Date Filed: October 08, 2026

Witness: Craig Dikeman, Ronald S. Smith, Matthew J. Correia, and Justin M. Pelkowski
Request from: ALLCO

Question:

Separately from any legal advice, state the facts ascertained in each assessment. For the Load Settlement Report: describe the load settlement process as it existed during the period assessed, including the systems used; the data flows from metering through submission to ISO-New England; the entities whose load the Company reports and settles; each category of error, exception, or control deficiency identified; and any resettlement, correction, or restatement history reviewed, with amounts. For the Procurement Report: identify the procurement functions, practices, and categories of transactions reviewed; the standards or criteria against which they were assessed; and each factual finding concerning documentation, recordkeeping, competitive bidding, or compliance. If the Company contends that any responsive fact is itself privileged, identify the subject matter of the withheld fact and state the basis for the contention.

Response:

Load Settlement

"Load settlement" is the FERC jurisdictional process that involves calculating hourly system loads (energy used) assuming generation quantities[1] and tie-line data and allocating that load to the energy suppliers based on metering and customer billing data. The data is then submitted to Independent System Operator New England (ISO-NE). The process is heavily dependent on data received from Eversource billing and meter systems. For an explanation for how load reducers affect load settlement and ISO-NE reported hourly loads, refer to ALLCO-095[1].

During the period assessed, the Load Settlement Department (LS) utilized a load settlement application system, which is still used today, to accept multiple system interfaces that feed data from the Eversource billing systems, meter databases, and historical ISO-NE provided data. These interfaces route any metering data into staging tables and then finally into the load settlement application. The application is configured to send an email notification to IT (Information Technology) support and LS when there is an issue with the data import process. Once resolved, LS performs and verifies any system calculations and performs a review of any missing metering

[1] For load settlement purposes, generation only includes ISO-NE registered generation within the applicable metering domain and does directly account for behind the meter, unregistered generation such as load reducers.

data. Once completed, LS then exports the data and sends the results to ISO-NE and relevant stakeholders.

During the period assessed, LS performed a monthly scrub process to compare the load settlement application entries with the billing systems of record. This is a catchall process that captures any differences between the systems for key fields, such as rates assigned, suppliers, and status that occurred during the month.

The focus of the work performed by Internal Audit is described in the response to ALLCO-070[ii].

Procurement:

CL&P and its legal counsel reasonably expected that procurement practices would be the subject of further litigation before PURA, in the contested 2026 RAM proceeding in Docket No. 26-01-03 and the contested rate case in this proceeding. Regarding the portion of this interrogatory that asks the Company to "identify the procurement functions, practices, and categories of transactions reviewed" to prepare the Privileged Procurement Report – and which also asks the Company to identify "the standards or criteria against which they were assessed" – an Eversource attorney asked Internal Audit to undertake a privileged and confidential assessment of the alignment of procurement practices with regulatory expectations and generate a report for the Legal Department.

Prior Referenced Response:

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[i] ALLCO-095 Question:

The Company's responses to ALLCO-040 and ALLCO-041 state that treating distribution-connected resources under five megawatts as unregistered load reducers "produces benefits for customers by reducing wholesale load obligations" and "reduce[s] the load and capacity supply obligations of all load serving entities." For each calendar year 2020 through 2025:

(a) describe how the Company's retail load settlement process allocates the output of a host customer's behind the-meter generation to the load-serving entity serving that customer — i.e., confirm that when the host customer is served by a licensed third-party supplier, the resulting reduction in settled load accrues to that supplier's wholesale position rather than to the Company's standard service load; (b) state the number of net-metered, virtually net-metered, and other load-reducer host customers served by third-party suppliers versus taking standard service or supplier-of-last-resort service, by year, and the associated behind-the-meter output in MWh for each group (or the best available estimate, identifying the estimation method); and (c) state the aggregate MWh by which load-reducer output reduced the settled Real-Time Load Obligation of the Company and of third-party suppliers, respectively, by year, in native format.

ALLCO-095 Response:

PURA's June 2, 2026, Notice of Proceeding in Docket No. 26-05-10 states that, upon a receipt of a completed application from Eversource to amend the Company's existing rate schedules, PURA will conduct a contested proceeding to review Eversource's application. Eversource objects to Allco's effort to litigate an issue that is outside the scope of this rate case proceeding. Considering the statutory 350-day timeframe to issue a final decision on the Company's application and the number of interrogatories issued in this proceeding to-date, the litigation of issues irrelevant to the Company's application threatens to adversely impact the orderly conduct of this proceeding.[i]

Without waiving said objection, the Company states as follows:

a. For the purposes of ISO-NE load settlement within the wholesale power markets, electric distribution utilities report load data to ISO-NE for each "Load Asset," which is the specific collection of customer load represented in the ISO-NE market settlement system for a particular load-serving entity ("LSE"). The Company reports hourly load data to ISO-NE consistent with the applicable tariff provisions and rules of ISO-NE. Customer hourly loads are determined based on either actual hourly interval data or estimated data developed from load profiles. Non-large commercial and industrial customers generally do not have interval metering, and their load data is reported to ISO-NE based on load profiles. Large commercial and industrial customers have interval metering and their load data is reported to ISO-NE based on that hourly metered data. When interval data is not available, the load data for those customers is reported to ISO-NE based on load profiles. If a customer has a behind-the-meter load reducer, then for generation that is not in excess of the their consumption that load reducer lowers both that customer's billed sales and the wholesale load associated with the load asset assigned to their LSE. If a wholesale supplier's load is reduced, the expense billed from ISO-NE to the wholesale supplier is reduced. For generation that is in excess of their consumption, that excess amount is credited to the customer in the manner described in ALLCO-043. The excess wholesale generation is distributed amongst all LSEs in the load zone.

b. The volume of distributed generation facilities enrolled in Connecticut clean energy programs and tariffs is reported by the EDCs and other program administrators on an annual basis, most recently in Docket No. 25-08-01. The total number and capacity of reported facilities in Eversource service territory for each year is as follows:

Year	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
DG facility count	31,997	35,481	41,448	56,327	67,591	75,727
Total MW	314.5	360.7	414.0	539.3	658.8	742.5

The Company does not track the number of customers enrolled in clean energy programs and tariffs served by third-party suppliers versus taking standard service or supplier-of-last-resort service.

c. The company does not track or estimate the aggregate MWh by which load-reducer output reduced the settled Real-Time Load Obligations.

[ii] ALLCO-070 Question:

For each of the Withheld Reports, identify and produce every pre-existing document, record, data set, system extract, policy, procedure, contract, purchase order, invoice, prior audit report, or other material that the Internal Audit Department collected, reviewed, considered, or relied upon in performing the assessment. A pre-existing business

record does not become privileged by being gathered by auditors or transmitted to counsel; for any item nonetheless withheld, provide a log entry stating its date, author, custodian, and the basis of the claim.

ALLCO-070 Response:

Load Settlement Privileged Review

To perform the privileged review, the following was obtained from management responsible for the processes and assessed on a sample basis by Internal Audit:

- Policies and procedures
- Reports, and supporting data, that support the load settlement process
- Access privileges to key data that supports the load settlement process
- Documentation to support ISO billings and payments

Procurement

To perform the privileged review, Internal Audit reviewed a sample of contracts and supporting documentation for those contracts.