Date Filed: September 29, 2026

Witness: Brendan J. O'Brien, John G. Griffin, Garrett J. Murray, Leanne M. Landry and Jeffrey D. Turano
Request from: Office of Consumer Counsel

Question:

Payroll. Refer to the response to OCC-319 Attachment 1.

a. Update Attachment 1 to include information for 2018, 2019 and 2020.
b. Explain why the Company's O&M expense payroll has not reached $129.285 million authorized in Docket No. 17-10-46 each of the years 2021-2025.

Response:

a. Please refer to OCC-704, Attachment 1, which has been updated from OCC-319, Attachment 1, to include budgeted payroll for operating expense and capitalized work for 2018, 2019, 2020.

b. OCC-704, Attachment 1, presents an estimated budget perspective. The actual operations and maintenance ("O&M") expense for base payroll is updated in OCC-704, Attachment 2, at Line 1. OCC-704, Attachment 2, is revised from EOE-123, Attachment 1, to disaggregate deferred storm payroll and non-deferred storm payroll and to provide total O&M base payroll expense on Line 1.

As shown in the attachments, the Company's total O&M payroll expense exceeded the amount allowed in rates in Docket No. 17-10-46 for each of the years 2021 through 2025, with the exception of 2021 and 2022. In these years, the total payroll was less than the actual allowed in rates primarily due to an increased level of capital work performed and fluctuations in the overhead costs due to COVID-19 impacts. In total over the 5-year period, labor costs were in excess of the amount in rates by over $30 million.