Authority understands the position that the Company's financing costs for expenses approved for deferral should be covered by ratepayers for the period from the prudence determination and ultimate cost recovery. However, the Authority disagrees that it is *always* reasonable for the Company to use equity capital to fund deferred catastrophic storm expenses. Indeed, it is accepted practice that, in contrast to capital investment, operating expenses are ineligible for returns under the regulatory ratemaking model.

As discussed above in Section III.I.2., Retrospective vs. Prospective Carrying Charges, there is a crucial distinction between cost recovery via prospectively set base distribution rates and recovery of a deferred expense. Hence, it may be reasonable for utilities to consider financing these distinct categories of cost from distinct sources of capital. Further, from a policy perspective, it is worthy of consideration whether utility shareholders should recover a return on equity for catastrophic storm costs—thereby financially benefitting from a force majeure event that imposed hardship on customers in the form of outages and the cost of recovery. Eversource contends that carrying costs are not a profit mechanism but a reflection of the financing costs, including both debt and equity costs, which the Company incurs to defer those expenses until they are paid by ratepayers. Horton et al. Feb. 13, 2026, p. 43; Hr'g Tr., Mar. 27, 2026, 118:16–119:20.

However, the Authority has considered disallowing an equity return on regulatory assets for policy concerns in the past. In a 2002 decision, the Authority (then the DPUC) noted that it did "not want the Company to profit" from deferred coal-tar remediation costs and "required that deferred amounts accrue carrying costs at a rate that approximates the Company's short-term cost of debt." Decision, Jan. 30, 2002, Docket No. 01-05-19PH01, Application of Yankee Gas Services Company for a Rate Increase, p. 34. Similarly, in a 2011 decision, PURA noted that "Yankee should not earn a profit on its remediation expenditures. Yankee will be allowed to accrue carrying charges on the unamortized balance, net of the related ADITs, using its currently allowed cost of debt . . ." 10-12-02 Decision, p. 13. In 2013, PURA considered a "hybrid capitalization" for vegetation management program expenses, wherein the utility would be allowed to capitalize vegetation management expense but with carrying costs on the net unamortized balances set at the company's average cost of long-term debt. 13-01-19 Decision, p. 78.

Despite those considerations, the Authority has generally allowed carrying charges at a company's authorized WACC (i.e., recognizing equity in computation of carrying charges) for deferred storm expenses.[112] See, e.g., 18-11-12 Decision, p. 22. The Authority must consider whether a company's authorized WACC is appropriate on a case-by-case basis. As Eversource is aware, in the Company's last storm cost review proceeding, the Authority rejected the Company's argument that the Authority should always allow carrying charges on deferred storm regulatory assets at the Company's authorized WACC because the Authority has generally allowed carrying charges on deferred storm regulatory assets at a company's authorized WACC. See 18-11-12 Decision, p. 22. In that proceeding, the Authority did permit carrying charges on the regulatory asset at the Company's authorized WACC, but noted that "[each] proceeding is reviewed based on the economic analysis of weighing myriad of interests." Id.

In this case, the Authority has considered the notion that a debt rate may be most appropriate to determine the prospective carrying charges for deferred storm costs. The above-cited decisions raise interesting points about the appropriate financing model in consideration of relevant public policies. However, PURA recognizes the historical treatment overwhelmingly trends toward the application of the Company's cost of capital and that at the time of the authorization to defer catastrophic storm costs during the period under consideration in this proceeding, Eversource likely expected that it would recover prospective carrying charges on the ultimately authorized balance at its authorized WACC across an ultimately authorized amortization term. The Authority also notes that it allowed UI to recover its deferred storm costs for some of the same storm events at UI's authorized WACC during the allowed amortization term. 22-08-08 Decision, p. 191. For the foregoing reasons, and regulatory consistency, the Authority will permit Eversource to calculate carrying charges using its approved cost of capital. However, the Authority will continue to evaluate the treatment of prospective carrying charges as well as the appropriate rate to be applied on a case-by-case basis, to ensure just and reasonable outcomes for utilities and their ratepayers.

Accordingly, the Authority determines that carrying charges will apply at the Company's authorized WACC,[113] from the date of this decision through the date when Eversource recovers the costs found to be prudently incurred herein. Because such recovery is dependent upon the Authority's determination in Docket No. 26-04-04, the total amount of carrying charges is unknown at this time.

J. SECURITIZATION

Pursuant to General Statutes § 16-245e, PURA may allow the Company to securitize up to $2.2 billion of storm costs prudently incurred between January 1, 2018, and January 1, 2025. In this decision, the Authority finds that $861,478,785 of

[112] In the Company's prior storm cost proceeding, the Authority permitted prospective carrying charges at the Company's authorized WACC. See, e.g., 18-11-12 Decision, p. 22. In addition, in a recent rate case, the Authority amortized UI's deferred storm costs of $15.060 million using the UI's authorized pre-tax WACC to calculate carrying charges over the amortization period. 22-08-08 Decision, p. 45.

[113] The Authority will use the pre-tax WACC at the rate of 7.09%, which the Authority authorized in the Company's most recent rate case. Late Filed Ex. 31, Att. 1.

Eversource's deferred storm costs were prudently incurred, to be offset by mutual aid revenue and funds already collected from ratepayers through the Company's storm reserve and the CTA mechanism. Eversource may file a petition in Docket No. 26-04-04 to request a determination of whether the issuance of rate reduction bonds is in the best interest of ratepayers with respect to the 2018–2023 approved storm costs. See General Statutes § 16-245e(*l*). However, the Authority will not consider the securitization of prospective carrying charges, as the carrying charges will be incurred after January 1, 2025, and General Statutes § 16-245e(*l*) does not permit securitization of costs incurred after January 1, 2025. Accordingly, the Company may request recovery for the prospective carrying charges in Docket No. 26-05-10. The Authority will address any necessary adjustments for taxes, including ADIT, in Docket Nos. 26-04-04 and 26-05-10.

K. FUTURE CONSIDERATIONS

As discussed throughout this decision, salient concerns for the Authority and stakeholders have been raised in this proceeding about both Eversource's ongoing storm response practices and the regulatory framework in place for the recovery of storm costs. In Eversource's next rate case, the Authority expects to consider whether it will be prudent for Eversource to maintain its various manual and paper-based accounting and authorization procedures for storm response and documentation. The Authority will also consider whether deferred accounting is the most appropriate recovery mechanism for Eversource's storm costs in the future, in light of the unmanageable magnitude of documentation in this proceeding; the staggering materiality of accrued costs and resulting rate impact for customers; and the potentially misaligned cost containment incentives inherent in the current storm cost recovery framework.

Both EOE and OCC have recommended that the Authority consider ROE reductions in Eversource's next rate case. EOE Brief, pp. 94–99; OCC Brief, p. 90. The Authority declines to consider EOE or OCC's specific ROE adjustment proposals at this time; in Eversource's rate cases, the Authority will consider whether financial incentives could improve Eversource's internal cost controls and procedures with respect to storm response activities.

IV. CONCLUSION AND ORDERS

A. CONCLUSION

PURA finds that Eversource prudently incurred $861,478,785 of catastrophic storm costs and $10,563,865 of prestaging costs. Prudently incurred prestaging costs are not permitted for deferral but are covered by the annual prestaging accrual. The Company's catastrophic storm costs are offset by: (1) a $2,642,850 credit of mutual aid revenue, and (2) $90,905,927 of total catastrophic storm reserve accrual paid by customers from January 1, 2018, through December 31, 2023. The Authority will also account for $100,000,000 collected through the CTA mechanism pursuant to the RAM Interim Decision.

Accordingly, the Authority will consider the securitization of up to $767,930,008 in prudently incurred storm costs, and application of the $100,000,000 RAM CTA credit in Docket No. 26-04-04, pursuant to General Statutes § 16-245e.

The Company may prospectively accrue carrying charges on the balance of uncollected prudently incurred catastrophic storm costs at the Company's currently authorized WACC, from the date of this decision through the date of securitization or other recovery authorized in a base distribution rate case proceeding. The Company may request recovery of these carrying charges in a future base distribution rate case proceeding, e.g., Docket No. 26-05-10.

B. ORDERS

For orders requiring a filing, the Company shall file an electronic version through the Authority's website at www.ct.gov/pura. Submissions filed in compliance with the Authority's orders must be identified by: Docket Number, Title, and Order Number. Compliance with orders shall commence and continue as indicated in each specific order or until the Company requests and the Authority approves that the Company's compliance is no longer required after a certain date. Unless otherwise provided or determined by the Authority, filings submitted in compliance with an order shall constitute satisfaction of the order. Filings requiring Authority approval must be filed as a motion.

1. No later than August 31, 2026, the Company shall submit in Docket No. 26-05-10, an updated storm deferral balance calculating the catastrophic storm reserve accruals starting January 1, 2024, and through at least the start of the Company's proposed rate year as specified in that proceeding, as discussed in Section III.H, Catastrophic Storm Costs Reserve Accruals.

2. No later than August 31, 2026, the Company shall submit documentation clarifying its policies governing the transition from standby status to emergency response work status as discussed in Section III.F.3.e, Standby Billing for Labor. The documentation shall demonstrate that vendor instructions, contractual provisions, and billing practices are applied consistently. The Company may request an extension to this order, but any such request must be accompanied by a status report, including scope of contractual amendments necessary and a proposed timeline for completion of those amendments.

3. No later than August 31, 2026, the Company shall, in consultation with the OCC, submit to the Authority for review and approval a revised compensation policy that permits ERP Awards only for ERP Level 3 events or more severe, consistent to the greatest extent possible with its New Hampshire and Massachusetts affiliates, and that excludes a minimum of nine overtime hours before an ERP Award applies, as discussed in Section III.F.2.b, Exempt Employee Emergency Response Plan Payments.

4. No later than November 20, 2026, the Company shall submit in Docket No. 26-05-10:

   a. a report on Eversource's evaluation of options to replace the manual, paper-based contractor timesheet process with an electronic field time-capture system, as described in Section III.C.2, Accounting and Operational Controls.

   b. a plan to evaluate and score the performance of its contractors, FRCs, and arborists against the timesheet requirements, which shall consider implementation of the factors regarding the completeness and timeliness of the contractors', FRCs', and arborists' timesheets, as identified in Section III.C.3.b, Eversource Timesheets.

5. No later than November 30, 2026, the Company shall submit in Docket No. 26-05-10 an analysis of whether the storm fleet has provided a maximum positive benefit to ratepayers, including an evaluation of whether the storm fleet has provided net benefit to ratepayers for the catastrophic storms under review in that proceeding, as discussed in Section III.F.6.a, Storm Fleet.

6. No later than December 31, 2026, Eversource shall update its Expense Policy to identify meal stipend criteria and to include the following two requirements: (1) supporting documentation for the calculated number of meal stipends; and (2) an affirmation from each employee to confirm that they did not receive a Company-provided meal, as discussed in Section III.F.7.a, Meal Stipends.

7. No later than April 1, 2027, Eversource shall comply with mileage reimbursement requirements as outlined in Section III.F.7.b, Employee Mileage.

8. In the Company's next application to amend its base distribution rates, the Company shall separately account for prestaging and non-prestaging costs, if the Company is requesting recovery of prestaging costs, as discussed in Section III.E.2, Remediation and Materials Costs.

DOCKET NO. 25-12-13 APPLICATION OF THE CONNECTICUT LIGHT AND POWER COMPANY D/B/A EVERSOURCE ENERGY FOR ORDER TO SECURITIZE 2018-2023 CATASTROPHIC STORM COSTS

This decision is adopted by the following commissioners:



Thomas H. Wiehl



David Arconti, Jr.



Janice A. Beecher



Holly H. Cheeseman



Everett Smith, III

CERTIFICATE OF SERVICE

The foregoing is a true and correct copy of the decision issued by the Public Utilities Regulatory Authority, State of Connecticut, and was forwarded by Certified Mail to all parties of record in this proceeding on the date indicated.



Jeffrey R. Gaudiosi, Esq.
Executive Secretary
Public Utilities Regulatory Authority

July 29, 2026
Date

APPENDIX A: DESCRIPTION OF EVERSOURCE'S PROPOSED STORM AND PRESTAGING EVENTS

Table 1: Major Storms

Storm Events	Storm Work Order	Start Date	ERP Level	Total Request for Incremental Costs ($)
Heatwave June 29,2018–July 6, 2018	MS18H011	June 28, 2018	N/A	5,089,780
Freezing Rain/Wind January 20, 2019	MS19A011	January 20, 2019	4	15,705,597
Wind February 25, 2019	MS19C011	February 25, 2019	5	7,049,604
Wind/Rain October 17-18, 2019	MS19G011	October 16, 2019	5	11,530,236
Wind/Rain October 31, 2019–November 1, 2019	MS19H011	October 31, 2019	5	23,358,383
Wind/Rain April 13, 2020	MS20B011	April 13, 2020	4	19,430,642
Tropical Storm Isaias August 4, 2020	MS20C011	August 4, 2020	2	231,986,608
T-Storms/Wind August 27, 2020	MS20D011	August 27, 2020	5	21,582,652
Rain/Wind September 30, 2020	MS20E011	September 30, 2020	5	4,552,982
Rain/Wind October 7, 2020	MS20F011	October 7, 2020	5	4,138,728
Rain/Wind November 2, 2020	MS20H011	November 1, 2020	5	6,304,258
Rain/Wind November 15, 2020	MS20J011	November 15, 2020	5	11,183,459
Rain/Wind November 30, 2020	MS20K011	November 30, 2020	5	10,388,008
Snow/Wind December 5, 2020	MS20L011/MN20L011	December 5, 2020	5	5,536,708
Wind/Rain December 25, 2020	MS20N011	December 25, 2020	4	20,779,667
February 1, 2021	MS21A011	February 1, 2021	4	10,086,543
Wind March 2, 2021	MS21C011	March 1, 2021	5	8,393,850
T-Storms July 6-8, 2021	MS21F011/MN21E011	July 6, 2021	5	14,093,819
Tropical Storm Elsa July, 9, 2021	MS21G011/MS21H011/ MN21F011	July 9, 2021	4	22,572,613
Tropical Storm Henri August 21, 2021	MS21K011	August 22, 2021	4	140,228,410
Tropical Storm Ida Aftermath September 1, 2021	MN21K011	September 1, 2021	5	8,861,495
Nor'easter October 25, 2021	MS21L011	October 26, 2021	5	10,948,841
Wind/Rain November 12, 2021	MS21M011	November 12, 2021	N/A	6,325,405
December 11, 2021	MN21P011	December 11, 2021	N/A	3,944,026
Nor'Easter/Bomb Cyclone January 17, 2022	MS22A011	January 16, 2022	5	10,879,442
Wind January 29, 2022	MS22B011	January 29, 2022	5	29,942,052
Wind/Rain February 18, 2022	MS22C011	February 17, 2022	5	10,952,946
Wind March 12, 2022	MS22E011	March 12, 2022	5	13,887,167
Wind/Rain October 13, 2022	MS22G011	October 13, 2022	5	7,191,580
Tropical Storm November 11, 2022	MS22H011	November 11, 2022	5	10,119,365
Wind November 30, 2022	MS22J011	November 30, 2022	5	11,929,915
Wind/Rain December 22, 2022	MS22K011	December 22, 2022	4	62,984,228
Winter Storm January 25, 2023	MS23B011	January 25, 2023	5	12,169,144
Winter Storm-Wind/Cold snap February 3, 2023	MN23B011	February 3, 2023	N/A	5,431,249
Wind/Wintery Mix February 23, 2023	MS23C011	February 23, 2023	N/A	6,147,668
Snow/Wind February 28, 2023	MS23D011	February 28, 2023	5	6,106,262
Wintery Mix March 2, 2023	MS23E011	March 2, 2023	5	5,408,897

Storm Events	Storm Work Order	Start Date	ERP Level	Total Request for Incremental Costs ($)
Nor'easter March 13, 2023	MS23F011	March 13, 2023	4	59,771,361
Thunderstorms July 27, 2023	MN23T011	July 27, 2023	N/A	7,423,737
Thunderstorms September 8, 2023	MN23A11	September 8, 2023	N/A	4,729,847
Hurricane Lee September 15, 2023	MS23G011	September 15, 2023	4	11,490,235
Wind/Rain December 10, 2023	MS23H011	December 10, 2023	5	7,728,200
Wind/Rain December 17, 2023	MS23J011	December 17, 2023	5/4	56,582,815

Ex. ES-ACCT-2; Late Filed Ex. 1 SP01

Table 2: Prestaging Events

Pre-Staging Events	Pre-staging Work Order	Start Date	ERP Level	Total Request for Incremental Costs
January 4, 2018	MS18A011	January 3, 2018	5	$116,731
March 21, 2018	MS18F011	March 21, 2018	5	$1,092,877
December 1, 2019	MS19J011	December 1, 2019	5	$384,960
October 29, 2020	MS20G011	October 29, 2020	5	$1,746,289
December 16, 2020	MS20M011	December 16, 2020	5	$3,941,713
February 15, 2021	MS21B011	February 15, 2021	5	$1,716,976
March 12, 2021	MS21D011	March 12, 2021	5	$62,674
March 26, 2021	MS21E011	March 26, 2021	5	$1,236,763
Wind February 25, 2022	MS22D011	February 25, 2022	5	$1,955,538
Thunderstorms/Hazardous Winds July 25, 2022	MS22F011	July 25, 2022	5	$2,571,503

Ex. ES-ACCT-2; Late Filed Ex. 1 SP01

APPENDIX B: LISTING OF EVERSOURCE'S REQUEST FOR INCREMENTAL COSTS FOR CATASTROPHIC AND PRESTAGING EVENTS

Table 1: Major Storms

Storm Work Order	Direct Labor ($)	Materials ($)	Payroll-Related Overheads ($)	Vehicles ($)	Outside Contractors/ Vendors ($)	Food and Lodging ($)	Employee Expenses/ Other ($)
MS18H011	1,580,839	41,374	76,398	38,576	3,281,184	60,706	10,703
MS19A011	3,643,853	102,033	452,966	153,569	10,445,705	864,462	43,009
MS19C011	1,546,725	104,296	149,476	40,105	4,813,800	374,537	20,665
MS19G011	2,779,552	100,041	216,857	40,874	7,779,047	565,564	48,301
MS19H011	3,608,714	249,178	399,378	111,999	18,109,737	831,504	47,873
MS20B011	2,648,424	76,070	207,117	56,102	16,036,322	294,202	112,405
MS20C011	29,972,711	3,662,979	6,675,087	1,296,183	176,402,250	13,658,165	319,233
MS20D011	2,994,459	305,213	467,768	239,501	16,380,326	1,093,896	101,489
MS20E011	762,466	99,192	30,726	7,132	3,436,839	178,835	37,792
MS20F011	1,157,339	19,690	52,227	19,161	2,787,361	53,957	48,993
MS20H011	1,138,749	32,634	44,610	21,424	4,804,164	215,664	47,013
MS20J011	1,887,747	81,640	193,421	130,831	8,275,414	597,734	16,672
MS20K011	1,184,083	82,220	76,797	29,935	8,499,910	503,549	11,514
MS20L011/ MN20L011	946,516	35,174	31,634	11,667	4,182,724	321,405	7,588
MS20N011	2,590,725	108,813	255,058	66,429	16,483,598	1,252,714	22,330
MS21A011	334,480	0	60,879	108,394	9,102,344	477,471	2,975
MS21C011	1,275,193	132,957	76,441	233,444	6,340,673	321,341	13,801
MS21F011/ MN21E011	1,712,500	76,748	68,807	375,857	11,585,907	260,743	13,257
MS21G011/ MS21H011/ MN21F011	1,202,008	25,676	119,344	7,081	20,412,144	789,626	16,734
MS21K011	5,083,740	492,021	635,122	653,196	130,083,874	3,251,996	88,461
MN21K011	1,647,030	80,569	135,243	395,481	6,154,875	422,919	25,378
MS21L011	2,024,593	187,628	131,987	324,958	7,655,151	599,337	25,187
MS21M011	1,018,065	57,727	42,367	32,300	5,078,460	91,365	5,121
MN21P011	469,718	1,414	7,624	36	3,386,337	76,551	2,346
MS22A011	1,295,218	59,789	68,545	22,017	9,044,117	381,657	8,099
MS22B011	1,443,819	32,513	37,872	144,764	27,439,747	825,026	18,311
MS22C011	1,174,840	48,010	46,907	51,359	9,242,883	375,417	13,530
MS22E011	1,306,571	54,207	32,370	132,129	12,012,034	338,108	11,748
MS22G011	935,888	3,819	33,636	142,226	5,988,668	80,438	6,905
MS22H011	1,480,939	18,909	54,399	342,328	7,973,033	238,008	11,749
MS22J011	1,460,010	64,244	72,508	200,154	9,677,170	444,250	11,579
MS22K011	7,877,907	432,877	559,690	154,008	50,407,311	3,482,180	70,255
MS23B011	919,325	29,525	42,520	1,804	10,907,811	262,032	6,127
MN23B011	1,176,406	25,345	23,461	10,100	4,116,889	72,463	6,585
MS23C011	1,177,134	20,774	29,252	2,041	4,836,849	77,514	4,104
MS23D011	243,077	8,199	23,586	1,374	5,639,232	185,649	5,145

Storm Work Order	Direct Labor ($)	Materials ($)	Payroll-Related Overheads ($)	Vehicles ($)	Outside Contractors/ Vendors ($)	Food and Lodging ($)	Employee Expenses/ Other ($)
MS23E011	993,454	22,523	34,519	2,885	4,180,085	170,806	4,625
MS23F011	4,275,637	412,504	342,438	863,892	51,483,643	2,353,212	40,035
MN23T011	2,500,691	35,468	59,622	21,602	4,656,246	137,313	12,795
MN23AB011	1,847,709	30,401	44,170	13,867	2,716,005	66,244	11,451
MS23G011	1,301,889	21,513	109,156	386,597	9,302,155	332,278	36,647
MS23H011	936,771	38,498	61,352	3,200	6,476,907	200,381	11,091
MS23J011	6,018,976	771,183	510,894	1,951,113	45,321,986	1,958,525	50,138
Sub-Total Major Storms	111,576,490	8,285,588	12,794,231	8,841,695	782,940,917	39,139,744	1,429,759

Table 2: Prestaging Events

Storm Work Order	Direct Labor ($)	Materials ($)	Payroll-Related Overheads ($)	Vehicles ($)	Outside Contractors/ Vendors ($)	Food and Lodging ($)	Employee Expenses/ Other ($)
MS18A011	(14,111)	624	(1,618)	0	133,091	(478)	(777)
MS18F011	289,100	0	20,174	323	624,622	152,312	6,346
MS19J011	27,375	0	0	15	356,390	620	560
MS20G011	56,104	0	3,906	12	1,597,449	85,658	3,160
MS20M011	85,258	46	28,669	7,315	3,692,283	125,112	3,030
MS21B011	19,996	0	3,525	68,210	1,624,103	963	179
MS21D011	3,809	0	148	0	58,692	0	25
MS21E011	8,010	1,885	1,977	15	1,077,183	147,685	8
MS22D011	258,535	53,047	14,025	186	1,482,502	141,332	5,911
MS22F011	386,580	6,680	11,583	2,172	2,132,011	30,803	1,674
Sub-Total Prestaging	1,120,656	62,282	82,389	78,248	12,778,326	684,007	20,116

APPENDIX C: SUMMARY OF EVERSOURCE REPORTED EVENTS

1. 2018 Storms

Eversource reported costs associated with Major Storm 18H011 (MS18H011). Late Filed Ex. 1-SP01, Att. 1, p. 1. The Company reported that the storm started on June 28, 2018, and ended on July 6, 2018. Landry and Griffin March 2024 PFT, Ex. ES-ACCT-2 (Ex. ES-ACCT-2). The Company explained that the start date corresponds to the onset of the weather and related customer outages, noting that costs may begin prior to the start date due to prestaging or preparedness activities. Interrog. Resp. EOE-19. The Company further explained that the end date is associated with substantial completion of restoration activities, defined as the point at which approximately 99% of customers have had power restored. Id. The Company noted that costs may extend beyond the end date due to the activities associated with restoring service to remaining customers, conducting circuit sweeps, returning the electric system to normal configuration, and demobilizing resources, adding that the end date is not tied to the duration of the weather event. Id. The Company monitored a forecast of a prolong heatwave that started to ramp up on June 29, 2018, when a significant "heat dome" began building to the Northeast. 24-03-30 Application, Sullivan, Hayhurst, Colorio, DiPaola-Tromba, Desautels, and Scerbo Pre-filed Test., Mar. 11, 2024 (Sullivan et al. March 2024 PFT), Ex. ES-IMT-1A (Ex. ES-IMT-1A), p. 4. An Excessive Heat Watch in effect for all of Connecticut from July 1, through July 2, 2018, followed by a Heat Advisory issued on July 3, through July 5, 2018, for most of the state except the coastal areas. Id., p. 4.

The Company reported 1,460 outage events and 1,566 non-outage events affecting a total of 90,298 customers. Sullivan et al. March 2024 PFT , Ex. ES-IMT-3 (Ex. ES-IMT-3), p. 1. "'Outage events' are events that represent a single 'trouble spot' associated with customer outages." Sullivan et al. March 2024 PFT, p. 89. "'Non outage events' are trouble spots that may or may not be associated with customer outages but are separately recorded to identify the presence of a blocked road or other trouble that requires one or more crew resources to eliminate the trouble spot." Id. In total, the Company spent $1,675 per event. Ex. ES-IMT-3, p. 9. Additionally, the Company utilized 114 line worker crews (or line resources) to respond to this storm. Id. The Company did not declare an ERP activation for this event and did not indicate to the Authority that it was prestaging resources. Ex. ES-ACCT-2; Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-1. The Company documented $1,580,839 for direct labor costs; $41,374 for materials; $76,398 for payroll-related overheads; $38,576 for vehicles; $3,281,184 for outside contractors/vendors; $60,706 for food and lodging costs; and $10,703 for employee expenses/other. Ex. CLP-2 Rev. 2, p. 1. For MS18A011, the Company is requesting $5,089,781 in incremental expenses. Id.

2. 2019 Storms

The Company reported costs associated with Major Storm 19A011 (MS19A011). Late Filed Exhibit, Ex. CLP-3 Rev. 2. The Company reported that the storm started on January 20, 2019, and ended on January 24, 2019. Ex. ES-ACCT-2. The Company explained that on January 20, 2019, a winter storm affected all of Connecticut. Sullivan

et al. March 2024 PFT, Ex. ES-IMT-1A (Ex. ES-IMT-1A), p. 4. The Company's service territory experienced strong wings, with wind gust reaching 52 mph in the western part of the state on January 21, 2019. Id. As a result of the storm, ice, snow, and heavy winds caused trees to fall and limbs to snap, breaking cross arms, dropping conductors, and damaging related electrical equipment. Id. The Company reported 2,020 outage events and 1,864 non-outage events affecting 78,502 customers. Ex. ES-IMT-3, p. 10. Additionally, the Company utilized 567 line resources. Id. In total, the Company spent $4,057 per event. Id. The Company filed a notice of prestaging to the Authority on January 17, 2019, indicating that they were declaring an event level 4 ERP for this storm. Sullivan et al. March 2024 PFT, Ex, ES-IMT-4-2, p. 17. According to the Company's ERP an event level 4 is where the Company anticipates 125,000 to 380,000 customer outages caused by 1,500-10,000 trouble spots. Interrog. Resp. OCC-20, Att. 1, p. 16. The Company documented $3,643,853 for direct labor costs; $102,033 for materials; $452,966 for payroll-related overheads; $153,569 for vehicles; $10,445,705 for outside contractors/vendors; $864,462 for food and lodging costs; and $43,009 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-3 Rev. 2, p. 1. For MS19A011, the Company is requesting $15,705,598 in incremental expenses. Id.

The Company reported costs associated with Major Storm 19C011 (MS19C011). Late Filed Ex. 1, Ex. CLP-4 Rev. 2. The Company reported the storm started on February 25, 2019, and ended February 27, 2019. Ex. ES-ACCT-2. The Company explained that on February 25, 2019, a weather system moved through Connecticut producing significantly high winds causing tree and limb failures, which resulted in damage to related electrical equipment. Ex. ES-IMT-1A, p. 5. The Company's service territory experienced sustained winds up to 38 mph with wind gusts reaching up to 58 mph in the central part of Connecticut. Id. The Company reported 1,758 outage events and 1,709 non-outage events affecting 89,398 customers. Ex. ES-IMT-3, p. 11. Additionally, the Company utilized 289-line resources. Id. In total, the Company spent $2,032 per event. Id. The Company filed a notice of prestaging to the Authority on February 25, 2019, indicating that they were declaring an event level 5 ERP for this storm. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-3, p. 14. According to the Company's ERP an event level 5 is where the Company anticipates less than 125,000 customer outages caused by less than 2,000 trouble spots. Interrog. Resp. OCC-20, Att. 1, p. 16. The Company documented $1,546,725 for direct labor costs; $104,296 for materials; $149,476 for payroll-related overheads; $40,105 for vehicles; $4,813,800 for outside contractors/vendors; $374,537 for food and lodging costs; and $20,665 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-4 Rev. 2, p. 1. For MS19C011, the Company is requesting a total of $7,049,602 in incremental expenses. Id.

The Company reported costs associated with Major Storm 19G011 (MS19G011). Late Filed Ex. 1, Ex. CLP-5 Rev. 2. The Company reported that the storm started on October 16, 2019, and ended October 19, 2019. Ex. ES-ACCT-2. The Company explained that on October 16, a powerful autumn storm struck all of Connecticut. Ex. ES-IMT-1A, p. 6. The intense wind and rain caused trees to fall and limbs to snap, breaking cross arms, dropping conductors, and damaging related electrical equipment. Id. The Company replaced 133 poles and cleared 734 trees as a result of this storm. Id. The Company reported 2,998 outage events and 2,434 non-outage events affecting 120,295

customers. Ex. ES-IMT-3, p. 12. Additionally, the Company utilized 396-line resources. Id. In total, the Company spent $2,132 per event. Id. The Company declared an ERP Level 5 on October 16, 2019, and did not file a letter to the Authority indicating they would be prestaging resources. Exhibit ES-IMT-1A, p. 6. The Company documented $2,779,552 in direct labor costs; $100,041 for materials; $216,857 for payroll-related overheads; $40,874 for vehicles; $7,779,047 for outside contractors/vendors; $556,564 for food and lodging costs; and $48,301 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-5, p. 1. For MS19G011, the Company is requesting $11,530,235 in incremental expenses. Id.

The Company reported costs associated with Major Storm 19H011 (MS19H011). Late Filed Ex. 1, Ex. CLP-6. The Company reported that the storm started on October 31, 2019, and ended November 3, 2019. Ex. ES-ACCT-2. The Company explained that on October 31, 2019, a powerful autumn storm struck all of Connecticut. Ex. ES-IMT-1A, p. 7. The Company's service territory experienced sustained winds up to 43 mph, with maximum wind gusts reaching 59 mph in the western part of Connecticut. Id. The Company replaced 187 poles and cleared 820 trees by the conclusion of the event. Id. The Company reported 3,562 outage events and 2,413 non-outage events affecting 176,994 customers. Ex. ES-IMT-3, p. 13. Additionally, the Company utilized 654-line resources. Id. In total, the Company spent $3,914 per event. Id. The Company filed a notice of prestaging on October 31, 2019, indicating that they were declaring an event level 5 ERP for this storm. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-5, p. 11. The Company documented $3,608,714 for direct labor costs; $249,178 for materials; $399,378 for payroll-related overheads; $111,999 for vehicles; $18,109,737 for outside contractors/vendors; $831,504 for food and lodging costs; and $47,873 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-6, p. 1. For MS19H011, the Company is requesting $23,358,383 in incremental expenses. Id.

3. 2020 Storms

The Company reported costs associated with Major Storm 20B011 (MS20B011). Late Filed Ex. 1, Ex. CLP-7. The Company reported that the storm started on April 13, 2020, and ended April 18, 2020. Ex. ES-ACCT-2. The Company explained that on April 13, 2020, a powerful spring storm struck all of Connecticut. Ex. ES-IMT-1A, p. 8. The Company's service territory experienced sustained wind gusts up to 44 mph and maximum wind gusts up to 56 mph. Id. The Company replaced 130 poles and cleared 785 trees as a result of the event. Id. The Company reported 2,501 outage events and 2,190 non-outage events affecting 131,410 customers. Ex. ES-IMT-3, p. 14. Additionally, the Company utilized 377-line resources. Id. In total, the Company spent $4,151 per event. Id. The Company filed a notice of prestaging on April 13, 2020, indicating that they were declaring an event level 4 ERP for this storm. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-6, p. 21. The Company documented $2,648,424 for direct labor costs; $76,070 for materials; $207,117 for payroll-related overheads; $56,102 for vehicles; $16,036,322 for outside contractors/vendors; $294,202 for food and lodging costs; and $112,405 for employee expenses/other. For MS20B011, the Company is requesting $19,430,640 in incremental expenses.

The Company reported costs associated with Tropical Storm Isais, Major Storm 20C011 (MS20C011). Late Filed Ex. 1, Ex. CLP-8. The Company reported the storm started on August 4, 2020, and ended on August 18, 2020. Ex. ES-ACCT-2. The Company explained that by August 4, 2020, MS20C011 had undergone an "extratropical transition," which happens when a hurricane dissipates into a hybrid storm extending tropical cyclone-like conditions over a widespread area and in latitudes that do not typically experience such events. Ex. ES-IMT-1A, p. 9. The eastern portion of MS20C011 hit the Company's system hard, with higher than forecast wind speeds and peak wind gusts reaching 67 mph in some areas. Id. The Company responded to almost 200 life-threatening downed wired situations within 24 hours of the event, and over 4,000 downed wire events throughout the restoration. Id. To restore power, the Company cleared more than 8,900 fallen trees, replaced more than 2,506 damaged utility poles, 1,438 transformers, and more than 500 miles of downed wire. Id. The Company reported 26,432 outage events and 12,562 non-outage events affecting 1,183,961 customers. Ex. ES-IMT-3, p. 15. Additionally, the Company utilized 2,555-line resources. Id. In total, the Company spent $5,947 per event. Id. The Company filed a notice of prestaging to the Authority on July 31, 2020, indicating that they were declaring an event level 4 ERP for this storm. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-7, p. 16. By August 6, 2020, at 9:15 a.m., the Company escalated their ERP event level to a level 2. Id., p. 27. According to the Company's ERP, an event level 2 is when the Company anticipates 625,000-870,000 customer outages caused by 15,000-48,000 trouble spots. Interrog. Resp. OCC-20, Att. 1, p. 16. The Company documented $29,972,711 for direct labor costs; $3,662,979 for materials; $6,675,087 for payroll-related overheads; $1,296,183 for vehicles; $176,402,250 for outside contractors/vendors; $13,658,165 for food and lodging costs; and $319,233 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-8, p. 1. For MS20C011, the Company is requesting a total of $231,986,609 in incremental expenses. Id.

The Company reported costs associated with Major Storm 20D011 (MS20D011). Late Filed Ex. 1., Ex. CLP-9. The Company reported that the storm started on August 27, 2020, and ended August 31, 2020. Ex. ES-ACCT-2. The Company explained that on August 27, 2020, a powerful line of thunderstorms moved through the state entering in the Litchfield Hills moving southeast before going out to sea in Branford. Ex. ES-IMT-1A, p. 12. The Company's service territory experienced maximum wind gusts up to 46 mph. Id. By the conclusion of the storm, the Company replaced 145 poles and cleared 438 trees in its service territory to restore power. Id. The Company reported 1,806 outage events and 1,684 non-outage events affecting 122,112 customers. Ex. ES-IMT-3, p. 16. Additionally, the Company utilized 625-line resources. Id. In total, the Company spent $6,182 per event. Id. The Company filed a notice of prestaging to the Authority on August 27, 2020, indicating they would be declaring an event level 5 for this storm. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-8, p. 15. The Company documented $2,994,459 for direct labor costs; $305,213 for materials; $467,768 for payroll-related overheads; $239,501 for vehicles; $16,380,326 for outside contractors/vendors; $1,093,896 for food and lodging costs; and $101,489 for employee expenses/other. Late File Ex. 1, Ex. CLP-9, p. 1. For MS20D011, the Company is requesting $21,582,652 in incremental expenses. Id.

The Company reported costs associated with Major Storm 20E011 (MS20E011). Late Filed Ex. 1, Ex. CLP-10 Rev. 2. The Company reported that the storm started on September 30, 2020, and ended October 1, 2020. Ex. ES-ACCT-2. The Company explained that on September 30, 2020, a cold front moved through the state entering the southwest portion of Connecticut traveling north-northeast before moving off the New England cost into the Atlantic. Ex. ES-IMT-1A, p. 13. The Company's service territory experienced maximum wind gusts of 48 mph on September 30, 2020. Id. As a result of the storm, the Company replaced 39 poles and cleared 270 trees. Id. The Company reported 1,176 outage events and 925 non-outage events affecting a total of 94,237 customers. Ex. ES-IMT-3, p. 17. Additionally, the Company utilized 386-line resources. Id. In total, the Company spent $2,090 per event. Id. The Company declared a level 5 ERP for this event and did not file a letter to the Authority indicating that they would be prestaging resources. Ex. ES-IMT-1A, p. 13. The Company documented $762,466 for direct labor costs; $99,192 for materials; $30,726 for payroll-related overheads; $7,132 for vehicles; $3,436,839 for outside contractors/vendors; $178,835 for food and lodging costs; and $37,792 for employee expenses/others. Late Filed Ex. 1, Ex. CLP-10 Rev. 2, p. 1. For MS20E011, the Company is requesting $4,552,981 in incremental expenses. Id.

The Company reported costs associated with Major Storm 20F011 (MS20F011). Late Filed Ex. 1, Ex. CLP-11 Rev. 2. The Company reported that the storm started on October 7, 2020, and ended on October 9, 2020. Ex. ES-ACCT-2. The Company explained that October 7, 2020, a line of strong thunderstorms and wide-spread hazardous wind moved through the state entering the northwest portion of Connecticut travel south-southeast before moving of the New England costs into the Atlantic. Ex. ES-IMT-1A, p. 14. The Company's service territory experienced maximum sustained winds up to 46 mph and maximum wind gusts up to 64 mph. Id. As a result of the storm, the Company cleared a total of 166 trees and replaced 30 poles. Id. The Company reported 1,103 outage events and 1,088 non-outage events affecting 56,412 customers. Ex. ES-IMT-3, p. 18. Additionally, the Company utilized 304-line resources. Id. In total, the Company spent $1,888 per event. Id. The Company declared a level 5 ERP for this event and did not file a letter to the Authority indicating that they would be prestaging resources. Ex. ES-IMT-1A, p. 14. The Company documented $1,157,339 for direct labor costs; $19,690 for materials; $52,227 for payroll-related overheads; $19,161 for vehicles; $2,787,361 for outside contractors/vendors; $53,957 for food and lodging costs; and $48,993 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-11 Rev. 2, p. 1. For MS20F011, the Company is requesting $4,138,727 in incremental expenses. Id.

The Company reported costs associated with Major Storm 20H011 (MS20H011). Late Filed Ex. 1, Ex. CLP-12 Rev. 2. The Company reported that the storm started on November 1, 2020, and ended November 4, 2020. Ex. ES-ACCT-2. The Company explained on November 1, 2020, a strong cold front and wide-spread rain and hazardous wind entered the state through the southwest portion of Connecticut traveling north-northeast through November 2, 2020, before moving off the New England coast into the Atlantic. Ex. ES-IMT-1A, p. 14. The Company's service territory experienced maximum wind gusts of up to 51 mph. Id., p. 15. The Company replaced 54 poles and cleared 241 trees by the conclusion of the event. Id. The Company reported 1,520 outage events

and 1,315 non-outage events affecting 70,218 customers. Ex. ES-IMT-3, p. 19. Additionally, the Company utilized 450-line resources. Id. In total, the Company spent $2,221 per event. Id. The Company declared a level 5 ERP for this event and did not file a letter to the Authority indicating that they would be prestaging resources. Ex. ES-IMT-1A, p. 15. The Company documented $1,138,749 for direct labor costs; $32,634 for materials; $44,610 for payroll-related overheads; $21,424 for vehicles; $4,804,164 for outside contractors/vendors; $215,664 for food and lodging costs; and $47,013 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-12 Rev. 2, p. 1. For MS20H011, the Company is requesting $6,204,258 in incremental expenses. Id.

The Company reported costs associated with Major Storm 20J011 (MS20J011). Late Filed Ex. 1, Ex. CLP-13 Rev. 2. The Company reported that the storm started on November 15, 2020, and ended on November 19, 2020. Ex. ES-ACCT-2. The Company explained that on November 15, 2020, a strong cold front and wide-spread rain and hazardous wind entered Connecticut from the west traveling est-northeast through November 16, 2020, before moving off the New England coast into the Atlantic. Ex. ES-IMT-1A, p. 15. The Company replaced 137 poles and cleared 415 throughout the event. Id. The Company reported 2,254 outage events and 1,901 non-outage events affecting 91,799 customers. Ex. ES-IMT-3, p. 20. Additionally, the Company utilized 599-line resources. Id. In total, the Company spent $2,691 per event. Id. The Company filed a notice of prestaging to the Authority on November 16, 2020, indicating that they would declare an event level 5 for this storm. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-12, p. 12. The Company documented $1,887,747 for direct labor costs; $81,640 for materials; $193,421 for payroll-related overheads; $130,831 for vehicles; $8,275,414 for outside contractors/vendors; $597,734 for food and lodging costs; and $16,672 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-13 Rev. 2, p. 1. For MS20J011, the Company is requesting $11,183,460 in incremental expenses. Id.

The Company reported costs associated with Major Storm 20K011 (MS20K011). See Late Filed Ex. 1, Ex. CLP-14 Rev. 2. The Company reported that the storm started on November 30, 2020, and ended on December 1, 2020. Ex. ES-ACCT-2. The Company explained that on November 30, 2020, a strong storm system with wide-spread heavy rain and hazardous wind entered Connecticut from the west, traveling east-northeast through December 1, 2020, before exiting and dissipating over the Canadian Maritimes. Ex. ES-IMT-1A, p. 16. The Company's service territory experienced maximum wind gusts of 61 mph. Id. The Company replaced 32 poles and cleared 185 trees as a result of the event. Id. The Company reported 1,445 outage events and 1,062 non-outage events affecting 68,454 customers. Ex. ES-IMT-3, p. 21. Additionally, the Company utilized 644-line resources. Id. In total, the Company spent $4,148 per event. Id. The Company filed a notice of prestaging to the Authority on November 27, 2020, indicating that they would declare an event level 5 for this storm. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-13, p. 14. The Company documented $1,184,083 for direct labor costs; $82,220 for materials; $76,797 for payroll-related overheads; $29,935 for vehicles; $8,499,910 for outside contractors/vendors; $503,549 for food and lodging costs; and $11,514 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-14 Rev. 2, p. 1. For MS20K011, the Company is requesting $10,388,007 in incremental expenses. Id.

The Company reported costs associated with Major Storm 20L011, MN20L011 (MS20L011/MN20L011). See Late Filed Ex. 1, Ex. CLP-15 Rev. 2. The Company reported that the storm started on December 5, 2020, and ended on December 6, 2020. Ex. ES-ACCT-2. The Company explained that on December 5, 2020, a weather system moved through Connecticut producing high winds causing tree and limb failures. Ex. ES-IMT-1A, p. 17. The Company's service territory experienced maximum wind gusts of 46 mph. Id. The Company reported 492 outage events and 342 non-outage events affecting 34,713 customers. Ex. ES-IMT-3, p. 22. Additionally, the Company utilized 256-line resources. Id. In total, the Company spent $6,647 per event. Id. The Company filed a notice of prestaging to the Authority on December 3, 2020, indicating that they would declare an event level 5 for this storm. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-14, p. 14. The Company documented $946,516 for direct labor costs; $35,174 for materials; $31,634 for payroll-related overheads; $11,667 for vehicles; $4,182,724 for outside contractors/vendors; $321,405 for food and lodging costs; and $7,588 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-15 Rev. 2. For MS20L011/MN20L011, the Company is requesting $5,536,707 in incremental costs. Id.

The Company reported cost associated with Major Storm 20N011 (MS20N011). Late Filed Ex. 1, Ex. CLP-16 Rev. 2. The Company reported that the storm started on December 25, 2020, and ended on December 27, 2020. Ex. ES-ACCT-2. The Company explained that on December 25, 2020, a strong cold front with wide-spread heavy rain and hazardous wind entered Connecticut from the west traveling east-northeast before exiting and dissipating over Maine. Ex. ES-IMT-1A, p. 17. The Company's service territory experienced maximum wind gusts of up to 58 mph on December 25, 2020. Id., p. 18. The Company replaced 84 poles and cleared 459 trees by the conclusion of the event. Id. The Company reported 2,017 outage events and 973 non-outage events affecting 83,823 customers. Ex. ES-IMT-3, p. 23. Additionally, the Company utilized 901-line resources. Id. In total, the Company spent $6,941 per event. Id. The Company filed a notice of prestaging to the Authority on December 22, 2020, indicating that they would declare an event level 5 response for this storm beginning December 24, 2020. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-15, p. 15. The Company sent another prestaging notice to the Authority on December 22, 2020, where the Company escalates the ERP event level to a level 4. Id., p. 16. The Company documented $2,590,725 for direct labor costs; $108,813 for materials; $255,058 for payroll-related overheads; $66,429 for vehicles; $16,483,598 for outside contractors/vendors; $1,252,714 for food and lodging costs; and $22,330 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-16 Rev. 2. For MS20N011, the Company is requesting $20,779,668 in incremental costs. Id.

4. 2021 Storms

The Company reported costs associated with Major Storm 21A011 (MS21A011). Late Filed Ex. 1, Ex. CLP-17 Rev. 2. The Company reported that the storm started on February 1, 2021, and ended on February 3, 2021. Ex. ES-ACCT-2. The Company explained that on the Company's service territory experienced up to 18 inches of snow in areas through February 3, 2021, with maximum wind gusts reaching 51 mph. Ex. ES-IMT-1A, p. 19. The Company reported 288 outage events and 362 non-outage events affecting 17,628 customers. Ex. ES-IMT-3, p. 24. Additionally, the Company utilized 336-

line resources. Id. In total, the Company spent $15,518 per event. Id. The Company filed a notice of prestaging to the Authority on January 31, 2021, indicating that they would declare a level 4 event for this storm beginning February 1, 2021. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-16, p. 14. The Company documented $334,480 for direct labor costs; $60,879 for payroll-related overheads; $108,394 for vehicles; $9,102,344 for outside contractors/vendors; $477,471 for food and lodging costs; and $2,975 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-17 Rev. 2. For MS21A011, the Company is requesting $10,086,543 in incremental expenses.

The Company reported costs associated with Major Storm 21C011 (MS21C011). Late Filed Ex. 1, Ex. CLP-18 Rev. 2. The Company reported that the storm started on March 1, 2021, and ended on March 4, 2021. Ex. ES-ACCT-2. The Company explained that on March 1, 2020, a strong cold front with wide-spread hazardous wind entered Connecticut from the west traveling east-northeast before exiting and dissipating over the Atlantic. Ex. ES-IMT-1A, p. 19. The Company replaced 108 poles and cleared 417 trees as result of the event. Id. The Company reported 1,610 outage events and 1,312 non-outage events affecting 94,086 customers. Ex. ES-IMT-3, p. 25. Additionally, the Company utilized 539-line workers. Id. In total, the Company spent $2,874 per event. Id. On March 2, 2021, the Company implemented ERP Level 5 in response to this event and did not file a letter to the Authority indicating that they would be prestaging resources. Ex. ES-IMT-1A, pp. 19–20. The Company documented $1,275,193 for direct labor costs; $132,957 for materials; $76,441 for payroll-related overheads; $233,444 for vehicles, $6,340,673 for outside contractors/vendors; $321,341 for food and lodging costs; and $13,801 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-18 Rev. 2. For MS21C011, the Company is requesting $8,393,850 in incremental expenses. Id.

The Company reported costs associated with Major Storm 21F011, MN21E011 (MS21F011/MN21E011). Late Filed Ex. 1, Ex. CLP-19 Rev. 2. The Company reported that the storm started on July 6, 2021, and ended July 8, 2021. Ex. ES-ACCT-2. The Company explained that on July 6, 2021, weather forecast predicted scattered strong to severe thunderstorms between 1:00 p.m. and 8:00 p.m. Ex. ES-IMT-1A, p. 20. The Company further explained that on July 6, 2021, the Company's service territory experienced maximum wind gusts of 48 mph, which increased to up to 61 mph on July 7, 2021. Id. The Company reported 2,079 outage events and 1,629 non-outage events affecting 117,995 customers. Ex. ES-IMT-3, p. 26. Additionally, the Company utilized 276-line resources. Id. In total, the Company spent $3,788 per event. Id. The Company filed a notice of prestaging with the Authority on July 4, 2021, indicating that they would declare ERP event level 4 for this storm. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-18, p. 19. The Company reported $1,712,500 for direct labor costs; $76,748 for materials; $68,807 for payroll-related overheads; $375,857 for vehicles; $11,538,375 for outside contractors/vendors; $260,743 for food and lodging costs; and $13,257 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-19 Rev. 2. For MS21F011/MN21E011, the Company is requesting $14,093,818 in incremental expenses. Id.

The Company reported costs associated with Tropical Storm Elsa, Major Storm 21G011, Major Storm 21H011, and Storm 21F011 (MS21G011, MS21H011, and

MN21F011).[114] Late Filed Ex. 1, Ex. CLP-20 Rev. 2. The Company reported that the storm started on July 9, 2021, and ended on July 11, 2021. Ex. ES-ACCT-2. The Company explained that on July 9, 2021, Tropical Storm Elsa moved past Connecticut producing rain and high winds causing trees and limb failures, which resulted in damage to related electrical equipment. Ex. ES-IMT-1A, p. 21. The Company reported 863 outage events and 826 non-outage events affecting a total of 34,031 customers. Ex. ES-IMT-3, p. 27. Additionally, the Company utilized 496-line resources. Id. In total, the Company spent $13,364 per event. Id. The Company filed a notice of prestaging with the Authority on July 4, 2021, indicating that they would declare ERP event level for this storm. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-19, p. 19. The prestaging notice for Tropical Storm Elsa appears to be the same prestaging notice the Company filed for MS21F011/MN21E011. Id.; Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-18, p. 19. The Company documented $1,202,008 for direct labor costs; $25,676 for materials; $119,344 for payroll-related overheads; $7,081 for vehicles; $20,412,144 for outside contractors/vendors; $789,626 for food and lodging; and $16,734 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-20 Rev. 2. For Tropical Storm Elsa, the Company is requesting $22,572,613 in incremental expenses. Id.

The Company reported costs associated with Tropical Storm Henri, Major Storm 21K011 (MS21K011). Late Filed Ex. 1, Ex. CLP-21 Rev. 2. The Company reported that the storm started on August 22, 2021, and ended on August 25, 2021. Ex. ES-ACCT-2. The Company explained that at approximately 9:00 a.m. on August 22, 2021, Tropical Storm Henri moved into the southeast part of Connecticut with heavy rain and high winds. Ex. ES-IMT-1A, p. 21. The Company explained that the forecast for the Tropical Storm changed several times throughout August 22, 2021, with only the southern part of the state having a Hurricane warning as of 10:30 a.m., and subsequently, all tropical storm/hurricane warning and watches were cancelled as of 4:54 p.m. on August 22, 2021. Id., p. 22. The Company experienced 2,510 outage events and 2,020 non-outage events affecting a total of 109,066 customers. Ex. ES-IMT-3, p. 28. Additionally, the Company utilized 2,539-line resources. Id. In total, the Company spent $30,595 per event. Id. The Company filed a prestaging notice with the Authority on August 19, 2021, indicating it would declare ERP event level 4 for this storm beginning on August 22, 2022. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-20, p. 49. At 2:00 p.m., on August 20, 2021, Eversource updated their ERP declaration to an event level 3, which indicated the Company expected 8,000–25,000 trouble spots on their system. Id., p. 54. Subsequently, at 2:30 p.m. on August 21, 2021, Eversource escalated their ERP declaration to event level 2, which indicated the Company expected 15,000-48,000 trouble spots and 625,000-870,000 customer outages. Id., p. 56. By 5:30 p.m. on August 22, 2021, the Company changed their ERP event level to 4. Id., p. 65. The Company documented $5,083,740 for direct labor costs; $492,021 for materials; $635,122 for payroll-related overheads; $653,196 for vehicles; $130,083,874 for outside contractors/vendors; $3,251,996 for food and lodging costs; and $88,461 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-

[114]The Company explains that this storm has three work orders because when the storm first began, they set the work orders up by region (i.e., an east work order and a west work order). Hr'g Tr. Mar. 27, 2026, 194:15-24. The Company then established one work order for the event resulting in three different work orders. Id.

21 Rev. 2. For Tropical Storm Henri, the Company is requesting $140,288,409 in incremental expenses. Id.

The Company reported costs associated with Tropical Storm Ida, Storm 21K011 (MN21K011). Late Filed Ex. 1, Ex. CLP-22 Rev. 2. The Company reported that the storm started on September 1, 2021, and ended on September 3, 2021. Ex. ES-ACCT-2. The Company explained they received weather forecasts anticipating scattered showers to work into the state through the late morning and early afternoon, becoming increasingly widespread by the evening. Ex. ES-IMT-1A, p. 23. The Company's service territory experienced wind gusts of up to 45 mph on September 1, 2021, through September 2, 2021. Id., pp. 23–24. The Company experienced 1,644 outage events and 1,223 non-out events affecting 69,839 customers. Ex. ES-IMT-3, p. 29. Additionally, the Company utilized 297-line resources. Id. In total, the Company spent $3,080 per event. Id. The Company declared a level 5 ERP at 6:00 a.m. on September 2, 2021, and did not file a letter to the Authority indicating that they would be prestaging resources. Ex. ES-IMT-1A, p. 24. The Company documented $1,647,030 for direct labor costs; $80,569 for materials; $135,243 for payroll-related overheads; $395,481 for vehicles; $6,154,875 for outside contractors/vendors; $422,919 for food and lodging costs; and $25,378 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-22 Rev. 2. For Tropical Storm Ida, the Company is requesting $8,861,495 in incremental expenses. Id.

The Company reported costs associated with Major Storm 21L011 (MS21L011). Late Filed Ex. 1, Ex. CLP-23 Rev. 2. The Company reported that the storm started on October 26, 2021, and ended on October 31, 2021. Ex. ES-ACCT-2. The Company explained that on October 25, 2021, they received weather forecasts indicating a low-pressure system to strength up the east coast on October 26, 2021, into October 27, 2021. Ex. ES-IMT-1A, p. 24. When the storm hit the Company's service territory, the area experienced sustained winds of 36 mph through October 26, 2021, into October 27, 2021, with maximum wind gusts between 48 mph and 54 mph. Id. The Company experienced 1,407 outage events and 1,159 non-outage events affecting 68,981 customers. Ex. ES-IMT-3, p. 30. Additionally, the Company utilized 376-line resources. Id. In total, the Company spent $4,428 per event. Id. The Company declared a level 5 ERP at 7:00 a.m. October 26, 2021, and did not file a letter to the Authority indicating that they would be prestaging resources. Ex. ES-IMT-1A, p. 24. The Company documented $2,024,593 for direct labor costs; $187,628 for materials; $131,987 for payroll-related overheads; $7,655,151 for outside contractors/vendors; $599,337 for food and lodging costs; and $25,187 for employee expenses/other. Late File Ex. 1, Ex. CLP-23 Rev. 2. For MS21L011, the Company is requesting $10,948,841 in incremental expenses. Id.

The Company reported costs associated with Major Storm 21M011 (MS21M011). Late Filed Ex. 1, Ex. CLP-24 Rev. 2. The Company reported that the storm started November 12, 2021, and ended November 15, 2021. Ex. ES-ACCT-2. The Company explained that on November 11, 2021, they received weather forecasts indicating periods of heavy rain, gusty winds, and few potential embedded thunderstorms to hit the service territory on November 12, 2021. Ex. ES-IMT-1A, p. 25. The Company's service territory experienced sustained winds of up to 55 mph and max wind gusts of 64 mph on November 12, 2021. Id. The Company experienced 1,565 outage events and 1,040 non-

outage events affecting 85,287 customers. Id. Additionally, the Company secured crews from 53 vendors. Ex. ES-IMT-1A, p. 25. In total, the Company spent $2,453 per event. The Company did not declare an ERP for this event. Ex. ES-ACCT-2. The Company documented $1,018,065 for direct labor costs; $57,727 for materials; $42,367 for payroll-related overheads; $32,300 for vehicles; $5,078,460 for outside contractors/vendors; $91,365 for food and lodging costs; and $5,121 for employee expenses/other. For MS21M011, the Company is requesting $6,325,404 in incremental expenses. Id.

The Company reported costs associated with Storm 21P011 (MN21P011). Late Filed Ex. 1, Ex. CLP-25 Rev. 2. The Company reported that the storm started on December 11, 2021, and ended December 13, 2021. Ex. ES-ACCT-2. The Company explained that on December 10, 2021, it received weather forecasts indicating a storm moving through southern New England on December 11, 2021, had the potential for strong, locally damaging winds as well as thunderstorms. Ex. ES-IMT-1A, p. 25. When the storm hit the Connecticut region on December 11, 2021, the Company's service territory experienced sustained winds up to 39 mph, with the maximum wind gust reaching 52 mph. Id. The Company experienced 325 outage events and 347 non-outage events affecting 22,331 customers. Ex. ES-IMT-3, p. 32. Additionally, the Company secured crews from 33 vendors. Ex. ES-IMT-1A, p. 25. In total, the Company spent $6,068 per event. Ex. ES-IMT-3, p. 32. The Company did not declare an ERP for this event. Ex. ES-ACCT-2. The Company documented $469,718 for direct labor costs, $1,414 for materials; $7,624 for payroll-related overheads; $36 for vehicles; $3,386,337 for outside contractors/vendors, $76,551 for food and lodging costs; and $2,346 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-25 Rev. 2. As of the close of evidence, the Company was requesting $3,944,027 for MN21P011. See Late Filed Ex. 1, Ex. CLP-25 Rev. 2. Subsequently, however, due to the costs of this event falling below the $4 million catastrophic storm threshold, Eversource acknowledged that this event does not qualify for the storm deferral and removed it from its final request. See Eversource Reply Brief, p. 2.

5. 2022 Storms

The Company reported costs associated with Major Storm 22A011 (MS22A011). Late Filed Ex. 1, Ex. CLP-34 Rev. 2. The Company reported that the storm started on January 16, 2022, and ended on January 17, 2022. Landry and Griffin December 2024 PFT, Ex. ES-ACCT-2 Supplemental (Ex. ES-ACCT-2 Supp.). The Company explained that the weather forecasts at the time indicated potential hazard wind gusts in the range of 35–50 mph and snow in northwest Connecticut beginning at approximately 10:00 p.m. on January 16, 2022. Sullivan et al. December 2024 PFT, Ex. ES-IMT-1A Supplemental (Ex. ES-IMT-1A Supp.), p. 3. On January 17, 2022, the Company's service territory experienced wind gusts over 60 mph with sustained winds reaching up to 47 mph. Id., p. 4. The Company experienced 577 outage events and 351 non-outage events affecting 19,249 customers. Sullivan et al. December 2024 PFT, Ex. ES-IMT-3 Supplemental (Ex. ES-IMT-3 Supp.), p. 9. Additionally, the Company utilized 386-line resources. Id. In total, the Company spent $11,778 per event. Id. The Company filed a notice of prestaging on January 14, 2020, indicating that they would be declaring an ERP event level 5 beginning January 17, 2020. Sullivan et al. December 2024 PFT, Ex. ES-IMT-4 Supplemental (Ex.

ES-IMT-4 Supp.), p. 24. The Company documented $1,295,218 for direct labor costs; $59,789 for materials; $68,545 for payroll-related overheads; $22,017 for vehicles; $9,044,117 for outside contractors/vendors; $381,657 for food and lodging costs; and $8,099 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-34 Rev. 2. For MS22A011, the Company is requesting $10,879,442 in incremental expenses. Id.

The Company reported costs associated with Major Storm 22B011 (MS22B011). Late Filed Ex. 1, Ex. CLP-35 Rev. 2. The Company reported that the storm started on January 29, 2022, and ended on January 29, 2022. Ex. ES-ACCT-2 Supp. The Company explained that initial forecasts for MS22B011 indicated Connecticut could see up to 10 inches of snow and maximum wind gust around 50-55 mph across the service territory. Ex. ES-IMT-1A Supp., p. 4. The Company further explained that the winds did not reach the 50-55 mph gusts that were forecasted, so the Company's system did not experience as much damage or outages as initially anticipated. Id., p. 5. The Company experienced 105 outage events and 80 non-outage events affecting 5,143 customers. Ex. ES-IMT-3 Supp., p. 10. Additionally, the Company utilized 681-line resources. Id. In total, the Company spent $159,450 per event. Id. The Company filed a notice of prestaging to the Authority on January 25, 2022, indicating that they would declare an ERP level 5 beginning January 29, 2022. Ex. ES-IMT-4 Supp., p. 75. The Company documented $1,443,819 for direct labor costs; $32,513 for materials; $37,872 for payroll-related overheads; $144,764 for vehicles; $27,439,747 for outside contractors/vendors; $825,026 for food and lodging costs; and $18,311 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-35 Rev. 2. For MS22B011, the Company is requesting $29,942,052 in incremental expenses. Id.

The Company reported costs associated with Major Storm 22C011 (MS22C011). Late Filed Ex. 1, Ex. CLP-36 Rev. 2. The Company reported that the storm started on February 17, 2022, and ended on February 18, 2022. Ex. ES-ACCT-2 Supp. The Company explained that on February 18, 2022, a storm moved through Connecticut producing high winds causing tree and limb failures and resulting in damage to electrical equipment. Ex. ES-IMT-1A Supp., p. 6. The Company's service territory experienced wind gusts up to 60 mph with sustained winds reaching up to 43 mph. Id. The Company experienced 1,066 outage events and 672 non-outage events affecting 51,945 customers. Ex. ES-IMT-3 Supp., p. 11. Additionally, the Company utilized 462-line resources. Id. In total, the Company spent $6,303 per event. Id. The Company filed a notice of prestaging to the Authority on February 16, 2022, indicating that they would declare an ERP level 5 beginning at 6:00 a.m. on February 18, 2022. Ex. ES-IMT-4 Supp., p. 132. The Company documented $1,174,840 for direct labor costs; $48,010 for materials; $46,907 for payroll-related overheads; $51,359 for vehicles; $9,242,883 for outside contractors/vendors; $375,417 for food and lodging costs; $13,530 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-36 Rev. 2. For MS22C011, the Company is requesting $10,952,945 in incremental expenses. Id.

The Company reported costs associated with Major Storm 22E011 (MS22E011). Late Filed Ex. 1, Ex. CLP-37 Rev. 2. The Company reported that the storm started on March 12, 2022, and ended on March 13, 2022. Ex. ES-ACCT-2 Supp. The Company explained that on March 12, 2022, a storm moved through Connecticut producing high

winds causing tree and limb failures and resulting in damage to electrical equipment. Ex. ES-IMT-1A Supp., p. 7. The Company's service territory experienced wind gusts up to 56 mph with sustained winds over 30 mph. Id. The Company experienced 687 outage events and 404 non-outage events affecting 33,926 customers. Ex. ES-IMT-3 Supp., p. 12. Additionally, the Company utilized 420-line resources. Id. In total, the Company spent $12,731 per event. Id. The Company filed a notice of prestaging to the Authority on March 11, 2022, indicating that they would declare an ERP level 5 beginning at 6:00 a.m. on March 13, 2022. Ex. ES-IMT-4 Supp., p. 192. The Company documented $1,306,571 for direct labor costs; $54,207 for materials; $32,370 for payroll-related overheads; $132,129 for vehicles; $12,012,034 for outside contractors/vendors; $338,108 for food and lodging costs; and $11,748 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-37 Rev. 2. For MS22E011, the Company is requesting $13,887,166 in incremental expenses. Id.

The Company reported costs associated with Major Storm 22G011 (MS22G011). Late Filed Ex. 1, Ex. CLP-38 Rev. 2. The Company reported that the storm started on October 13, 2022, and ended on October 14, 2022. Ex. ES-ACCT-2 Supp. The Company explained they prepared to respond to outage threats based on forecasts indicating the potential for thunderstorms accompanied by hazardous winds and widespread precipitation on October 13, 2022, through October 13, 2022. Ex. ES-IMT-1A Supp., p. 8. The Company's service territory experienced wind gusts up to 40 mph with sustained winds over 25 mph. Id. The Company experienced 245 outage events and 315 non-outage events affecting 15,103 customers. Ex. ES-IMT-3 Supp., p. 13. Additionally, the Company utilized 354-line resources. Id. In total, the Company spent $12,851 per event. The Company filed a notice of prestaging to the Authority on October 12, 2022, indicating they would declare an ERP level 5, beginning at 12:00 p.m. on October 13, 2022. Ex. ES-IMT-4 Supp., p. 207. The Company documented $935,888 for direct labor costs; $3,819 for materials; $33,636 for payroll-related overheads; $142,226 for vehicles; $5,988,668 for outside contractors/vendors; $80,438 for food and lodging; $6,905 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-38 Rev. 2. For MS22G011, the Company is requesting $7,191,579 in incremental expenses. Id.

The Company reported costs associated with Major Storm 22H011 (MS22H011). Late Filed Ex. 1, Ex. CLP-39 Rev. 2. The Company reported that the storm started on November 11, 2022, and ended on November 12, 2022. Ex. ES-ACCT-2 Supp. The Company explained that on November 12, the weather system in MS22H011 moved through Connecticut producing high winds causing tree and limb failures and resulting in damage to electrical equipment. Ex. ES-IMT-1A Supp., p. 10. The Company's service territory experienced wind gusts up to 37 mph with sustained winds over 25 mph. Id. The Company experienced 647 outage events and 405 non-outage events affecting 39,282 customers. Ex. ES-IMT-3 Supp., p. 14. Additionally, the Company utilized 358-line resources. Id. In total, the Company spent $9,629 per event. Id. The Company filed a notice of prestaging with the Authority on November 10, 2022, indicating that they would declare an ERP level 5 beginning at 6:00 p.m. on November 11, 2022. Ex. ES-IMT-4 Supp., p. 248. The Company documented $1,480,939 for direct labor costs; $18,909 for materials; $54,399 for payroll-related overheads; $342,328 for vehicles; $7,973,033 for outside contractors/vendors; $238,008 for food and lodging costs; $11,749 for employee

expenses/other. Late Filed Ex. 1, Ex. CLP-39 Rev. 2. For MS22H011, the Company is requesting $10,119,365 in incremental expenses. Id.

The Company reported costs associated with Major Storm 22J011 (MS22J011). Late Filed Ex. 1, Ex. CLP-40 Rev. 2. The Company reported that the storm started on November 30, 2022, and ended on December 1, 2022. Ex. ES-ACCT-2 Supp. The Company explained on November 30, 2022, the weather system in MS22J011 moved through Connecticut producing high winds causing tree and limb failures and resulting in damage to electrical equipment. Ex. ES-IMT-1A Supp., p. 12. The Company's service territory experienced wind gusts up to 48 mph with sustained winds over 35 mph. Id. The Company experienced 1,071 outage events and 808 non-outage events affecting 63,648 customers. Ex. ES-IMT-3 Supp., p. 15. Additionally, the Company utilized 420-line resources. Id. In total, the Company spent $6,295 per event. Id. The Company filed a notice of prestaging with the Authority on November 29, 2022, indicating that they would declare an ERP level 5 beginning at 12 p.m. on November 30, 2022. Ex. ES-IMT-4 Supp., p. 275. The Company documented $1,460,010 for direct labor costs; $64,244 for materials; $72,508 for payroll-related overheads; $200,154 for vehicles; $9,677,170 for outside contractors/vendors; $444,250 for food and lodging costs; and $11,579 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-40 Rev. 2. For MS22J011, the Company is requesting $11,929,915 in incremental expenses. Id.

The Company reported costs associated with Major Storm 22K011 (MS22K011). Late Filed Ex. 1, Ex. CLP-41 Rev. 2. The Company reported that the storm started on December 22, 2022, and ended on December 25, 2022. Ex. ES-ACCT-2 Supp. The Company explained at approximately 8:00 p.m. on December 22, 2022, a strong low-pressure system with wide-spread heavy rain and hazardous wind entered Connecticut from the west, traveling east-northeast before exiting and dissipating over Maine, followed by an arctic air mass which caused temperatures to plummet in the region. Ex. ES-IMT-1A Supp., pp. 12–13. The Company's service territory experienced wind gusts over 50 mph with sustained winds up to 39 mph. Id., p. 13. The Company experienced 5,195 outage events and 2,921 outage events affecting 261,544 customers. Ex. ES-IMT-3 Supp., p. 16. Additionally, the Company utilized 592-line resources. Id. In total, the Company spent $7,612 per event. Id. The Company filed a notice of prestaging with the Authority on December 20, 2022, indicating they would be declaring an ERP level 5 beginning at 4:00 p.m. on December 22, 2022. Ex. ES-IMT-4 Supp., p. 336. The Company documented $7,877,907 for direct labor costs; $432,877 for materials; $559,690 for payroll-related overheads; $154,008 for vehicles; $50,407,311 for outside contractors/vendors; $3,482,180 for food and lodging costs; and $70,255 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-41 Rev. 2. For MS22K011, the Company is requesting $62,984,228 in incremental expenses.

6. 2023 Storms

The Company reported costs associated with Major Storm 23B011 (MS23B011). Late Filed Ex. 1, Ex. CLP-42 Rev. 2. The Company reported that the storm started on January 25, 2023, and ended on January 26, 2023. Ex. ES-ACCT-2 Supp. The Company explained that on January 25, 2023, a weather system moved through Connecticut that

was forecasted to produce high winds causing tree and limb failures and resulting in damage to electrical equipment. Ex. ES-IMT-1A Supp., p. 14. The Company's service territory experienced winds gusts up to 40 mph with sustained winds over 35 mph. Id. The Company experienced 111 outage events and 251 non-outage events affecting 8,695 customers. Ex. ES-IMT-3 Supp., p. 17. Additionally, the Company utilized 361-line resources. Id. In total, the Company spent $33,435 per event. The Company filed a notice of prestaging with the Authority on January 24, 2023, indicating that it would declare an ERP level 5 beginning at 6:00 p.m. on January 25, 2023. Ex. ES-IMT-4 Supp., p. 491. The Company documented $919,325 for direct labor costs; $29,525 for materials; $42,250 for payroll-related overheads; $1,804 for vehicles; $10,907,811 for outside contractors/vendors; $262,032 for food and lodging costs; and $6,127 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-42 Rev. 2. For MS23B011, the Company is requesting $12,169,144 in incremental expenses. Id.

The Company reported costs associated with Storm 23B011 (MN23B011). Late Filed Ex. 1, Ex. CLP-45 Rev. 2. The Company reported that the storm started on February 3, 2023, and ended on February 4, 2023. Landry and Griffin July 2025 PFT, Ex. ES-ACCT-2 Supplemental 2 (Ex. ES-ACCT-2 Supp. 2). The Company explained that leading up to the February 3, 2023, storm event, the Company monitored forecasts indicating a strong arctic high-pressure system moving across New England, bringing bitterly cold temperatures and strong wind gusts. Sullivan, Hayhurst, Colorio, DiPaola-Tromba, Desautels, and Scerbo Pre-filed Test., July 10, 2025 (Sullivan et al. July 2025 PFT), Ex. ES-IMT-1A Supplemental 2 (Ex. ES-IMT-1A Supp. 2), p. 1. Eversource further explained that between February 4, 2023, and February 5, 2023, the storm moved through the state as a strong arctic front with very steep lapse temperature rates and a relatively strong 925 mb jet[115], coupled with extreme cold. Id., p. 4. The Company experienced 869 outage events and 866 non-outage events affecting 65,306 customers. Sullivan et al. July 2025 PFT, Ex. ES-IMT-3 Supplemental 2 (Ex. ES-IMT-3 Supp. 2), p. 9. In total, the Company spent $3,151 per event. Id. The Company did not declare an ERP for this event. Ex. ES-ACCT-2 Supp. 2. The Company documented $1,176,406 for direct labor costs; $25,345 for materials; $23,461 for payroll-related overheads; $10,100 for vehicles; $4,116,889 for outside contractors/vendors; $72,463 for food and lodging costs; and $6,585 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-45 Rev. 2. For MN23B011, the Company is requesting $5,431,249 in incremental expenses. Id.

The Company reported costs associated with Major Storm 23C011 (MS23C011). Late Filed Ex. 1, Ex. CLP-46 Rev. 2. The Company reported that this storm started on February 23, 2023, and ended on February 25, 2023. Ex. ES-ACCT-2 Supp. 2. The Company explained that on February 23, 2023, an area of weak low pressure materialized south of New England and brought an icy mix of precipitation, primarily across the northern region of Connecticut, with rain to the south coast. Ex. ES-IMT-1A Supp. 2, p. 9. Additionally, a strong arctic front passed through the region on February 24, 2023, with a period of strong northwest wind gusts and falling temperatures and wind chills below zero. Id. The Company experienced 634 outage events and 557 non-outage

[115]An "mb jet" is a high-speed wind current named after the atmospheric pressure level (milibars) where it occurs.

events affecting 27,367 customers. Ex. ES-IMT-3 Supp. 2, p. 10. Additionally, the Company ordered 50 crews to supplement the normal crew contingent and support any storm restoration efforts in Connecticut. Ex.ES-IMT-1A Supp. 2, p. 7. In total, the Company spent $5,348 per event. Ex. ES-IMT-3 Supp. 3, p. 10. The Company did not declare an ERP for this event. Ex. ES-ACCT-2 Supp. 2. The Company documented 1,177,134 for direct labor costs; $20,774 for materials; $29,252 for payroll-related overheads; $2,041 for vehicles; $4,836,849 for outside contractors/vendors; $77,514 for food and lodging costs; and $4,104 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-46 Rev. 2. For MS23C011, the Company is requesting $6,147,668 in incremental expenses. Id.

The Company reported costs associated with Major Storm 23D011 (MS23D011). Late Filed Ex. 1, Ex. CLP-47 Rev. 2. The Company reported that this storm started on February 28, 2023, and ended on February 28, 2023. Ex. ES-ACCT-2 Supp. 2. The Company explained that the weather event moved through Connecticut on February 28, 2023, and delivered snow fall between 6'' to 8'' with lower amounts towards the southwest part of Connecticut. ES-IMT-1A Supp. 2, p. 13. Additionally, no significant ice accretion was observed but most of Connecticut experienced maximum sustain winds between 23 to 29 mph, and maximum wind gust between approximately 30 to 37 mph. Id. However, the Company explains that neither the storm, nor the expected damages materialized as forecasted. Id., p. 13. The Company experienced 32 outage events and 89 non-outage events affecting 2,261 customers. Ex. ES-IMT-3 Supp. 2, p. 11. Additionally, the Company utilized 407-line resources. Id. In total, the Company spent $49,587 per event. Id. The Company filed a notice of prestaging with the Authority on February 27, 2023, indicating that the Company would declare an ERP level 5 beginning at 6:00 a.m. on February 28, 2023. Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-46, p. 60. The Company documented $243,077 for direct labor costs; $8,199 for materials; $23,586 for payroll-related overheads; $1,374 for vehicles; $5,639,232 for outside contractors/vendors; $185,649 for food and lodging costs; and $5,145 for employee expense/other. Late Filed Ex. 1, Ex. CLP-47 Rev. 2. For MS23D011, the Company is requesting $6,106,262 in incremental expenses. Id.

The Company reported costs associated with Major Storm 23E011 (MS23E011). Late Filed Ex. 1, Ex. CLP-48 Rev. 2. The Company reported that this storm started on March 2, 2023, and ended on March 4, 2023. Ex. ES-ACCT-2 Supp. 2. The Company explained leading up to this storm event, the Company monitored forecast for a weather system of snow, sleet, and rain that was expected to move into southwestern Connecticut by 7:00 p.m. on March 3, 2023, and to spread across the state by 9:00 p.m. Ex. ES-IMT-1A Supp. 2, p. 15. The Company further explains that the brunt of this weather system moved through Connecticut on the evening of March 3, 2023, into the morning on March 4, 2023, producing high winds that caused tree and limb failures and resulted in damage to the Company's electric distribution system. Id., p. 17. The Company experienced 218 outage events and 376 non-outage events affecting 12,717 customers. Ex. ES-IMT-3 Supp. 2, p. 12. Additionally, the Company utilized 319-line resources. Id. In total, the Company spent $8,998 per event. Id. The Company filed a notice of prestaging with the Authority on March 2, 2023, indicating that the Company would declare an ERP level 5 beginning at 6:00 p.m. on March 3, 2023. Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-

47, p. 72. The Company documented $993,454 for direct labor costs; $22,523 for materials; $34,519 for payroll-related overheads; $2,885 for vehicles; $4,180,085 for outside contractors/vendors; $170,806 for food and lodging costs; and $4,625 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-48 Rev. 2. For MS23E011, the Company is requesting $5,408,897 in incremental expenses. Id.

The Company reported costs associated with Major Storm 23F011 (MS23F011). Late Filed Ex. 1, Ex. CLP-49 Rev. 2. The Company reported that this storm started on March 13, 2023, and ended on March 15, 2023. Ex. ES-ACCT-2 Supp. 2. The Company explained anomalous cyclogenesis took place as the storm approached New England and then elongated under the upper trough to form two centers; then reorganizes into a single center over the Gulf of Maine. Ex. ES-IMT-1A Supp. 2, p. 21. During the entire storm, extensive and very significant accumulations of very wet snow occurred on March 14, 2023, primarily over higher elevations with gusty winds limited by marginally favorable temperature lapse rates but combined with strong pressure gradient. Id. The Company explains that although the impacts of this storm were by no means insignificant, neither the storm nor the system damage materialized to the level of severity predicted by the Company. Id., p. 22. The Company experienced 1,155 outage events and 920 non-outage events affecting 49,492 customers. Ex. ES-IMT-3 Supp. 2, p. 13. Additionally, the Company utilized 887-line resources. Id. In total, the Company spent $28,675 per event. Id. The Company filed a notice of prestaging with the Authority on March 10, 2023, indicating that they would declare an ERP level 5 beginning at 6:00 p.m. on March 13, 2023. Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-48, p. 29. Subsequently, on March 13, 2023, the Company upgraded the incident level from an ERP level 5 and planned to declare an ERP level 4 at 6:00 p.m. on March 13, 2023. Ex. ES-IMT-1A Supp. 2, p. 21. The Company documented $4,725,637 for direct labor costs; $412,504 for materials; $342,438 for payroll-related overheads; $863,892 for vehicles; $51,483,643 for outside contractors/vendors; $2,353,212 for food and lodging costs; and $40,035 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-49 Rev. 2. For MS23F011, the Company is requesting $59,771,361 in incremental expenses. Id.

The Company reported costs associated with Storm 23T011 (MN23T011). Late Filed Ex. 1, Ex. CLP-50 Rev. 2. The Company reported that this storm started on July 27, 2023, and ended on July 29, 2023. Ex. ES-ACCT-2 Supp. 2. The Company explained severe thunderstorms with high winds and rain that moved through Connecticut on July 27, 2023, causing damage to the Company's electric distribution system and power outages. Ex. ES-IMT-1A Supp. 2, p. 25. The Company further explained, two of the four days of this storm saw thunderstorm development primarily over southern half of New England, as upper air disturbance passed over the region. Id. The Company experienced 946 outage events and 1,063 for non-outage events affecting 70,169 customers. Ex. ES-IMT-3 Supp. 2, p. 14. The Company did not declare an ERP for this event. Ex. ES-ACCT-2 Supp. 2. The Company documented $2,500,691 for direct labor costs; $35,468 for materials; $59,622 for payroll-related overheads; $21,602 for vehicles; $4,656,246 for outside contractors/vendors; $137,313 for food and lodging costs; and $12,795 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-50. For MN23T011, the Company is requesting $7,423,738 in incremental expenses. Id.

The Company reported costs associated with Storm 23AB11 (MN23AB11). Late Filed Ex. 1, Ex. CLP-51. The Company reported that this storm started on September 8, 2023, and ended on September 12, 2023. Ex. ES-ACCT-2 Supp. 2. The Company explained heat and humidity along with forcing from a strong mid-level jet produced severe storms and strong wind gusts between September 8, 2023, and September 11, 2023. Ex. ES-IMT-1A Supp. 2, p. 27. The Company experienced 1,174 outage events and 1,255 non-outage events affecting 115,605 customers. Ex. ES-IMT-3, p. 15. In total, the Company spent $1,945 per event. Id. The Company did not declare an ERP for this event. Ex. ES-ACCT-2 Supp. 2. The Company documented $1,847,709 for direct labor costs; $30,401 for materials; $44,170 for payroll-related overheads; $13,867 for vehicles; $2,716,005 for outside contractors/vendors; $66,244 for food and lodging costs; and $11,451 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-51. For MN23AB11, the Company is requesting $4,729,847 in incremental expenses. Id.

The Company reported costs associated with Hurricane Lee, Major Storm 23G011 (MS23G011). Late Filed Ex. 1, Ex. CLP-52. The Company reported that this storm started on September 15, 2023, and ended on September 16, 2023. Ex. ES-ACCT-2 Supp. 2. The Company explained that given the potential for high winds combined with the saturated ground from recent heavy rains and the full canopy of leaves on the trees, the Company determined that Hurricane Lee could cause tree and limb failures that could damage the electric distribution system. Ex. ES-IMT-1A Supp. 2, p. 29. The Company further explained that maximum sustained winds across the state did not exceed 25 mph and maximum gusts remained below 35 mph. Id., p. 33. According to the Company the event did not materialize at the anticipated level of severity. Id. The Company experienced 73 outage events and 139 non-outage events affecting 3,144 customers. Ex. ES-IMT-3 Supp. 2, p. 16. Additionally, the Company utilized 485-line resources. Id. In total, the Company spent $55,167 per event. The Company filed a notice of prestaging with the Authority on September 12, 2023, indicating that it would declare an ERP level 4 beginning at 6:00 p.m. September 15, 2023. Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-51, p. 113. The Company documented $1,301,889 for direct labor costs; $21,513 for materials; $109,156 for payroll related overheads; $386,597 for vehicles; $9,302,155 for outside contractors/vendors; $332,278 for food and lodging costs; and $36,647 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-52. For Hurricane Lee, the Company is requesting $11,490,237 in incremental expenses. Id.

The Company reported costs associated with Major Storm 23H011 (MS23H011). Late Filed Ex. 1, Ex. CLP-53. The Company reported that this storm started on December 10, 2023, and ended on December 12, 2023. Ex. ES-ACCT-2 Supp. 2. The Company explained leading up to this storm, the Company was monitoring forecasts for a strong, low-pressure system approaching the region through the day on December 10, 2023, bringing widespread rainfall and gusty winds. Ex. ES-IMT-1A Supp. 2, p. 34. The Company further explained, a weather system moved through Connecticut on December 10, 2023, bringing heavy winds and rain that damaged the Company's electric distribution system. Id., p. 37. The Company experienced 462 outage events and 371 non-outage events affecting 27,646 customers. Ex. ES-IMT-3 Supp. 2, p. 17. Additionally, the Company utilized 411-line resources. Id. In total, the Company spent $9,383 per event. Id. The Company filed a notice of prestaging with the Authority on December 8, 2023,

indicating that it would declare an ERP level 5, beginning at 6:00 p.m. on December 10, 2023. Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-52, p. 11. The Company documented $936,771 for direct labor costs; $38,498 for materials; $61,352 for payroll-related overheads; $3,200 for vehicles; $6,476,907 for outside contractors/vendor; $200,381 for food and lodging costs; and $11,091 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-53 Rev. 2. For MS23H011, the Company is requesting $7,729,200 in incremental expenses. Id.

The Company reported costs associated with Major Storm 23J011 (MS23J011). Late Filed Ex. 1, Ex. CLP-54. The Company reported that this storm started on December 17, 2023, and ended on December 19, 2023. Ex. ES-ACCT-2 Supp. 2. The Company explained that they monitored weather forecast beginning on December 13, 2023, which indicated a storm with the potential to impact areas of Eversource's service territory beginning on the morning of December 18, 2023. Ex. ES-IMT-1A Supp. 2, p. 38. On December 18, 2023, a strong low-pressure system with widespread heavy rain and hazardous winds entered Connecticut from the west, traveling east-northeast before exiting and dissipating over the North Atlantic. Id., p. 39. The Company explains hazardous winds and strong wind gusts brought on by the storm system caused trees and tree limbs to fail, breaking poles and crossarms, dropping conductors and damaging electrical equipment. Id. The Company experienced 4,360 outage events and 2,731 non-outage events affecting 235,405 customers. Ex. ES-IMT-3 Supp. 2, p. 18. Additionally, the Company utilized 685-line resources. Id. In total, the Company spent $8,033 per event. Id. The Company filed a notice of prestaging with the Authority on December 15, 2023, indicating that they would declare an ERP level 5 beginning at 6:00 p.m. on December 17, 2023. Sullivan et al. July 2025 PFT, Ex. ES-IMT-4-53, p. 26. Subsequently, at 10:00 a.m. on December 18, 2023, based on actual weather conditions and ongoing outage levels, the Company escalated to an ERP level 4, with the expectation of more than 1,500 trouble spots and more than 125,000 outages to restore. Ex. ES-IMT-1A Supp. 2, p. 40. The Company documented $6,018,976 for direct labor costs; $771,183 for materials; $510,894 for payroll-related overheads; $1,951,113 for vehicles; $45,321,986 for outside contractors/vendors; $1,958,525 for food and lodging expenses; and $50,138 for employee expenses/other. For MS23J011, the Company is requesting $56,582,815 in incremental expenses. Id.

7. Prestaging

The Company reported costs associated with a prestaging event that occurred on January 4, 2018, Major Storm 18A011 (MS18A011). Late Filed Ex. 1, Ex. CLP-26 Rev. 2. The Company reported prestaging activities from January 3, 2018, through January 8, 2018. Ex. ES-ACCT-2. The Company explains that on January 2, 2018, they received weather forecasts indicating a storm system to impact its service territory with snowfall up to 10 inches and maximum wind gusts up to 50 mph. Ex. ES-IMT-1A, p. 26. By January 5, 2018, the majority of the Company's service territory had snow accumulations of 8–12 inches. Id. The region also had sustained winds of 45–47 mph on January 4, 2018, with maximum wind gusts of 58 mph. Id. The Company filed a notice of prestaging to the Authority on January 3, 2018, indicating that they would declare an event level 5 for this storm. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-25, p. 10. As soon as the

Company became aware of the minimal damage to the system as a result of the storm, it quickly demobilized crews. Id. The Company was able to release 50 crews to Massachusetts on January 4, 2018, and released the remainder of the external crews on January 5, 2018. Id. The Company restored service to approximately 5,401 customers by 10:00 p.m. on January 4, 2018. Id. The Company documented $624 for materials and $133,091 for outside contractors/vendors. Late Filed Ex. 1, Ex. CLP-26, p. 1. For MS18A011, the Company reported $116,731 in incremental costs. Id.

The Company reported costs associated with a prestaging event that occurred on March 21, 2018, Major Storm 18F011 (MS18F011). Late Filed Ex. 1, Ex. CLP-27. The Company reported prestaging activities between March 21, 2018, through March 23, 2018. Ex. ES-ACCT-2. The Company explains on March 20, 2018, they received weather forecasts indicating a coastal storm was predicted to hit its service territory beginning on March 21, 2018, bring a risk of near hazard snow/wind gusts. Ex. ES-IMT-1A, p. 26. A Winter Storm Warning was issued for all of Connecticut on March 21, 2018, at 5:35 a.m. Id. By 6:34 p.m. on March 21, 2018, the Winter Storm Warning was decreased to a Winter Weather Advisory for northern central Connecticut and all warnings and advisories were discontinued by 6:56 a.m. on March 22, 2018. Id. Therefore, the storm did not materialize to the level forecasted in Connecticut. Id. The Company filed a notice of prestaging to the Authority on March 21, 2018, indicating that they would declare an event level 5 for this storm. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-26, p. 11. The Company documented $289,100 for direct labor costs; $20,174 for payroll-related overheads; $323 for vehicles; $624,622 for outside contractors/vendors; $152,312 for food and lodging costs; and $6,346 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-27, p. 1. For MS18F011, the Company reported $1,092,877 in incremental costs. Id.

The Company reported costs associated with a prestaging event that occurred on December 21, 2019, Major Storm 19J011 (MS19J011). Late Filed Ex. 1, Ex. CLP-28. The Company reported prestaging activities between December 1, 2019, through December 3, 2019. Ex. ES-ACCT-2. The Company explains on November 30, 2019, they received weather forecasts that indicated the potential for heavy snow, a wintry mix of snow, freezing rain, and gusty winds that could impact the service territory starting the evening on December 1, 2019, and going into December 3, 2018. The Company filed a notice to pre-stage on December 2, 2019, indicating that they would declare an event level 5 for this storm. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-27, p. 17. The Company documented $27,375 for direct labor costs; $15 for vehicles; $356,390 for outside contractors/vendors; $620 for food and lodging costs; and $560 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-28, p. 1. For MS19J011, the Company reported $384,960 in incremental costs.

The Company reported costs associated with a prestaging event that occurred on October 29, 2020, Major Storm 20G011 (MS20G011). Late Filed Ex. 1, Ex. CLP-29. The Company reported prestaging activities between October 29, 2020, through November 4, 2020. Ex. ES-ACCT-2. The Company explains on October 29, 2020, the Company was monitoring a storm that was forecasted to bring rain, wind, and snow to its service territory. Ex. ES-IMT-1A, p. 28. The forecast included snow accumulation of 2–5 inches in the

northwestern part of the state and wind gusts up to 40 mph in the southeastern part of the state. Id. The Company filed a notice of prestaging to the Authority on October 28, 2020, indicating that they would declare an ERP level 5 beginning at 12:01 a.m. on October 30, 2020. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-28, p. 12. The Company documented $56,104 for direct labor costs; $3,906 for payroll-related overheads; $12 for vehicles; $1,597,449 for outside contractors/vendors; $85,658 for food and lodging costs; $3,160 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-29. For MS20G011, the Company is requesting $1,746,289 in incremental expenses for this prestaging event. Id.

The Company reported cost associated with a prestaging event that occurred on December 16, 2020, Major Storm 20M011 (MS20M011). Late Filed Ex. 1, Ex. CLP-30 Rev. 2. The Company reported prestaging activity between December 16, 2020, and December 17, 2020. Ex. ES-ACCT-2. The Company explains that on December 15, 2020, the Company received weather forecasts indicating a winter storm to affect its service territory between December 16, 2020, and December 17, 2020. Ex. ES-IMT-1A, p. 28. The Company's service territory experienced between 8–12 inches of snow and maximum wind gusts of 52 mph. Id. The Company filed a notice of prestaging to the Authority on December 14, 2020, indicating that they would declare an ERP level 5 on December 16, 2020. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-29, p. 16. The Company documented $85,258 for direct labor costs; $46 for materials; $28,669 for payroll-related overheads; $7,315 for vehicles; $3,692,283 for outside contractors/vendors; $125,112 for food and lodging costs; and $3,030 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-30 Rev. 2. For MS20M011, the Company is requesting $3,941,712 in incremental expenses for this prestaging event. Id.

The Company reported costs associated with a prestaging event that occurred on February 15, 2021, Major Storm 21B011 (MS21B011). Late Filed Ex. 1, Ex. CLP-31 Rev. 2. The Company reported prestaging activity between February 15, 2021, and February 16, 2021. Ex. ES-ACCT-2. The Company explained that on February 14, 2021, the Company received weather forecasts that indicated a storm that could bring appreciable ice accretion to the region on February 15, 2021, through February 16, 2021. Ex. ES-IMT-1A, p. 29. The Company further explained that the predominant weather expected was freezing rain, but by 6:52 a.m. on February 16, 2021, the forecast was confined to the northwest area of Connecticut. Id. The Company filed a notice of prestaging to the Authority on February 14, 2021, indicating that they would declare an ERP level 5 on February 15, 2021. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-30, p. 11. The Company documented $19,996 for direct labor costs; $3,525 for payroll-related overheads; $68,210 for vehicles; $1,624,103 for outside contractors/vendors; $963 for food and lodging costs; and $179 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-31 Rev. 2. For MS21B011, the Company is requesting $1,716,976 in incremental expenses for this prestaging event. Id.

The Company reported cost associated with a prestaging event that occurred on March 12, 2021, Major Storm 21D011 (MS21D011). Late Filed Ex. 1, Ex. CLP-32 Rev. 2. The Company reported prestaging activity between March 12, 2021, and March 14, 2021. Ex. ES-ACCT-2. The Company explained that on March 12, 2021, the Company received weather forecasts of a potential weather system that could bring winds with peak gusts

of up to 50 mph throughout Connecticut. Ex. ES-IMT-1A, p. 30. The Company further explained that between March 13, 2021, and March 14, 2021, the Company's service territory experienced sustained winds between 30-35 mph with maximum wind gusts reaching 52 mph. Id. The Company filed a notice of prestaging to the Authority on March 11, 2021, indicating that they would declare an ERP level 5 on March 13, 2021. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-31, p. 13. The Company documented $3,809 for direct labor costs; $148 for payroll-related overheads; $58,692 for outside contractors/vendors; and $25 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-32 Rev. 2. For MS21D011, the Company is requesting $62,674 in incremental expenses for this prestaging event. Id.

The Company reported costs associated with a prestaging event that occurred on March 26, 2021, Major Storm 21E011 (MS21E011). Late Filed Ex. 1, Ex. CLP-33 Rev. 2. The Company reported prestaging activities between March 26, 2021, and March 28, 2021. Ex. ES-ACCT-2. The Company explained that on March 25, 2021, the Company was monitoring a weather forecast that showed thunderstorms and high winds to affect its service territory on March 26, 2021. Ex. ES-IMT-1A, p. 30. The Company's service territory experienced sustained winds of up to 30 mph with maximum wind gusts of 44 mph. Id. The Company filed a notice of prestaging to the Authority on March 25, 2021, indicating that they would be declaring an ERP level 5 starting March 26, 2021. Sullivan et al. March 2024 PFT, Ex. ES-IMT-4-32. The Company documented $8,010 for direct labor costs; $1,885 for materials; $1,977 for payroll-related overheads; $15 for vehicles; $1,077,183 for outside contractors/vendors; $147,685 for food and lodging costs; and $8 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-33 Rev. 2. For MS21E011, the Company is requesting $1,236,764 in incremental expenses for this prestaging event. Id.

The Company reported costs associated with a prestaging event that occurred February 25, 2022, Major Storm 22D011 (MS22D011). Late Filed Ex. 1, Ex. CLP-43 Rev. 2. The Company reported prestaging activity on February 25, 2022. Ex. ES-ACCT-2 Supp. The Company explained that based on forecasts indicating the potential for a winter storm with snow, mixed precipitation and winds across New England on February 25, 2022, the Company prepared for potential system damage and associated customers outages. Ex. ES-IMT-1A Supp., p. 14. On February 25, 2022, a brief mix of snow and sleet changed to freezing rain across Connecticut and eventually turned to straight rain before the event ended; snow amounts were fairly negligible before the change to freezing rain and sleet. Id., p. 15. The Company filed a notice of prestaging to the Authority on February 24, 2022, indicating that they would declare an ERP level 5 beginning at 6:00 a.m. on February 25, 2022. Ex. ES-IMT-4 Supp., p. 540. The Company documented $258,535 for direct labor costs; $53,047 for materials; $14,025 for payroll-related overhead; $186 for vehicles; $1,482,502 for outside contractors/vendors; $141,332 for food and lodging costs; and $5,911 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-43 Rev. 2. For MS22D011, the Company is requesting $1,955,537 in incremental expenses for this prestaging event. Id.

The Company reported costs associated with a prestaging event that occurred on July 25, 2022, Major Storm 22F011 (MS22F011). Late Filed Ex. 1, Ex. CLP-44 Rev. 2. The Company reported prestaging activity between July 25, 2022, and July 26, 2022. Ex.

ES-ACCT-2 Supp. The Company explained the Company's service territory experienced a multi-day heatwave causing power outages for customers. Ex. ES-IMT-1A Supp., p. 15. The Company further explained, the heatwave was expected to be exacerbated by severe thunderstorms, hazardous winds in excess of 60-70 mph, frequent cloud-to-ground lightning and widespread precipitation, including large hail upwards of 1.25 inches in diameter. Id. On July 25, 2022, thunderstorms developed within a hot and humid air mass across portions of northwestern Connecticut during the evening hours, producing sporadic wind damage. Id., p. 16. The Company filed a notice of prestaging with the Authority on July 25, 2022, indicating that they would declare an ERP level 5 beginning at 1:00 p.m. on July 25, 2022. Ex. ES-IMT-4 Supp., p. 570. The Company documented $386,580 for direct labor costs; $6,680 for materials; $11,583 for payroll-related overheads; $2,172 for vehicles; $2,132,011 for outside contractors/vendors; $30,803 for food and lodging costs; and $1,674 for employee expenses/other. Late Filed Ex. 1, Ex. CLP-44 Rev. 2. For MS22F011, the Company is requesting $2,571,502 in incremental expenses for this prestaging event. Id.