REDACTED

STATE OF CONNECTICUT
DEPARTMENT OF REVENUE SERVICES

Form AU-903FP
Audit Division
Tax Determination Closing Agreement

Date: September 19, 2019

Taxpayer Name: Connecticut Light and Power Company (CL&P)
Tax Registration #: 0735597-902
Tax Type: Sales & Use Taxes
Case Id: 1334155-11
Audit Start Period: 1/1/2013
Audit End Period: 6/30/2019

This Tax Determination Closing Agreement sets forth the terms under which the Department of Revenue Services (*DRS*) and CL&P (*Taxpayer)* have agreed to close the above-referenced audit.

The *Taxpayer* filed claims for refund in the amount of $17,812,841.07 related to overpayments of accrued and remitted use tax. The claim for refund was based on the application of a use tax rate that was much larger than the effective rate computed in the prior audit cycle ending 12/31/2012.

DRS conducted an examination of the books and records to verify the effective use tax rate used by the *Taxpayer* for the initial audit period 1/1/2013 through 12/31/2015. During the course of the examination additional tax liability was identified in regards to disallowed exempt sales and purchases subject to use tax from accounts in which the effective use tax rate was not applied. The effective use tax rate computed in the examination was lower than the rate used by the taxpayer, which resulted in an overall net refund of use tax.

Both parties have agreed to extend the audit period to 6/30/2019 based on the results of the initial audit period.

[redacted]

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[redacted]

[redacted]

Taxpayer and the *DRS* agree that the terms of this Closing Agreement shall be maintained as confidential and shall not be disclosed by any of the parties or their legal and/or tax representatives, except that the terms of this Closing Agreement may be disclosed as required by law or by lawful process and may along with the confidentiality provisions of this paragraph be disclosed to employees, affiliates, agents or representatives of the parties, or other persons, to the extent that such information is required in the normal course of business, however such disclosure to employees, affiliates, agents or representatives shall be accompanied by notice of the provisions of this paragraph and a prohibition against redisclosure.

Indicate your concurrence with this Closing Agreement by signing below.

For *DRS* Presented by:	For *DRS* Agreed to by:
Tax Unit Manager	Tax Division Chief
9/20/19	9/20/19
Date	Date

Agreed to on behalf of *Taxpayer*	
[redacted]	Director-Taxes
	Title
	9/20/19
	Date