Date Filed: November 05, 2026

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

Question:

(VARIABLE COMPENSATION) Lazor, Eichler and O'Connor Pre-Filed Test., pp. 30-34; Application, Schs. C-3.6 and C-3.7; Interrog. Resp. OCC-289, Interrog. Resp. OCC-290, Atts. 1–4, and Interrog. Resp. OCC-369. Regarding the funding and level of the variable compensation reflected in Schedules C-3.6 and C-3.7:

a. The Company's response to Interrogatory OCC-369 states that no employee other than the Eversource Chief Executive Officer and Chief Financial Officer is paid variable compensation on the basis of corporate financial performance goals. The response to OCC-289 states that the 2025 corporate performance goals were based 70% on overall financial performance, and each plan document in OCC-290, Atts. 1-4 states that the funding pool is based on achievement of an Eversource Energy consolidated earnings per share goal. Reconcile the Company's response to Interrogatory OCC-369 with its responses to Interrogatories OCC-289 and OCC-290.

b. State, for each of plan years 2021 through 2025, the effect of the earnings per share results on the funding pool, and state the 2024 earnings per share goal and actual result. Provide the plan documents for plan years 2021 and 2022.

c. Provide an exhibit that shows, for each plan year 2021 through 2025, the threshold, target and maximum level of each corporate scorecard metric, the resulting funding percentage, the weighted average payout as a percentage of target, the enterprise pool and the amount allocated to CL&P, together with the 2024 scorecard in the form of OCC-198, Attachment 1.

d. Reconcile the 2025 total variable compensation allocated to CL&P of $11,308,184 in OCC-202, Attachment 1 and the 2025 total variable compensation for CL&P employees of $5,395,820 in OCC-202, Attachment 2 to the 2025 amounts in OCC-286, Attachment 1 and to the Test Year gross plan amounts of $12,731,000 for CL&P and $8,715,000 for EESCO in Schedule WP C-3.6. Reconcile OCC-286, Attachment 1 to Schedules C-3.6 and C-3.7 for the Test Year, the Test Year pro forma and the Rate Year. State the amounts accrued against the amounts actually paid for each of calendar years 2021 through 2025.

e. Provide an exhibit that shows the Rate Year amounts in Schedules C-3.6 and C-3.7 restated at a payout of 100% of target for every participant.

Response:

a. The Company's response to Interrogatory OCC-369[i] actually states that "[t]here is no employee that is paid for variable compensation ***on the basis of achievement*** of corporate financial performance goals, aside from the Eversource Energy Chief Executive Officer and the Chief Financial Officer." (emphasis added). It does not state that the CEO and CFO are "paid variable compensation on the basis of corporate financial performance goals." There is a difference in these two statements. The Company's statement means that their variable compensation *depends upon* whether the corporate performance goals are *achieved* and to what extent. It does not mean that their pay-out is determined in correlation with these goals, as achieved, which is what the statement in the question implies.

The response to OCC-289[ii] actually states that "[i]n the Eversource variable pay program, there ***are two different types*** of "financial goals." First, there are the corporate financial performance goals that are identified and discussed in the Eversource Energy annual proxy statement …." Second, the response to OCC-289 actually states that there are "'performance goals' within the Eversource variable pay program [that] are the ***employee-specific performance goals***." (emphasis in original). The question states that "the 2025 corporate performance goals were based 70% on overall financial performance …." This is not an incorrect statement; however, it is wholly incomplete. This statement is pertinent only to the corporate financial performance goals, which are pertinent only in limited respects to the overall variable pay compensation program.

The question further states that each plan document in OCC-290, Atts. 1-4, states that "the funding pool is based on achievement of an Eversource Energy consolidated earnings per share goal." However, the document actually states that "Your award will be based on ***the achievement of employee*** Annual incentive program goal results ***and incentive program funding****."* (emphasis added), meaning that the Employee's actual variable pay amount is a function of two independent drivers, which are both dependent on "achievement." These two drivers are: (1) whether the Employee achieved their own individual performance goals; and (2) whether the corporation achieved its corporate performance goals, triggering the funding of the overall variable compensation plan. To this point, OCC-290, Att. 1 states that "[a] funding pool will be based on the ***achievement*** of an ES Consolidated EPS Goal along with the achievement of certain strategic and high-level financial goals." (emphasis added).

Decisions on ***the amount*** of the funding pool are ***not*** determined by the Eversource Energy corporate financial performance goals, but rather is an amount set by the CFO (UPA-005(f)).

Therefore, in terms of "reconciling," the Company's response to Interrogatory OCC-369 with its responses to Interrogatories OCC-289 and OCC-290[iii], it is unclear what needs to be "reconciled." The Company's responses to OCC-369, OCC-289, OCC-290, and numerous

other responses including UPA-005[iv], UPA-007[v], UPA-039[vi], all substantiate the two-tiered procedure that applies to determine: (1) whether corporate performance goals are achieved; how it applies to executive officers and how it triggers payment of the funding pool; and (2) how the amount of the funding pool is decided; how all other employees of the company, director and below are determined to be eligible for variable pay and at what level; and how the funding pool is allocated among employees below the director level.

b. For each of plan years 2021 through 2025, the earnings per share results ***did not determine the amount of the funding pool***. The "earnings per share result" is part of the corporate financial performance goal that is a trigger for the Board of Trustee's overall funding of the pool, but does not determine the amount of the funding pool and has no mathematical connection to the funding level. RRU-056, Attachment 1, provides the plan documents for plan years 2021 and 2022.

c. This subpart requests, for each plan year 2021 through 2025, the threshold, target and maximum level of each corporate scorecard metric, along with "the resulting funding percentage," the "weighted average payout as a percentage of target," the "enterprise pool" and the "amount allocated to CL&P," together with the 2024 scorecard in the form of OCC-198, Attachment 1. However, these items are not connected. None of "the threshold, target and maximum levels of each corporate scorecard metric" have any connection to the "funding percentage." The ***amount of the funding pool*** is determined by the Chief Financial Officer each year, apart from the results of the corporate financial performance (UPA-005, UPA-007, UPA-039, indicating 145% performance over target in 2025 for the corporation and 122% for the amount of the funding pool).

It is unclear what is meant by "weighted average payout as a percentage of target," however, in response to OCC-201, Attachment 1, the Company provided the performance rating distribution, which shows the percentage payout as compared to target. The 2024 scorecard in the form of OCC-198, Attachment 1, is provided as RRU-056, Attachment 2, herewith.

	2021	**2022**	**2023**	**2024**	**2025**
Enterprise Funding	$58,751,968	$68,999,575	$71,893,634	$76,790,551	$83,771,560
CL&P Funding Allocation	$4,472,095	$5,010,711	$6,073,272	$6,096,262	$6,172,409
ESC Funding Allocation	$3,257,387	$4,317,413	$10,472,053	$10,928,330	$11,701,080

d. The total variable compensation of $11,308,184 in OCC-202, Attachment 1, represents the 2025 total gross variable compensation at target for Service Company employees and officers that were allocated to CL&P; and the amount of $5,395,829 in OCC-202, Attachment 2, is the 2025 total variable compensation at target for CL&P employees and officer directly charged to CL&P. The amounts cannot be directly compared and reconciled to the gross employee variable compensation plan amounts in Schedule C-3.6 as that schedule represents the Test Year accrual based on the budgeted target variable compensation and the estimated payout percentage for the year and includes prior period true-ups and other adjustments recorded to the G/L.

   Please refer to RRU-056, Attachment 3, for the variable compensation amounts reconciled between OCC-286, Attachment 1, and Schedules C-3.6 and C-3.7 for the Test Year and Rate Year. The Company notes the Test Year costs are being revised to update for the capitalization amounts, however there is no change to the total Employee Variable Compensation Test Year amounts.

e. The Company's proposed cost of service in this proceeding includes the employee variable compensation charged to CL&P as earned in the Test Year, 2025, based on the payouts associated with that performance year, as adjusted to Rate Year levels. The Company recognizes that the variable compensation payouts vary from year-to-year and may be more (or less) than target levels. The Company's experience in Massachusetts is to reflect the amount of variable cash incentive at target levels, rather than at paid amounts. Therefore, please refer to RRU-056, Attachment 4, for the revised employee variable plan Schedule C-3.6 at target level; and RRU-056, Attachment 5, for each Service Company employee at target incentive and RRU-056, Attachment 6, for each CL&P employee target incentive.

   The Company's Rate Year amounts for CL&P and ESC would be $2.074 million and $6.225 million, respectively, as compared to $6.852 million and $4.443 million, respectively. Refer to UPA-015, Attachment 1, for the Officer Variable Compensation at target levels.

Prior Referenced Responses:

[i] OCC-369 Question:

Employee Variable Compensation. Refer to Schedule C-3.6. Provide the amount included in the Rate Year 1 related to financial goals.

OCC-369 Response:

Please refer to the Company's response to information request OCC-289.

There is no employee that is paid for variable compensation on the basis of achievement of corporate financial performance goals, aside from the Eversource Energy Chief Executive Officer and the Chief Financial Officer. In its initial filing in this docket, the Company has proactively removed the variable pay component for the CEO and CFO from the cost of service presented in this case. Because they are the only employees with individual performance goals that are tied to achieving corporate financial goals, the Company is able to confirm that there is no request to include variable pay associated with corporate financial goals in the cost of service in this proceeding.

Depending on their position, individual employees may have specific performance goals that pertain to financial metrics such as budget control, cost containment or efficiency improvement. These types of financial metrics work to the direct benefit of customers in terms of controlling the cost of service that will be recovered through rates. There are no employee-specific financial metrics that are tied to corporate financial performance goals, such as earnings, earnings per share, dividends per share or credit rating or other similar goals related to investor results.

[ii] OCC-289 Question:

Incentive Compensation. Identify the total amount of incentive compensation expense (direct and allocated) included in the Rate Year related to financial goals.

OCC-289 Response:

The term "financial goals" is a non-specific term that does not adequately or properly differentiate the elements of the Company's variable pay compensation program.

1. Corporate Financial Performance Goals

In the Eversource variable pay program, there are two different types of "financial goals." First, there are the **corporate financial performance goals** that are identified and discussed in the Eversource Energy annual proxy statement, submitted in this docket as CIEC-015, Attachment 1. The establishment of corporate performance goals – and evaluation of performance against those corporate goals, is performed on an annual basis by the Board of Trustees. For 2025, the Board of Trustees determined that the corporate performance goals would be based 70 percent on Eversource Energy's overall financial performance and 30 percent on Eversource Energy's overall operational performance. The Board of Trustees set substantially all of the 2025 target corporate performance goals, including quantitative financial goals, at levels above the prior year's targets, reflecting increased performance expectations and reinforcing the relationship between performance and pay. See, CIEC-015, Attachment 1, at 47. The Board of Trustees further determined the specific goals that would be used to assess corporate performance, with potential ratings on each goal ranging from zero percent to 200 percent of target and assigned weightings for each of the goals. See, id, at 46-47.

In the first quarter of the year after the performance year, the Board of Trustees then examines performance of the corporation against the financial and operational performance goals set for the corporation, as a whole, for the past calendar year. The Board of Trustees (Compensation Committee) also reviews and assesses individual executive performance for the Eversource Energy "executive population." CIEC-015, Attachment 1, at 53. An important point is that the Board of Trustees does not assess performance or set funding parameters for any employees below vice president and there is no determination made by the Board of Trustees setting an individual employee's variable pay compensation in a given performance year below the rank of vice president.

Based on the Board of Trustees' determination of the achieved performance level (i.e., at target, or above or below target, or some combination thereof), a decision is made by the Eversource Energy Chief Financial Officer ("CFO")

as to the exact payout amount of the funding pool that will be available for all Eversource Energy employees below the rank of vice president.

2. Employee-Specific Performance Goals

The second category of "performance goals" within the Eversource variable pay program are the employee-specific performance goals. Once the funding pool is determined by the CFO, following the Board of Trustees' determination on the achievement of corporate goals, then the variable pay funding pool is distributed among all Eversource Energy employees in accordance with each individual's performance on their own performance metrics. With respect to employee-specific performance goals, it is important to note that some employees may have individual performance goals that relate to performance on financial "metrics" such as budget control, cost containment or efficiency improvement.

However, with respect to individual employees, only the Eversource Energy Chief Executive Officer ("CEO") and CFO have "financial goals" that align with the corporate financial goals, such as earnings per share or dividend growth. No other employee has individual performance goals that are tied to or track the corporate financial performance goals. To the extent that an employee may have one or more individual performance goals that pertain to financial metrics, those metrics will be designed to drive a performance outcome works to the benefit of customers, such as cost containment, efficiency improvement or other similar outcome. None of the employee-specific financial metrics tie to corporate financial performance goals.

Therefore, to separate compensation associated with the achievement of corporate financial performance goals and achievement of individual, employee-specific performance goals, the Company proactively removed the variable pay component for the CEO and CFO from the cost of service presented in this case. Because they are the only employees with individual performance goals that are tied to achieving corporate financial goals, the Company is able to confirm that there is no request to include variable pay associated with corporate financial goals in the cost of service in this proceeding.

[iii] OCC-290 Question:

Incentive Compensation. Please provide complete copies of all incentive compensation plans, bonus programs or other incentive award programs in effect at the Company for each of the years 2023, 2024, 2025, and that will be in effect in the rate year. Provide this information for all employees, i.e., direct and allocated employees.

OCC-290 Response:

Please refer to OCC-290, Attachments 1 through 4, that include incentive compensation plans for 2023 through 2026.

[iv] UPA-005 Question:

(OFFICER VARIABLE PAY—FUNDING POOL) Application, Ex. CLP-EMPLOYEE-1, pp. 30–35. The referenced exhibit states that the enterprise variable-pay pool is funded based on corporate financial and operational performance and provides the applicable metrics and weights. Without repeating those descriptions, provide the complete 2025 calculation showing:

a. the threshold, target, and maximum scoring or payout curve for each metric;
b. actual 2025 performance;
c. the score or performance factor assigned to each metric;

d. the resulting financial score and operational score;
e. the resulting overall pool funding percentage/factor;
f. the dollar amount of the pool at target and the actual amount funded;
g. whether the funded pool was fully distributed;
h. any amount retained, returned, forfeited, or otherwise not distributed;
i. how the funded amount was allocated among business units; and
j. how amounts available to each business unit or manager were translated into individual awards.

UPA-005 Response:

This question continues to improperly intermingle the two independent processes applicable to the Company's variable pay compensation framework, which are (1) the process to determine the annual funding pool and the Board of Trustee's determination of variable pay for the CEO; and (2) the process to determine how each individual's actual payout percentage is determined for every other employee in the business aside from the named officers. Below are data points and references to better explain and detail the process with each subsection denoted as to whether it applies to the first or second process.

(a) The threshold, target, and maximum scoring or payout curve for each metric. Each year, the Eversource Energy Board of Trustee's evaluates the corporation's performance in the prior calendar year against a set of pre-designated performance metrics and assigned ratings. Based on that evaluation, the Board of Trustee's makes a determination that variable pay compensation will be funded for the year. In addition, the Board of Trustees determines the variable pay compensation for the CEO, which is also granted on the basis of the corporation's achievement of those same pre-designated performance goals. Thus, the threshold, target and maximum ranges for each performance goal in CLP-EMPLOYEE-1, at pages 30-35, pertain exclusively to the ***funding process*** and to the determination of variable pay for the CEO. These performance metrics and assigned ratings ***do not apply*** to any other individual employees, except for the CEO, whose compensation is determined by the Board of Trustee's Compensation Committee.

Metric	**Threshold**	**Target**	**Maximum**
Financial Performance (70%)			
Non-GAAP Earnings Per Share	$4.59	$4.71	$4.80
Dividend Growth	$2.97	$3.00	$3.03
Strategic Growth Initiatives			
Strategic Growth Initiatives	Regulatory filings, storm cost recovery, and strategic positioning		
Operational Performance (30%)			

Reliability Average Months Between Service Interruptions (MBI)	15 Months	21.3 Months	22 Months
Restoration System Average Restoration Duration (SAIDI)	70 Minutes	63.7 Minutes	62 Minutes
Safety Rate	1.25 Rate	0.85 Rate	0.75 Rate
Gas Emergency Response	93.0%	98.2%	99.2%
% Candidate Slate	50.0%	59.5%	65.0%

Sustainability Ranking	65.0%	87.0%	107.0%
Key Strategic Customer and Clean Energy Operational Results			
Enhance the Customer Experience	Advanced Metering Infrastructure rollout, Energy Efficiency programs, stakeholder and community engagement and data security programs		
Clean Energy Execution	Non-pipe alternatives, execution of Massachusetts Grid Modernization, geothermal and decarbonization projects		

(b) through (e)

For 2025, the Board of Trustees Compensation Committee approved corporate performance at 145% of target based on the following computation:

Table 1
Targeted and Actual Performance

Threshold	**Target**	**Maximum**	**Financial**	**Payout**	**Approved**
Metric 50%	100%	200%	Results	Factor	Weighting
Financial Performance					
2025 Non-GAAP Earnings Per Share $4.59	$4.71	$4.80	$4.76	155%	60%
Dividend Growth $2.97	$3.00	$3.03	$3.01	131%	10%
3.85%	5.00%	5.94%			

Table 2
Key Strategic Financial and Regulatory Results

Strategic Financial Initiatives and Regulatory Outcomes	Regulatory filings, storm cost recovery and strategic positioning				175%	30%
Operational Performance						
Reliability Average Months Between Service Interruptions (MBI)	15 Months	21.3 Months	22 Months	21.0 Months	95%	25%
Restoration System Average Restoration Duration (SAIDI)	70 Mins.	63.7 Mins.	62 Mins.	66 Mins.	63%	25%
Safety Rate	1.25 Rate	0.85 Rate	0.75 Rate	0.87 Rate	95%	8.33%
Gas Emergency Response	95%	98.2%	99.2%	98.0%	94%	8.33%
% Candidate Slate	50.0%	59.5%	65.0%	64.3%	187%	8.33%
Sustainability Index	65.0%	87.0%	107.0%	102.6%	178%	8.33%
Key Strategic Customer and Clean Energy Operational Results						
Enhance the Customer Experience	Advanced Metering Infrastructure rollout, Energy Efficiency programs, stakeholder and community engagement and data security programs				165%	8.33%
Clean Energy Execution	Non-pipe alternatives, execution of Massachusetts Grid Modernization, geothermal and decarbonization projects				160%	8.33%
Financial Performance (weighted 70%)	at 159%	111%				
Operational Performance (weighted 30%)	at 113%	34%				
Overall Performance		**145%**				

Subpart (b) asks for "actual 2025 performance." Table 1 provides the "actual 2025 performance" for the corporation, for the purposes of the Funding Pool decision. Table 1 does not pertain to any individual employee in the enterprise other than the CEO.

Subpart (c) asks for the "score or performance factor assigned to each metric." Table 2 provides the "score or performance factor assigned to each metric," for the corporation, for purposes of the Funding Pool decision. Table 1 does not pertain to any individual employee in the enterprise other than the CEO.

Subpart (d) asks for the "resulting financial score and operational score." Table 1 provides the "resulting financial score and operational score" for the corporation, for the purposes of the Funding Pool decision. Table 1 does not pertain to any individual employee in the enterprise other than the CEO.

Subpart (e) asks for the "resulting overall pool funding percentage/factor." Table 2 provides the "resulting overall pool funding percentage/factor" for the corporation, for the purposes of the Funding Pool decision. Table 2 does not pertain to any individual employee in the enterprise other than the CEO.
As noted in Table 2, the "overall pool funding percentage/factor" is 145%.

f. Subpart (f) of the question asks about "the dollar amount of the pool at target and the actual amount funded. Based on the overall results of the corporation against the pre-established goals, the corporation's performance was calculated as 145% of target for 2025, reflecting the Company's strong performance and the executive team's execution of the Company's Operating Plan.

   The 2025 overall funding pool percentage is used to set the variable pay compensation of the CEO. The CEO's variable pay component was based on the 145% of target factor. For the other Named Executive Officers, their variable pay compensation was paid out at 145% of target, *in the aggregate,* for the group of five officers, although individuals in the group received different percentages depending on their individual performance.

   Similarly, for the vice presidents, their variable pay compensation was paid out at 145% of target, *in the aggregate,* for the entire group, although individuals in the group received different percentages depending on their individual performance. The 145% performance achievement does not apply at any other level of the organization for establishing pay-outs to individual contributors.

   For performance in 2025, the Chief Financial Officer established the funding pool shown below, which was above target:

2025 Variable Compensation Target	**2025 Actual Variable Compensation Paid Out to Employees**
$80,308,863	$101,113,911

g. Subpart (g) of the question asks whether the funded pool was fully distributed. Once the funding pool is established (at $101,113,911), all amounts were paid out across the organization because variable pay compensation is part of total employee compensation and is not used or diverted for other purposes once the pool is established. Once funded, the dollars are distributed to employees or "individual contributors" across the organization in accordance with the allocation process that is handled by the Eversource Energy Human Resource Department.

h. Subpart (h) asks whether any amount (of the funding pool) is retained, returned, forfeited, or otherwise not distributed. As answered in subpart (g), none of the variable compensation funded pool was retained,

returned, forfeited or otherwise not distributed. To the contrary, each year, variable pay compensation is accrued in the operating budget for every business unit, reflecting the expectation that variable pay compensation will be paid out to employees. Generally, variable compensation is budgeted at target levels as this is the level of total compensation that the Company would expect to pay if every employee met the expectations of their job positions exactly as anticipated for the individual job position. In this case, the Company is requesting to include the target level in rates as representative of the amount of variable pay compensation that the Company will pay to employees on a year-to-year basis, although in the Test Year 2025, Eversource paid out greater than the target level to employees and may do so again in the future.

i. With respect to how the funded amount is allocated among business units, the process starts with a bottom-up assessment of target funding levels. For each eligible employee, Eversource multiplies the employee's base salary times the employee's variable compensation target (i.e. $100,000 times 10% = $10,000) to define the eligible variable compensation dollar target. This calculation is conducted for each eligible department of the Company to define the target dollar amount for each department.

   Once the funding pool is set, the eligible funding pool is distributed to each department on the basis of the department's employee count and the identified pay-out level associated with the funding pool approved by the CFO, correlating to the target amounts for that department.

j. With respect to how amounts available to each business unit or manager are translated into individual awards, funding pools are allocated to each department/manager through the Company's Workday Human Resources Information System (HRIS). Through this system, managers enter recommendations for grants to eligible employees in their departments, in conjunction with their performance assessments of those employees (only up to the amount of the funding pool for that department). Through the Workday system, these recommendations are rolled up to the Executive Vice President of each respective organization for review, consultation and final approval. This process was described in the Company's response to UPA-010.

k. All eligible individual employees or "contributors" below the six Named Executive Officers, have individual scorecards delineating the individual's performance goals for the calendar year. These individual performance goals are not designed to correlate directly or tie to the corporation's performance goals, nor are there any weightings that apply to individual employee goals. All of the corporation's goals, whether financial or operational, are part of the corporation's service mission to customers and are furthered by the efforts of our employees across the organizations. Therefore, individual goals are designed to support corporate objectives to provide safe and reliable service to customers with rigorous cost control and responsible management. The performance of each employee is reviewed by the respective manager and decisions are made within the various levels of management as to how the funding pool for that department will be allocated among its own contributors. Employees are ranked by their level of contribution and the variable pay is paid out to employees on the basis of the contribution level assigned by management. The Company's response to OCC-201, Attachment 1, shows the allocation of variable pay compensation across the base of employee contributors.

[v] UPA-007 Question:

(OFFICER VARIABLE COMPENSATION—FINANCIAL AND STRATEGIC METRICS)
Application, Ex. CLP-EMPLOYEE-1, Tables 8 and 9. For the 2025 performance year, provide:

a. the scoring curve, threshold, target, maximum, and actual score for Non-GAAP earnings per share (EPS) and dividend growth;
b. the individual initiatives comprising "Strategic Financial Initiatives and Regulatory

Outcomes";

c. the target, actual result, weight, and score assigned to each such initiative;
d. the resulting contribution of each financial subcomponent to the overall 2025 funding-pool factor; and
e. any pre-existing analysis quantifying the asserted CL&P customer benefit from the financial component, including any effect on borrowing costs, credit metrics, cost of capital, customer bills, or capital-investment costs.

UPA-007 Response:

This question continues to improperly intermingle the two independent processes applicable to the Company's variable pay compensation framework, which are (1) the process to determine the annual funding pool and the Board of Trustee's determination of variable pay for the CEO; and (2) the process to determine how each individual's actual payout percentage is determined for every other employee in the business. Below are data points and references to better explain and detail the process with each subsection denoted as to whether it applies to the first or second process.

a. The scoring curve for Non-GAAP earnings ***as it pertains to establishment of the Funding Pool and variable pay compensation for the CEO*** is included in the Company's response to UPA-005[i].

Metric	Threshold	Target	Maximum
Non-GAAP Earnings Per Share	$4.59	$4.71	$4.80

(b) through (d)

The initiatives and outcomes comprising "Strategic Financial Initiatives and Regulatory Outcomes," and their actual results, are discussed in the Company's annual proxy statement provided as Attachment CIEC-015, Attachment 1, at pages 56, through 57, excerpted below for ease of reference. The referenced "Strategic Financial Incentives and Regulatory Outcomes pertain only to establishment of the Funding Pool and the CEO. These goals do not pertain to individual contributors, unless specifically identified for a particular employee.

• STRATEGIC INITIATIVES AND REGULATORY OUTCOMES:

Goal	Outcome
Effectively manage onshore construction for Revolution Wind.	• Eversource completed the onshore substation construction of the Revolution Wind project ahead of schedule. We expect this milestone to accelerate the commencement of commercial operations for the wind farm and reduce the Company's financial exposure. The project successfully challenged the stop-work order issued by the U.S. Department of the Interior's Bureau of Ocean Energy Management in the U.S. District Court for the District of Columbia, permitting construction to resume in October. The project also prevailed when a second stop-work order was issued. A second stop-work order was also overturned by the court on January 12, 2026, and the project team is working on final construction and commissioning of the project.
Execute regulatory initiatives across three states, including the Yankee Gas Service Company and Public Service Company of New Hampshire rate cases and various capital tracker and performance mechanisms.	• We have filed to recover and/or received regulatory approval for nearly 98 percent of deferred storm costs, an effort that is expected to result in nearly $2.0 billion of deferred storm cost recovery, another major milestone in improving our balance sheet condition. The Company played an active role in support of Connecticut passing legislation to securitize storm costs for The Connecticut Light and Power Company. The Company filed to recover nearly $1 billion of deferred storm costs in Connecticut in 2024-2025 to catch up on nearly all previous storms. The Company also filed for storm cost recovery in Massachusetts and New Hampshire and is awaiting approval. The Company implemented significant enhancements to streamline our storm response efforts, cost efficiencies, reporting capabilities, and oversight that will accelerate future regulatory prudence filings. • The Company received a final decision on the Yankee Gas Services Company rate case that resulted in an approved revenue increase of approximately $100 million, a return on equity of 9.32 percent, and enabled timely recovery of critical safety and regulatory capital investment programs. The Public Service Company of New Hampshire rate case yielded a rate increase of approximately $100 million with annual inflationary performance-based regulation rate mechanism that provides for an annual rate adjustment through July of 2029 and a return on equity of 9.50 percent. Each of these rate cases was a successful effort supporting continued earnings growth and providing the framework for future investment. In addition, the Company has been diligently engaging with stakeholders on timely recovery of capital investment outside of the full rate cases cycle, mitigating the need for more frequent rate cases while minimizing cost increases for customers. • We successfully negotiated a settlement agreement for NSTAR Gas Company with the Massachusetts Attorney General's office (MA AGO) that resulted in a $10 million rate adjustment and Gas System Enhancement Program in base rates. • The Company reached a settlement with the MA AGO for Eversource Gas Company of Massachusetts to allow for future recovery of approximately $65 million, net of acquisition and integration costs, while resolving the long-standing pension and Resiliency Tree Work cost recovery items.
Advance strategies to improve the Connecticut political and regulatory environment, while strengthening Massachusetts and New Hampshire stakeholder relations.	• Our ongoing effort to engage key Connecticut stakeholders and share how utilities operate and finance their business contributed to the development of Connecticut Senate Bill 4 addressing energy bill affordability. Changes in the Connecticut regulatory structure, including the appointment of new commissioners and increasing the committee membership to five commissioners, signaled a more balanced and constructive regulatory environment and led to further investor confidence in the financial condition of the Company. We have significantly increased our stakeholder engagement, including bringing stakeholders to Eversource facilities for tours. All of these interactions offer the unique opportunity to educate stakeholders on our business, and how we conduct our operations, allowing settlement and rate case procedures to be more tangible for intervenors, as well as public communication.
Grow the transmission business through competitive solicitations.	• Evaluation of competitive transmission offers is being embedded into our transmission strategy, including ISO-New England (ISO-NE) and NE-NY processes for further growth investment. The Company submitted a bid in response to ISO-NE's request for transmission infrastructure to be constructed enabling generation from Maine to be delivered into southern New England. We are streamlining project development processes to ensure efficient coordination for timely siting, permitting, procurement, engineering and construction which allows for a more flexible and robust annual capital planning process.

Goal	Outcome
Improve corporate-wide cost structure and financial condition.	• We have executed a supply chain management effectiveness initiative which has reduced inventory and improved processes, tools and training, resulting in lower cost supply operation while sustaining optimal performance. • The Company implemented a $1.2 billion At-the-Market share issuance program and issued approximately seven million shares resulting in net proceeds of $465 million.
Complete the divestiture of Aquarion Water Company.	• The Company received an unfavorable regulatory decision from the Connecticut Public Utilities Regulatory Authority (PURA) on the sale of Aquarion Water Company. The Company appealed the PURA decision and, on January 14, 2026, a Connecticut court held that PURA acted illegally and remanded the matter back to PURA for further proceedings. On March 6, 2026, PURA issued a proposed final decision approving the sale of Aquarion. PURA has scheduled release of its final decision for March 25, 2026. There can be no assurance that PURA's final decision will be consistent with the proposed final decision. The Company is evaluating the conditions of that approval as well as other strategic opportunities to avoid further debt and equity issuances. Eversource's FFO to debt ratio is currently approximately 14 percent and in excess of the 13 percent Moody's threshold.
• The Committee determined this goal to have attained a 175 percent performance result.	

e. As discussed in the Company's response to OCC-196,[ii] and OCC-197[iii], Table 8, in Exhibit CLP-EMPLOYEE-1, correlates to the ***first stage*** of the annual variable pay procedure. Specifically, Exhibit CLP-EMPLOYEE-1, at 31, at lines 15-18, explains that Table 8 "provides the target goals set by Eversource in 2024 and 2025 applicable to the decision as to whether the variable pay pool should be funded. These goals are solely for the purpose of determining whether the variable pay pool should be funded."

Accordingly, all of the referenced "Strategic Financial Incentives and Regulatory Outcomes ***pertain only to establishment of the Funding Pool and variable pay compensation for the CEO***. These goals do not pertain to individual contributors, except as modified or applied to distribution operations for the work distribution employees perform for customers.

[vi] UPA-039 Question:

(OFFICER VARIABLE COMPENSTION—INCENTIVES FUNDING POOL STRUCTURE) Identify each incentive funding pool or sub-pool applicable to any employee or officer whose compensation is reflected in Schedule C-3.6 or C-3.7.

a. For each such pool, provide its target dollar amount, final funded dollar amount, final funding percentage, population covered, and relationship to any higher-level or lower-level pool.
b. Explain how funding is transferred or allocated from the enterprise level to executive, business-unit, manager, department, or individual levels; and
c. State whether any pool or sub-pool is required to equal, or is constrained by, an amount established at a higher organizational level.

UPA-039 Response:

a. For 2025 variable compensation (paid in 2025) the targets and actual payouts are as follows:

2025 Variable Compensation Targets ($)	2025 Actual Variable Compensation Paid ($)
$80,308,863	$101,113,911

b. Please refer to the Company's response to UPA-005i. The 2025 overall funding pool percentage is used to set the variable pay compensation of the CEO. The CEO's variable pay component was based on the 145% of target factor. For the other Named Executive Officers, their variable pay compensation was paid out at 145% of target, in the aggregate, for the group of five officers, although individuals in the group received different percentages depending on their individual performance. Similarly, for the vice presidents, their variable pay compensation was paid out at 145% of target, in the aggregate, for the entire group, although individuals in the group received different percentages depending on their individual performance. The 145% performance achievement does not apply at any other level of the organization for establishing pay-outs to individual contributors.

   With respect to how the funded amount is allocated among business units, the process starts with a bottom-up assessment of target funding levels. For each eligible employee, Eversource multiplies the employee's base salary times the employee's variable compensation target (i.e. $100,000 times 10% = $10,000) to define the eligible variable compensation dollar target. This calculation is conducted for each eligible department of the Company to define the target dollar amount for each department. Once the funding pool is set, the eligible funding pool is distributed to each department on the basis of the department's employee count and the identified pay-out level associated with the funding pool approved by the CFO, correlating to the target amounts for that department.

c. There is no sub-pool to any amounts established at a higher organization level.